

CITY OF FORT SASKATCHEWAN

Heritage Centre Project

Motion:

That Council consider the Heritage Centre Project and budget dollars associated with the construction and operation of the facility.

Purpose:

The purpose of this report is to determine the next steps with regard to the Heritage Centre Project.

Background:

At the January 13, 2015 regular Council meeting, Councillor Hennig gave notice that he would cause to be introduced at the January 27, 2015 regular Council meeting a motion that Council consider the Heritage Centre Project and budget dollars associated with the construction and operation of the facility.

During discussions of the previous Council, the timing of projects on the 10 Year Capital Plan were reconsidered, resulting in the Heritage Centre being moved ahead for planning in 2014, and construction in 2015 and 2016. Based on this direction, Administration proceeded with the Heritage Centre Project. Project funding was to be by way of Municipal Sustainability Initiative (MSI) Grant funding, as opposed to debenture funding. If Council, at this time, wishes to reprioritize the timing of the Heritage Centre Project, they have the ability to do so. Further, should Council decide to cancel the project, MSI funding could and would be reallocated to another Capital Project, to be determined at a later date.

On a number of occasions, the Heritage Centre Project has been reviewed by Council with respect to the budget, concept, and location. Those discussions and the decisions made resulted in the Heritage Centre being located in Legacy Park, with an associated construction cost of \$7,956,800, as per the 2015 budget.

The Capital and Operating cost breakdown is as follows:

Phase 1:

2014-16 Building	\$6,281,800
2016 - Fixtures, Furniture and Equipment, and exhibit to current service level	\$ 500,000
2016- Building landscaping, courtyard	\$ 300,000

Phase 2:

2016 - Parking, road connection	\$ 875,000
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Total Project Budget	\$7,956,800
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The net Operating cost (after revenue) for creating a “destination with full programming” was estimated at \$520,000. During the budget process, Council was informed that net Operating costs could be reduced to \$310,000 for a basic “keep the lights on” service level; or \$400,000 for “partial programming”.

Next Steps:

As noted below, there are a number of potential resolutions which have been prepared for Council's consideration. This will help to determine and clarify the next steps for the Heritage Centre Project.

Alternatives:

1. That Council proceed with the Heritage Centre Project, as approved in the 2015 budget.
2. That the Heritage Centre Project be considered upon completion of the Recreation Master Plan.
3. That Council delay the Heritage Centre Project, and be considered during the 2016 budget.
4. That Council cancel the Heritage Centre Project, by rescinding Council Resolution #42-14, which states: "That Council approve the proposed site location of the new Interpretative Centre building and parking lot on Lot 2, Plan 9221716, specifically on the West portion of Legacy Park, between 100 Street and 100 Avenue and the Legacy Park utility road; and the general building design concept of the new Interpretive Centre."
5. That Council:
 - a) Delay the Heritage Centre Project to the latter of the 10 Year Capital Plan.
 - b) Authorize Administration to prepare a report for Council's consideration regarding the reallocation of MSI Grant funds, which had been allocated to the Heritage Centre Project.

Prepared by:	Sheryl Exley Legislative Officer	Date: January 22, 2015
Approved by:	Brenda Molter Director, Legislative Services	Date: January 22, 2015
Approved by:	Brenda Rauckman General Manager, Corporate & Protective Services	Date: January 22, 2015
Reviewed by:	Kelly Kloss City Manager	Date: January 22, 2015
Submitted to:	City Council	Date: January 27, 2015