



Town of Newmarket
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Existing Municipal Asset Renovation: Joint Information Report

Report Number: # 2018 – 12

Department(s): Office of the CAO – CAO
Community Services – Economic Development
Development and Infrastructure Services – Public Works

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Date: September 4, 2018

In accordance with the Procedure By-law, any member of Council may make a request to the Town Clerk that this Report be placed on an upcoming Committee of the Whole agenda for discussion.

Purpose

The purpose of this report is to update Council and provide further details on a pending building renovation of an existing structure located at the Old Operations Centre site on Timothy Street.

Background

The site and building referenced is a metal pre-fab steel structure that is approximately 5,000 square feet (see site and building images within the report). The siting of this building represents a permanent location given future planning for the overall area.

Considerations supporting the pending renovation of this building include:

- ✓ Opportunity to animate a currently under-utilized structure into an immediate and long-term asset
- ✓ Opportunity to align a project with the Economic Development Strategy pillars of Urbanization; Collaboration; and Innovation
- ✓ Opportunity to secure an initial community partner with a lease agreement (NewMakeIT)
- ✓ Opportunity to bring more creative energies in close proximity to the downtown core
- ✓ Provision of sufficient on site and near-by parking
- ✓ Potential over time to further diversify Town revenue streams through increased use of an existing cost burden to one that generates lease and/or program revenues
- ✓ Opportunity to facilitate more diverse and creative program, entrepreneurs/small business start-up and multi-sectoral creative community incubation
- ✓ Opportunity to retain an asset while not negatively impacting any future trail plans or other park planning for the area



Human Resource Considerations

There are no additional human resource requirements required. The required work would be coordinated within existing staff resources along with utilizing consultants and contractors with the project budget.

Budget Impact

Advancing this project through delegated authority would be done through the issuance of a non-binding tender. While the exterior shell of the building is in good condition, interior improvements are required in order to ensure an increased use of this asset. Specifically, the tender scope would address necessary building renovations spanning site work, building envelope, interior finishes, plumbing, HVAC, power distribution systems, auxiliary systems, and life safety systems.

The funding mechanism for this work would be for an internal loan to be issued with payback (including interest) occurring over an established term up to a maximum of 20 years. This repayment term does represent an exception to the term outlined in the debt policy, however, it is expected that the useable life of the building post renovation would be a minimum of 20 years. With this amortization payback period it is projected that the loan (potential order of magnitude of approx. \$450,000) and interest would be paid back within the aforementioned term via lease revenues and/or combination of lease and other potential future program related revenues.

Attachments

None

Contact

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Approval



Peter Noehammer
Commissioner of Development and Infrastructure



Ian McDougall
Commissioner of Community Services



Robert N. Shelton, CAO