

# Capital Business Case

## 15-21-5801 - Coronation Community Recreation Centre

**Profile:** Coronation Community Recreation Centre  
**Profile Number:** 15-21-5801  
**Branch:** Infrastructure Delivery  
**Department:** Integrated Infrastructure Services

**Profile Type:** Standalone  
**Profile Status:** Active  
**Profile Stage:** Approved

### Executive Summary

The Way Ahead: City of Edmonton Strategic Plan 2009–2018, moves Edmonton towards the City's vision and achievement of its 10-year goals. The development of community recreation centres improves Edmonton's livability and supports achieving the following outcomes: Citizens are connected to their diverse communities and have pride in their city, Citizens participate in services and programs that provide enjoyment and personal health benefits, Citizens live in complete collaborative communities that are safe, accessible, and inclusive with access to a full range of services.

The Recreation Facility Master Plan, approved by City Council in 2004 and Review/Update in 2009, sets out a comprehensive long-range strategy for public recreation facilities in Edmonton and provides direction for development of facilities. The plan identifies the need for a multi-purpose recreation facility for Coronation District Park to respond to population growth and community needs in the central north area. The Medium Term Recreation Facility and Sports Field Plan, approved by Council in 2007, provides a more detailed plan and further addresses Edmonton's challenges of aging infrastructure. The results of the needs assessment and extensive public consultation indicated strong community support for this development.

The proposed Coronation Community Recreation Centre creates a vision for the park as a "community hub" with a "social heart" for the north central community that meet the leisure, health and wellness needs of families, youth, adults and seniors. The community recreation centre will be connected to the Peter Hemingway and includes a fitness centre, walking/running track, gymnasium, multi-purpose program rooms, indoor play space, and indoor cycling track developed.

Coronation Park is a 35-hectare park that is established and well developed. In addition to Peter Hemingway, the site includes: Ross Sheppard High School (2116 students), TELUS World of Science, Queen Elizabeth Planetarium, Coronation Arena, Commonwealth Lawn Bowling greens and pavilion, Woodcroft Community League hall, an outdoor rink, playground, wading pool, tennis courts, a number of rectangular sports fields, ball diamonds, a 400 metre track with a premier rectangular field and spectator seating, a cricket pitch, walkways through the park and picnic sites. The capital profile (12-21-5801) was developed for the Coronation Community Recreation Centre as part of the 2015-2018 Capital Priorities Plan for the City of Edmonton as a growth project. Through refinement of the program, the budget of the profile has since been updated to \$112M. The facility development includes a partnership with the Argyll Velodrome Association and Edmonton Triathlon Academy that will share in the capital and operating aspects of the indoor cycling track and associated elements.

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## Profile Background

The Recreation Facility Master Plan, approved by City Council in August 2004 identifies the expansion of the Peter Hemingway Fitness and Leisure Centre into a multi-purpose community recreation facility as a medium term priority to respond to the population density and community need in this area. The future recreation centre will be designed and built to meet local residents' needs as identified in the extensive needs assessment and ongoing community consultations. In June 2006, City Council supported the need for a recreation facility and sports field plan for west Edmonton and approved \$150,000 to complete the Medium Term Recreation Facility and Sports Field Plan, which was approved by Council in June 2007. For Coronation District Park, the recommendations included the development of a multi-purpose recreation facility in close proximity to Peter Hemingway Fitness and Leisure Centre that includes a fitness centre, gymnasium, multi-purpose space, indoor twin arena and other support services.

In March 2011, City Council approved the recommendation to explore the possibility of including an indoor cycling track as a component of the Coronation Community Recreation Centre and reallocated \$200,000 in funding for a feasibility study that included public and stakeholder consultation. In spring of 2012, City Council directed Administration to report on the feasibility of phasing the project, outlining the impacts and potential elements of the phases. The phased project as directed by Council had Phase I including the cycling track, running track, gymnasium courts, fitness centre, connection to Peter Hemingway, associated support spaces, site development, road access, removal of Coronation Arena and relocation of the tennis courts. Phase II included the fitness studios, multi-purpose spaces, dedicated cycling spaces and indoor child spaces. In the Fall of 2012, Council approved \$4.3 million to design Phase I and II. The project as approved by Council includes both phases.

This project will include the completion of design and construction of Phase I of the Coronation Community Recreation Centre. As directed by Council, the facility will be designed for the project to proceed to construction in a phased approach. The Argyll Velodrome Association and Edmonton Triathlon Academy are partners in the development. The two partners have committed to raising \$20 million of the total Phase I project costs including \$4 million through direct fundraising efforts and securing the remainder of the partner contribution from other orders of government and grants. The Edmonton Public School Board has also indicated partnership interests that are currently being explored.

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## Profile Description

Coronation Community Recreation Centre is envisioned to be a welcoming place, filled with vibrant and dynamic activities and energy. It is designed to serve a population of 60 - 75,000 residents and be a place where members of the community come together; a place for recreation, social and cultural activities; a place that is accessible, affordable and safe. It is intended to serve the citizens of the central north quadrant with recreational and leisure opportunities beyond what are currently available. This Centre will attract visitors of all age groups, cultures and abilities with a diverse range of offerings from individual pursuits, to family and group activities, to social and cultural functions accommodated in the various multi-purpose spaces. The recreation centre will include a fitness centre, walking/running track, gymnasium, multi-purpose program rooms, indoor play space, and indoor cycling track and support spaces. The vision of creating an integrated community hub continues to build with partnership opportunities including the Argyll Velodrome Association and the Edmonton Triathlon Academy to integrate an indoor cycling track in the recreation centre.

The Coronation Community Recreation is aligned with the vision of the Recreation Facility Master Plan whereby all citizens have access to welcoming, conveniently located facilities that enhance citizen's sense of community, health and wellness by offering integrated services suited to a wide range of interest and skills. Completion of the remainder of design will be initiated by the receipt of \$1.45M in partner funding (Velodrome Association and Edmonton Triathlon Academy), and construction completed between 2018- 2020 with partner funding of \$18.55M and the remainder by the City. The new recreation facility will create a community hub with a connection to the Peter Hemingway Leisure Centre and integration with Coronation Park. The Edmonton Public School Board has also indicated interest in a partnership with the facility. Any park master plan improvements outside of the Coronation Recreation Centre development zone is out of scope of this project.

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## Profile Justification

The Coronation Community Recreation Centre responds to the direction set in the Recreation Facility Master Plan and supports The Way Ahead through the goal of Improving Edmonton's Livability and corporate outcomes of a) Citizens use city infrastructure and participate in services and programs that provide enjoyment and personal health benefits, b) Complete collaborative communities that are accessible, strong and inclusive with access to a full range of services. The centre also aligns with the goal of Transform Edmonton's Urban Form meeting the corporate outcomes a) Attractive and compact physical design with diverse neighbourhoods, amenities, public open spaces, b) Edmonton has sustainable infrastructure that fosters and supports civic and community goals. The inclusion of indoor cycling track that will support regional, provincial, national and international training and competition requirements support the goal of diversifying Edmonton's economy and corporate outcome of a) City has a positive and attractive reputation making it competitive nationally and internationally.

The Recreation Centre will serve the citizens of the central north quadrant with recreational and leisure opportunities beyond what are currently available. Critical success factors include that the facility is built on budget, schedule and with the quality defined through the business case and design process and that the partners are involved and support the development and operations of the centre.

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## Strategic Alignment

The Coronation Community Recreation Centre project supports the City of Edmonton corporate goals and outcomes: The Way We Live: Improving Edmonton's Livability; The Way We Grow: Transforming Edmonton's Urban Form; The Way We Prosper: Diversifying Edmonton's Economy; and the Infrastructure Strategy.

The Coronation Community Recreation Centre aligns with Improving Edmonton's Livability outcomes: a) Citizens use city infrastructure and participate in services and programs that provide enjoyment & personal health benefits, b) Complete collaborative communities that are accessible, strong and inclusive with access to a full range of services. The Way We Live goals: Edmonton is a Vibrant, Connected, Engaged and Welcoming Community & Edmonton Celebrates Life.

Council's Infrastructure Strategy provides direction to support infrastructure investment and reinvestment strategies that maintain City's assets into the future. The Way We Grow goal to Transform Edmonton's Urban Form and corporate outcomes a) Attractive and compact physical design with diverse neighbourhoods, amenities and public open spaces, b) Sustainable infrastructure fosters & supports civic and community goals - support the project located in a mature neighbourhood and reinvestment in recreation facilities. The inclusion of a cycling track supports regional, provincial, national, international training and competition supporting the goal of diversifying Edmonton's economy and corporate outcome of a) City has a positive and attractive reputation making it competitive nationally and internationally.

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## Context Analysis

A district based assessment of fitness and recreation facilities within northwest and central north Edmonton confirms a wide variety of smaller single purpose facilities in this geographical area. It is anticipated that the cycling track will draw participants from across the city as well as from the capital region. The total population within the 2.5 km catchment area surrounding the Centre is approximately 63,850 citizens with an anticipated growth of 5% by 2034.

In 2007 as part of the Medium Term Plan the recreation needs of the community were determined. A second round of community consultation was completed as part of the 2011 Coronation Community Recreation Centre feasibility study. The focus of the 2011 research was to update and reconfirm the findings of the Medium Term Plan. Distribution of a paper and online survey during the open house allowed residents of the area and the city as a whole to voice their opinion of the concepts. Results indicated support was high for all concepts presented, particularly the addition of an indoor cycling track. Overall, the importance of the planned amenities from the 2011 phone survey remained consistent with the results of the public consultation conducted in 2007.

In spring of 2012, further consultation was conducted to gather feedback on the phased approach of the project as directed by City Council. As compared to the fall 2011 consultation, current park and facility users had lowered their support for the concept plan in particular concerns that the phasing would delay community priorities. Recommendations included not delaying Phase II, retaining as much green space and picnic areas as possible and minimizing the impact of the required parking. The neighbourhood surrounding the park had also expressed concerns about the significant impact to the community due to the proposed developments occurring within the area and parking and traffic congestion, building the recreation centre, and expansion of TELUS World of Science. In response to the communities concerns City Council directed administration to remove the arena as part of Phase I and directed that a partner agreement be generated between the City and the Woodcroft Community League to ensure their involvement in the project. In spring of 2014, the schematic design was completed and additional consultation was conducted to gather feedback on the design of the Coronation Community Recreation Centre and the Coronation Park Master Plan. Results from the open house and online surveys indicated that the majority of respondents (70%) supported the schematic design of the Community Recreation Centre. A detailed Public Involvement Plan guides the project and its many components.

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## Alternatives

Alternatives were extensively explored through the Recreation Facility Master Plan, Medium Term Recreation Facility and Sports Field Plan and 2011 Feasibility Study, which identified Coronation Community Recreation Centre as a medium term facility priority. As a result of the partnership opportunity with the Argyll Velodrome Association and Edmonton Triathlon Academy to include a cycling track as a component of the Coronation Community Recreation Centre alternative scenarios for development were considered. Two viable alternatives were explored for the facility.

Alternative 1A: Community Recreation Centre with a specialty facility component (cycling track) offered in partnership with the Velodrome Association and Triathlon Academy to be completed in one phase with City ownership and a shared capital and operating investment that includes \$20 million in Partner contributions

Alternative 1B: Phased Community Recreation Centre with a specialty facility component (cycling track) offered in partnership with the Velodrome Association and Triathlon Academy

- City owned with a shared capital investment that includes a \$20 million Partner contribution
- City operations of the recreation centre (fitness centre, multi-purpose rooms, infield gymnasium space, walking/jogging track) and physical link to existing Peter Hemingway pool
- Argyll Velodrome Association operation of indoor cycling track and respective support amenities including bicycle storage, partner office space and a high performance centre.
- Key program elements in Phase I include an indoor cycling track, fitness centre, in-field gymnasium, and walking/jogging track, removal of Coronation Arena and link to Peter Hemingway Fitness & Leisure Centre. Phase II elements include multi-purpose rooms, fitness studios, child minding and play area and Commercial Retail Units.

Alternative 2: Community Recreation Centre (initial program as per the Medium Term Recreation Facility and Sports Field Plan)

- City owned and operated recreation facility with 100% investment from the City of Edmonton (potential capital funding from other orders of government)
- Key program elements include twin pad arena, fitness centre, multi-purpose rooms, gymnasium, walking/jogging track and support services in close proximity to the Peter Hemingway pool.

As directed by City Council in the fall of 2012, Alternative 1B, the phased Coronation Community Recreation Centre with a cycling track as a component of the centre was being pursued. The budget as approved by Council on Dec 1, 2014 now includes both phases.

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## Organizational Change Impact

The development of a phased recreation centre will meet the needs of the central north citizens as well as the cycling and triathlon communities. Ongoing development of partnerships for the Centre will ensure integrated programs and services to the citizens and visitors. The sport community, specifically cycling and triathlon have identified the Centre as a future high performance training centre and a place to host competition events. Edmonton Public Schools and Ross Sheppard High School have expressed interest in exploring a partnership.

### Impact & Description

#### City of Edmonton

Impact 1 – Unique addition to programs and services typically offered in recreation centres

Impact 2 – Innovative strategic method to support specialty facilities outlined in the Recreation Facility Master Plan

Impact 3 – Relocation of asset (arena) to alternative location ie: Canadian Athletic Club, Grand Trunk or other

Impact 4 – Replacement of arena component with indoor cycling component

Impact 5 – Phasing Plan delays community program elements (three multipurpose rooms, two fitness studios, child minding and play area, and commercial retail space). – Impact to revenue and opportunities for the community

#### Argyll Velodrome Association/Edmonton Triathlon Academy

Impact 1 – Change from a seasonal program to a year-round program, increasing and improving service delivery

Impact 2 – Increase in operating budget to provide program staff to support year-round program and ensure safety on the track

Impact 3 – Increased capital maintenance reserve required to ensure ongoing maintenance contribution to the cycling track and bike inventory.

#### Immediate Surrounding Communities/Edmonton Public Schools

Impact 1 – Ability to access and use community recreation facility in the local area use

Impact 2 - Increased exposure and opportunity to take part in a specialty sport (track cycling) improving overall fitness / wellness improving quality of life

Impact 3 - Elimination of community assets (arena, baseball diamond and 2 tennis courts)

Impact 4 – Phasing plan delays community program elements (three multipurpose rooms, two fitness studios, child minding and play area, and commercial retail space). – Impact to community service

#### City Wide Community

Impact 1 - Increased exposure and opportunity to take part in a specialty sport (track cycling) improving overall fitness / wellness improving quality of life

Impact 2 – Ability to access and use community recreation facility in the local area

#### Arena User Groups

Impact 1 – Relocation of older asset (arena) to alternate site (ie: Grand Trunk or other)

Coronation Community Recreation Centre phase I &II will require an ongoing operational subsidy and will be operating with a 50% cost recovery in the first year of opening.

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## Cost Benefits

Citizens of all ages, ethnicity and abilities will have access to and benefit from a wide range of recreation and leisure opportunities. It is assumed that the attendance generated by the addition of the cycling track and additional fitness centre components will increase overall attendance to the pool. Community Recreation Centres are places where all citizens have access to welcoming, conveniently located facilities that enhance a sense of community, offer integrated services suited to a wide range of interests, ages and abilities. The centre will be designed, constructed, and operated in a manner that ensures services are accessible to all residents regardless of age, income, gender, ethnicity or ability; key areas of the facility will promote vibrant, inclusive, and safe communities.

Total project costs are \$112M including \$10M design, \$98M construction, \$3M FFE, \$678K %Art. The cost estimate is based on unit-rates established at 60% design development phase of the project. This figure has been escalated to mid-point of construction which is assumed to be February 2019 and an early 2021 facility opening date. The City will be contributing 88 M, towards the total project costs. The partners will be contributing 20M towards the total project costs. This contribution will include \$4 million in capital funding and the remainder secured in provincial, federal and other grants. The project costs are based on the 2014 cost estimate issued during the design development phase. It is anticipated that Coronation Community Recreation Centre will operate at a 50% cost recovery in the opening year of 2018. The Argyll Velodrome Association will program, manage and operate the cycling track and Cycling spaces within the Community Recreation Centre and will not require an operating subsidy from the City of Edmonton.

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## Resourcing

All procurement processes for the project will adhere to the direction provided by Administrative Directive Purchasing of Goods and Services Construction, which states that: The City of Edmonton seeks to purchase goods, services and construction fairly and based on best value. Whenever possible, consideration of environmentally sound products and services and in particular the utilization of post consumer waste will be incorporated.

The Coronation Community Recreation Centre will be operated by the City of Edmonton, Community Facility Services and will follow the Human Resource Management policies and procedures for engagement, training and retention. The operation of the indoor cycling track, as a specialty element within the facility, will require highly skilled individuals from the partner organizations to support and ensure high quality safe programs and services. The staffing for this portion of the facility shall be provided by the partner Argyll Velodrome Association.

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## Key Risks And Mitigation

A preliminary risk analysis has been completed to determine risks associated with the project, probability and severity of risk, and identification of mitigation strategies (Business Case Attachment). The risk management framework will be applied to all aspects of the project and will continue to develop and evolve as the project and partnerships are defined. The project risk matrix is extensive including financial, procurement, design, land issues, construction, operating, scheduling, partner and political risks. One of the key risks identified is the partner organizations funding commitment, The Argyll Velodrome Association and Edmonton Triathlon Academy are responsible for 20M of the funding, to be secured from the community and other orders of government which will be required prior to the construction tender. A design agreement has been drafted to mitigate the risks associated with the partnership.

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## Conclusion And Recommendations

Coronation Community Recreation Centre is envisioned to be a welcoming place, filled with vibrant and dynamic activities and energy. It is intended to serve the citizens of the central north quadrant with recreational and leisure opportunities. The centre will link to the existing Peter Hemingway Centre and include a fitness centre, jogging track, double gymnasium, indoor cycling track, multi-purpose program rooms, and an indoor playground.

The centre will be operated in a manner that ensures services are accessible to all residents regardless of age, income, gender, ethnicity or ability. The facility will target and meet the leisure, health and wellness needs of families, youth, adults and seniors. The site will become a year round community hub offering a wide variety of recreation, sport, leisure, learning and park based activities.

Edmonton's quality of life benefits from facilities like the Coronation Community Recreation Centre. Physical activity, sports and recreation opportunities, cultural activities for all ages and abilities is important and the benefits to citizen's health and wellness are significant. The addition of this recreation centre responds to the unmet needs of the north central The redevelopment of the Coronation Community Recreation Centre will meet the recreational needs of the community and as a specialty facility with a cycling track as a component of the facility will ensure that that track cycling will continue to be offered in Edmonton, but be offered at an enhanced level on a year round basis.

Rob Smyth is the project sponsor. The project structure includes a Steering Committee to provide guidance on the project and approve project deliverables that includes partner representatives; a Project Team that delivers the project, liaising with the Design Team and Contractor. . In 2013, Administration established the Coronation Park and Facility Advisory Committee with key stakeholders including Argyll Velodrome Association, Edmonton Triathlon Academy, Woodcroft Community League, TELUS World of Science, Royal Astronomical Society and Edmonton Public School Board to support the development of the public involvement plan and the design process for the facility and park. This committee has met regularly throughout the design process and been instrumental in the development and delivery of an inclusive public consultation process that has resulted in the majority of respondents supporting both the facility design and park master plan.