

# Kihciy Askiy Update on Governance and Operations Plan

## Recommendation

That Community and Public Services Committee recommend to City Council:

That \$700,000 in capital funding, currently held in abeyance, be released to the kihciy askiy Sacred Earth project.

## Executive Summary

Administration has signed a letter of intent and two-year capacity funding agreement with the Indigenous Knowledge and Wisdom Centre to refine and finalize the kihciy askiy operations plan, which includes an operations manual, a site program, an operating budget, and a fundraising sustainability plan. In July 2020, the Indigenous Knowledge and Wisdom Centre hired an operations project manager to complete this work and lead the operational component of the project. The Indigenous Knowledge and Wisdom Centre continues to develop and refine the operations plan.

While fundraising efforts have been unsuccessful, work on the operations plan is progressing positively and Administration recommends that City Council release the \$700,000 currently held in abeyance. Releasing the remaining capital funding will enable the project to re-engage the consultant to validate and affirm the cost and prepare the necessary procurement documents.

## Report

Kihciy askiy is an urban Indigenous ceremonial and land-based learning site planned for the former Fox Farms land adjacent to Whitemud Creek. There are currently few options for engaging in Indigenous ceremony and land-based learning in Edmonton. Kihciy askiy will respond to this community need for access to spaces in the city. Establishing kihciy askiy is an effort in reconciliation and is key to fostering positive relationships with Indigenous peoples. The project has been in development since 2012. The tender documents for the project were completed in 2018 and the project was then put on hold to work through the operational model and partner agreements.

City Council has previously committed \$3.81 million in capital funding for kihciy askiy. An additional amount of \$700,000 has been held in abeyance since 2017, for a total of

\$4.51 million. The \$700,000 was held in abeyance subject to an update on secured partner funding and the program and business plan by the operating partner.

### Capital Plan

Recognizing that significant time has passed since the design was completed for kihciy askiy, upon approval to proceed, Administration will re-engage the design consultant and validate the project budget and procurement requirements. Since the design was completed, the development permit has lapsed and there have been policy and code changes which may have an impact on the design and subsequently the budget. In addition, escalation impacts will be assessed to determine the construction value in 2021/2022 dollars.

### Operating Partner

From 2012-2019, Administration worked with Native Counselling Services of Alberta as the operating partner for kihciy askiy. In June 2018, City Council directed Administration to explore expanded partnership opportunities to support the ongoing operations of kihciy askiy.

Administration engaged potential partners including Indigenous non-profit organizations, local school divisions, and post-secondary institutions. From these discussions, Administration identified the Indigenous Knowledge and Wisdom Centre as a potential new operating partner.

In September 2019, the kihciy askiy Counsel of Elders held a ceremony to formally transfer responsibility of the development's leadership to the Indigenous Knowledge and Wisdom Centre. Administration and the Indigenous Knowledge and Wisdom Centre signed a letter of intent in December 2019 (Attachment 1), outlining the responsibility of the Indigenous Knowledge and Wisdom Centre to finalize the operations plan for the site (including an operating manual, budget and fundraising sustainability plan). This organization will continue to work closely with and be guided by the kihciy askiy Counsel of Elders and will conduct engagement with potential site users and the wider community. In April 2020, Administration entered into a funding agreement with the Indigenous Knowledge and Wisdom Centre to provide the group with funding to complete this work. The Indigenous Knowledge and Wisdom Centre will operate the site once constructed.

The Indigenous Knowledge and Wisdom Centre has worked closely and collaboratively with Administration and the Whitemud Park Integrated Stewardship Committee to advance its work since this time. In July 2020, the group hired an operations project manager to carry out the funded work between 2020 and 2022.

### Operations Plan

The Indigenous Knowledge and Wisdom Centre, with support from Administration, has begun to refine the operations plan, which includes an operating budget, fundraising

sustainability plan, and an operations policy and procedure manual that also considers the site program. The Indigenous Knowledge and Wisdom Centre spent the summer 2020 reconnecting with the members of the kihciy askiy Counsel of Elders to share revisions to the operations plan and to ensure the project reflects the direction originally provided by the Elders.

Administration expects that the finalized operations plan will be ready in time for the opening of kihciy askiy, approximately 15 months from the start of construction.

### **Budget/Financial Implications**

City Council approved initial funding of \$2 million in 2014 for phase one of Capital Profile 15-21-3400 kihciy askiy Sacred Earth project as part of the 2015-2018 capital budget. The approved profile for phase one was increased by \$550,000 as part of the spring 2016 supplemental capital budget adjustment, and by \$1.26 million as part of the fall 2017 supplemental capital budget adjustment, for a current total of \$3.81 million.

During the fall 2017 supplemental capital budget adjustment, Native Counselling Services of Alberta requested an additional \$700,000 from the City to be added to the phase one enhancements increasing the phase one capital costs and City contribution to a total of \$4.51 million. City Council supported this additional capital funding of up to \$700,000, subject to a report on fundraising efforts, and an update on the program and business plan. Despite efforts by the City and Native Counselling Services of Alberta to fundraise with other orders of government, no additional funding has been secured. The recommendation in this report would release the \$700,000 from abeyance, increasing the total approved budget of Capital Profile 15-21-3400 from \$3.81 million to \$4.51 million.

Considering the time that has passed since construction costs were last estimated, Administration is re-engaging the design consultant to update the budget estimate.

Administration anticipates that the operating partner will require ongoing City funding for a portion of the annual operating costs for the site. Rough estimates from the partner indicate that the request to the City will be between approximately \$178,000 and \$225,000 per year for the first five years in a combination of cash and in-kind grounds and building maintenance services provided on-site by the City. This would represent approximately 35 percent of the overall operating costs for the site. The operating partner forecasts that it could raise the remaining 65 percent of annual operating costs through a combination of user fees, provincial and federal grants, donations, the creation of an endowment fund, and special event fees.

Administration will review the partner's operating costs to ensure all costs are included and are based on reasonable estimates. Following review of the revised capital costs

and the operating budget, Administration will bring forward a service package for any operating funding required by the partner and a request for any additional capital funding that may be required in fall 2021.

**Public Engagement**

Public engagement was not conducted for this project. Under the leadership and direction from the kihciy askiy Counsel of Elders, the previous operating partner, Native Counselling Services of Alberta, engaged Indigenous spiritual leaders living in the capital region through two Grand Council Gatherings of Elders in 2015 and 2018. Participants learned about the project and provided insights and considerations for the development.

**Corporate Outcomes and Performance Management**

<b>Corporate Outcome(s):</b> Edmontonians are connected to the city in which they live, work and play.			
Outcome(s)	Measure(s)	Result(s)	Target(s)
Indigenous and non-Indigenous People have access to programs and services that are culturally relevant.	Number of activities and events hosted at the newly developed site.	N/A	Increase by 10 percent or more after the first year of operations.

**Risk Assessment**

Risk Element	Risk Description	Likelihood	Impact	Risk Score (with current mitigations)	Current Mitigations	Potential Future Mitigations
<b>If recommendation is approved</b>						
Financial	Council will be asked to provide an operating subsidy, and may be required to provide additional capital funding if project costs rise during re-costing.	4 - Likely	3 - Major	12 - Medium	Administration is providing estimates of annual operating subsidy that operating partner will be requesting.  Administration currently re-engaging the design consultant to reassess project costs at current levels.	
<b>If recommendation is not approved</b>						

Project Management	Not releasing the \$700,000 held in abeyance could interrupt project progress and momentum, potentially causing additional project delays.	4 - Likely	3 - Major	12 - Medium	Administration is continuing its efforts to re-engage the consultant to advance the project in parallel with the release of the \$700,000.	
Suppliers	Not releasing the \$700,000 to advance the project could harm the relationship between the City and the operating partner.	3 - Possible	3 - Major	9 - Medium	Administration continues to work cooperatively with the operating partner to develop the operations plan and budget.	
Public perception	Given the importance of this project to advancing reconciliation overall, not releasing the \$700,000 may negatively impact the perception of the City's commitment to reconciliation by the wider community.	3 - Possible	3 - Major	9 - Medium	Council and administration continue to reiterate the importance of reconciliation to the community, such as through the forthcoming Indigenous Framework.	Additional public communications could be provided to build greater awareness of the complexity of the funding/project management work involved in this project (or could be provided as a response to questions raised).

## Attachments

1. Letter of Intent between the Indigenous Knowledge and Wisdom Centre Ltd. and the City of Edmonton

## Others Reviewing this Report

- C. Owen, Deputy City Manager, Communications and Engagement
- J. Meliefste, Acting Deputy City Manager, Integrated Infrastructure Services
- M. Persson, Chief Financial Officer and Deputy City Manager, Financial and Corporate Services
- B. Andriachuk, City Solicitor