



Report
Staff Report
The Corporation of the City of Brampton
10/2/2024

Date: 2024-09-24

Subject: **Budget Amendment Request – Victoria Park Arena and Brampton Sports Hall of Fame – Ward 7**

Contact: Sonika Soor, Manager, Building Design and Construction

Report number: Public Works & Engineering-2024-772

RECOMMENDATIONS:

1. That the report from Sonika Soor, Manager, Building Design and Construction, to the Committee of Council Meeting on October 2, 2024, re: **Budget Amendment Request – Victoria Park Arena and Brampton Sports Hall of Fame – Ward 7**, be received;
2. That Council approve the return of surplus capital funds totaling \$2,216,000 from project # 222830 - Bramalea Transit Terminal; with funding to be returned to Reserve # 4- Asset Repair & Replacement.
3. That a budget amendment be approved for project #195740-001 - Victoria Park Arena and Brampton Sports Hall of Fame, to increase the project budget by the amount of \$14,650,000, with the funding to be transferred from Reserve #4- Asset R&R \$2,216,000 & Reserve #134- Development Charges Recreation \$12,434,000.

OVERVIEW:

- **Victoria Park, at 20 Victoria Crescent in Brampton, was home to Junior Hockey and Lacrosse teams. The facility was closed in May 2016 due to fire damage, and the existing structure was demolished in September 2021.**
- **The new multi-purpose, dry-floor facility, including the Brampton Sports Hall of Fame, was approved by Council in 2019. The facility will offer year-round programming for sports such as box lacrosse, indoor field hockey and ball hockey.**
- **Architecture49 Inc. was selected in 2020 through a competitive bid process to provide design and contract administration services. The design phase, completed in August 2022, included efforts to manage costs.**

- **A public procurement, Negotiable Request for Proposal (NRFP), was issued in June 2024. The City received six (6) proposals and five (5) passed the technical evaluations. The lowest eligible bid exceeded the approved budget. This report seeks approval for a budget amendment of \$14,650,000 in additional funding to award the construction contract.**

BACKGROUND:

Victoria Park, located at 20 Victoria Crescent in Brampton, was formerly home to Junior Hockey and Lacrosse teams. The facility was closed in May 2016 after a fire destroyed the premises. The existing structure was demolished in September 2021, and a new multi-purpose, dry-floor facility is being built at the same location. The redevelopment of Victoria Park Arena, including the new Brampton Sports Hall of Fame, was approved by Council in 2019.

The new facility with floor area of approximately 57,000 square feet, will provide year-round programming for box lacrosse, indoor field hockey, and ball hockey. This initiative is a key component of the Recreation Revitalization segment of the recently updated Parks and Recreation Master Plan.

Architecture49 Inc. was retained through a competitive bid process in 2020 to provide design and contract administration services. Throughout the design phase, cost estimates and value engineering were conducted to manage construction costs while maintaining the project's programming vision. Large glulam wooden beams and large format timber was supporting the roof of the original arena. A limited number of undamaged beams were carefully removed, analyzed, and to be repurposed for use in the proposed new building. The design was finalized in August 2022.

CURRENT SITUATION:

In June 2024, a public procurement - negotiable RFP was issued, and six (6) proposals were received and five (5) passed the technical evaluations. The lowest eligible bid exceeded the approved budget. This report seeks approval for a budget amendment of \$14,650,000 in additional funding to award the construction contract.

Increased construction costs are driven by skilled labour shortages, rising material costs, and fluctuating labour rates. Higher prices for structural steel, concrete, and metal fabrications, coupled with high inflation rates for labour and materials, have contributed to the overall cost increase. According to Statistics Canada, non-residential construction experienced 41% inflation between 2019 and 2024.

Upon approval of this report, the anticipated construction start date is October 2024, with a construction period of 24 months. Failure to approve this budget amendment request

will result in the cancellation of the procurement, and the construction of this project will not proceed.

CORPORATE IMPLICATIONS:

Financial Implications:

As per recommendations in this report, a budget amendment in the amount of \$14,650,000 is required to increase project #195740-001 - Victoria Park Arena and Brampton Sports Hall of Fame, for construction work, with the funding to be transferred from Reserve #4- Asset R&R \$2,216,000 & Reserve #134- Development Charges Recreation \$12,434,000, subject to council approval.

However, the capital budget impact of the budget amendment will be partially offset by the return of surplus capital funds totaling \$2,216,000 from project # 222830 - Bramalea Transit Terminal, with funding to be returned to Reserve # 4- Asset Repair & Replacement.

The budget for this initiative will increase from \$28,650,000 to \$43,300,000 as shown in the table below:

Funding Source: Project 195740 Victoria Park & 205500 Sports Hall of Fame	Approved Funding	Budget Amendment	Total Funding
Res # 4 - Asset R&R	420,000	2,216,000	2,636,000
Res # 12 - Land Sale Proceeds	2,400,000	-	2,400,000
Res # 78 - 10% Dev Chg. Contribution	1,510,000	-	1,510,000
Res # 91 - Canada Community - Building Fund (CCBF)	2,380,000	-	2,380,000
Res # 134 - DC: Recreation	21,940,000	12,434,000	34,374,000
Total Project	28,650,000	14,650,000	43,300,000

The City's long held financial management practice is to limit DC deficits to 10-years of annual revenue, to ensure sufficient DC's will be collected to offset any deficits, prior to build out of the City. The projected Recreation DC deficit subsequent to approval of this report will be 6 years of annual revenue and is considered reasonable and in-line with historical practices.

Purchasing Implications:

A public Procurement Process has been conducted and the bid submissions have been evaluated in accordance with the published evaluation process within the bid document. Purchase approval shall be obtained in accordance with the Purchasing By-law.

All communication with Bidders involved in the procurement must occur formally, through the contact person identified in the Bid Document.

STRATEGIC FOCUS AREA:

Health & Well-being: Focusing on citizens' belonging, health, wellness, and safety. The new facility will provide a venue to deliver programming geared to community safety, improving mental health support and encourage active healthy lifestyles.

Growing Urban Centres & Neighbourhoods: Focusing on an economy that thrives with communities that are strong and connected. Recreation Centres are key components of a complete and balanced neighbourhood. Construction of the Victoria Park Arena and Brampton Sports Hall of Fame will provide year-round programming for various sports to the neighborhood.

Environmental Resilience & Sustainability: Focusing on nurturing and protecting our environment for a sustainable future. All work will seek opportunities to minimize the impact on the environment and maximize sustainability. Victoria Park Arena and Brampton Sports Hall of Fame are designed to achieve LEED Silver.

CONCLUSION:

This report seeks Council approval for a budget amendment of \$14,650,000, to award the construction contract for the Victoria Park Arena and Brampton Sports Hall of Fame project.

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