



To the attention of Municipal Council,

As you know, the Covent Garden Market submitted a Business Case (#P-66) as part of the City's 2024-2027 Multi-Year Budget process to address required Parking Garage Repairs at the Market. We are respectfully writing to request that the previously submitted version of our business case, as presented in the draft 2024-2027 Multi-Year Budget, be withdrawn and replaced with the attached version.

This business case has been adjusted to show the estimated total cost of the project after a third-party company, Rimkus, conducted a quantity take-off survey to determine the scope of the project and expected total cost of the project prior to putting it out for tender. The initial estimate was based on replacement costs provided by a Building Condition Assessment completed in early 2023. The increase in costs to waterproof the roof of the underground parking as well as the first floor of underground parking are the cause for the adjusted request for this project.

Your support for the following recommendation is greatly appreciated:

That, on the recommendation of the CEO/General Manager of the Covent Garden Market, the attached revised Business Case P-66 **BE REFERRED** to the Budget Committee deliberations on the 2024-2027 Multi-Year Budget.

Thank you,

Amy Shackleton

CEO/General Manager

Covent Garden Market Corporation

Attachment: Business Case P-66 – Covent Garden Market Parking Garage Repairs



2024-2027

Multi-Year Budget

City of London



Business Case #P-66 - Covent Garden Market Parking Garage Repairs

Primary Strategic Area of Focus: Well-Run City

Primary Outcome: The City of London is a leader in public service.

Primary Strategy: Build, maintain, and operate facility assets to provide expected levels of service and optimize reliability and functionality.

Business Case Type: Additional Investment

Description: Major repairs to the Covent Garden Market (CGM) parking garage.

Service(s): Covent Garden Market

Lead: Amy Shackleton, Chief Executive Officer/General Manager

Business Case Tax Levy Impact Table (\$ Thousands)

Tax Levy Impact Detail	2024	2025	2026	2027	2024 to 2027 Total
Annual Tax Levy Impact	\$0	\$0	\$0	\$0	\$0
Annual Incremental Tax Levy Impact	\$0	\$0	\$0	\$0	\$0
Estimated Annual Tax Levy Impact %	0.00%	0.00%	0.00%	0.00%	0.00% Average
Estimated Annual Taxpayer Impact \$ ¹	\$0	\$0	\$0	\$0	\$0.00 Average

Subject to rounding.

1) Calculated based on the average assessed value of \$252 thousand for a residential property (excludes education tax portion and impacts of tax policy).

What is Included in the Base Budget?

Base Budget Summary

Covent Garden Market has historically been able to generate the necessary revenue to cover its operating and minor capital expenses without the need to dip into its reserves. CGM's base budget supports maintaining the following City-owned assets; Covent Garden Market building and the market parking garage, and the City Hall parking garage. This budget allows for minor planned and unforeseen capital repairs to these assets. The base budget also supports hosting cultural and specialty festivals, bringing the community together and putting a focus on inclusiveness and revitalization of the downtown core.

Business Case Summary

The Covent Garden Market (CGM) is requesting \$5,577,000 in 2024 to complete repairs in the market parking garage to maintain existing levels of service. While CGM has generally been self sufficient and able to fund out capital projects through reserves, we are still in a period of transition to adjust to the work-from-home environment that exists in the downtown core and have been unable to generate the necessary revenues to increase our reserves as we normally would. We anticipate generating excess income to contribute to our reserves in 2025. We currently do not have the reserves to cover this project and have another large project (replacing the flat roof) which will require us to withdraw from our reserves to fund.

After completing a building condition assessment for CGM and the parking garage, there were a number of deficiencies that were noted which require attention in the short term. These areas require significant funding to complete, which was not part of CGM's capital budget.

Parking in the downtown is an area of focus for the Strategic Plan and CGM offers a large underground parking garage steps from Budweiser Gardens, a major draw for tourists and Londoners alike. Without completing these repairs, significant sections of this parking garage may be unable to be used, making it more difficult for people to find convenient parking in the downtown core during events and festivals.

Additionally, CGM offers secure overnight parking as we have a security guard patrolling the overnight hours to give patrons peace of mind that their vehicle will be secure all hours of the night. This fits with the Strategic Plan to make Londoners feel safer in the core.

Financial and Staffing Impacts

Capital Budget Table (\$ Thousands)	2024	2025	2026	2027	2024 to 2027 Total	2028 to 2033 Total
Expenditure	\$5,577	\$0	\$0	\$0	\$5,577	\$0
Capital Levy	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0
Debenture	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0

Capital Budget Table (\$ Thousands)	2024	2025	2026	2027	2024 to 2027 Total	2028 to 2033 Total
Reserve Fund ¹	-\$5,577	-\$0	-\$0	-\$0	-\$5,577	-\$0
Other	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0
Non-Tax Supported	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0

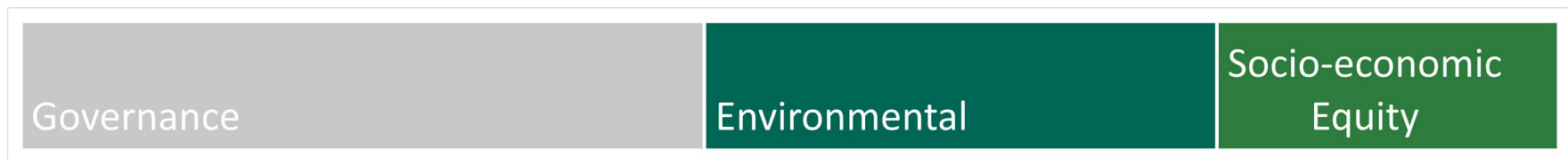
Subject to rounding.

Note:

1. The reserve fund financing for this business case is provided via the Economic Development Reserve Fund.

Environmental, Socio-economic Equity and Governance (ESG) Considerations

Environmental, Socio-economic Equity and Governance Relevance Profile for this Business Case:



Environmental:

This business case does not include any new greenhouse gas emission sources or increased emissions from existing sources. This business case is not expected to have any impact on greenhouse gas emissions in the community. This business case is not expected to have any impact on community adaptation and resilience. This project is expected to increase the safety of the parking garage through increasing structural integrity and water resistance in the facility.

Socio-economic Equity:

The impacts arising from this project will be accessibility to the parking garage for Londoners throughout the process. Our goal is to have an approach that will allow the garage to remain open during the entirety of the project, closing sections in phases to complete the work without having a large negative impact on our community.

Governance:

The risks of not proceeding with this case include the loss of substantial convenient parking for those attending events at Budweiser Gardens, as well as those who work/frequent downtown and rely on this parking structure for their daily parking. As it is an issue of health and safety and if this project were not to go through, we would have to closely monitor the status of the garage and be prepared to close it if necessary. We will be working with an outside project manager to oversee the totality of the project and provide us with regular updates.