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TO:	CHAIR AND MEMBERS COMMUNITY and PROTECTIVE SERVICES COMMITTEE MEETING ON JULY 21, 2014
FROM:	WILLIAM C. COXHEAD MANAGING DIRECTOR, PARKS AND RECREATION and LYNNE LIVINGSTONE MANAGING DIRECTOR, NEIGHBOURHOOD, CHILDREN AND FIRE SERVICES
SUBJECT:	Potential Partners in the Southwest Multipurpose Recreation Facility

RECOMMENDATION

That, on the recommendation of the Managing Directors of Parks and Recreation and Neighbourhood, Children and Fire Services, Civic administration **BE DIRECTED** to commence discussions with the London Public Library and YMCA of Western Ontario to establish partnership agreements in the construction and operation of the Southwest Multipurpose Recreation Facility, and waive the Request for Proposal requirement.

PREVIOUS REPORTS PERTINENT TO THIS MATTER
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Parks and Recreation Strategic Master Plan (November 2009)

BACKGROUND

The City's Parks and Recreation Strategic Master Plan recommends the construction of an indoor pool, double pad arena, gymnasium and community centre in the Southwest area of the city in 2015. After a lengthy search for a suitable site, City Council approved the purchase and partial donation of a site at 3080 Bostwick Road earlier this year.

On May 16, 2014 a Request for Expression of Interest and Qualifications was posted seeking a not-for-profit organization(s) both capable of, and willing to, invest in the design, construction cost, partial finance, maintenance and/or operation of all, or part(s) of the facility. Three submissions were received. One of the submissions did not meet the minimum criteria (capital commitment, demonstrated community benefit of partnership, strength of operational proposal) and the remaining two, from the London Public Library and the YMCA of Western Ontario, met all criteria.

- The London Public Library has expressed interest in an investment that would support the construction of a 12,500 to 14,000 square foot full-service branch library.
- The YMCA of Western Ontario proposes a similar joint venture as currently in place at the Stoney Creek Community Centre, YMCA and Library where they provided capital funding for construction and for future capital needs, operate the facility with a focus on memberships and provide financial assistance to maximize participation.

The second part of the EOI process was to seek more detailed proposals through a Request for Proposals process from selected proponents. Given that there are only two acceptable proposals, Civic Administration, on the advice of the City Solicitor's Office, recommends that the request for proposals stage be eliminated and in the alternative Civic Administration be directed to proceed with direct negotiations with these two prospective partner organizations for the following reasons:

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1. The two proposals complement each other and share the City of London's commitment to serve the needs of the community;
2. The City has a longstanding, and highly successful relationship with both of these organizations as demonstrated in the Stoney Creek Community Centre, YMCA and Public Library;
3. Both proposals commit capital to the construction and bringing additional services (fitness, library etc.) that would benefit the community; and,
4. A more collaborative approach to the development and refinement of the proposals between the two parties can be established including determinations on community engagement, architect selection, development of letters of understanding, establishment of any joint ventures, operating and user agreements not unlike what has been developed for the Stoney Creek project

Note that all negotiations are contingent upon completion of the land purchase for this facility which is anticipated by Fall 2014.

FINANCIAL IMPACT

The approved capital budget for the Southwest Multipurpose Recreation Facility, project RC2755, is \$40,389,000. Civic Administration as a result of the future negotiations will restructure the approved capital budget for RC2755 to reflect the revised scope of the proponents capital commitments and report back at a future date with a revised budget inclusive of the additional costs and offsetting sources of financing from the proponents as well as identify the potential for net savings to the City which may result.

CONCLUSION

A partnership with the Library and YMCA will allow the City to create a synergistic hub of services at the new multipurpose recreation centre beyond typical community centre, pool and arena uses. Construction efficiencies will be realized as well as savings in the cost of operation and the community will further benefit from the access to YMCA Strong Kids financial assistance program for a range of activities.

Acknowledgments

Input from Dave Munteer, City Solicitor's Office.

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RECOMMENDED BY:	RECOMMENDED BY:
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- C. Dave Munteer, City Solicitor's Office
 John Freeman, Purchasing and Supply
 Susanna Hubbard Krimmer, London Public Library
 Shaun Elliott and Geoffrey Vogt, YMCA of Western Ontario