

**To: David Creery, Chief Administrative Officer**  
**From: Craig Wallace, Manager of Building & Facilities**  
**Re: Update on the South Gate Centre Renovation and Addition**

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## **AIM**

To update City Council on the South Gate Centre (SGC) renovation and addition progress and obtain Council direction on a building layout in respect to budget.

## **BACKGROUND**

The 2023 capital budget process approved \$6,610,000 for the SGC renovation and addition project. A carryover of \$400,000 was approved from 2022 which provides a total budget of \$7,010,000. This budget cost includes professional services.

The project is in the schematic design phase and a construction cost estimate has been completed based on this current design. The next step in the design process is the detailed working drawings, construction specifications, and tender package. This is a critical decision point in the process as the project scope must be established before advancing to the more intensive and costly design work of preparing the working drawings. If the project scope does not match the project budget, there could be significant additional and unnecessary costs to redesign and retender the project.

The preliminary cost estimate of this current schematic design suggests that there will need to be a sizeable increase in the project budget.

This report is supplementary information to the delegation from Southgate Centre before City Council.

## **COMMENTS**

As mentioned above, the SGC project has an approved budget value of \$7,010,000 with City funding of \$6,010,000 and SGC funding of \$1,000,000.

The architectural firm a+LINK has been hired to provide the design and construction documents for the proposed project. As part of the design phase, the architect has worked with the operator (SGC) to define the space objectives and expectations. A floor plan was created and includes an addition of approximately 12,700 ft<sup>2</sup>, interior major and minor renovations of 2,650 ft<sup>2</sup> and 580 ft<sup>2</sup> respectively. This plan can be seen as Plan A2.2B and is attached to this report.

Design features include:

- Addition of 12,700 ft<sup>2</sup> which includes:
  - A 5,550 ft<sup>2</sup> large hall with a total room capacity of 300 people.
  - The large hall includes folding partition walls to create three (3) multi-purpose rooms of 1,850 ft<sup>2</sup> with an occupancy of 100 people in each room.
  - Main entrance includes a lobby, reception counter and lounge area.
  - New office area.
  - Café/Bar area and Atrium.
  - Storage room for new hall of 505 ft<sup>2</sup>.
- Major interior renovation includes new additional washrooms, servery (teaching kitchen), kitchen wash area and bar storage.
- Minor renovation includes a kitchen staff washroom and office and a pantry area to serve the kitchen.

Once the proposed plan was deemed satisfactory to all parties a cost estimate was applied to the preliminary drawings due to the high volatility of construction industry in regards to contractor availability, procurement of materials and labour and their increasing costs. The estimate was prepared by a construction firm who provides construction assessments. Based on Plan A2.2B, the cost estimate identified a total budget requirement of \$9 million which includes an estimate of \$930,000 for site work, \$5,300,000 for the addition of 12,700 ft<sup>2</sup>, \$537,000 for the major interior renovation and \$163,000 for the minor interior renovation. The balance of the estimate cost includes contingencies, overhead and profits.

With the estimate being significantly over budget, a modified floor plan was produced by the architect, Plan A2.2C. It is also included in this report which shows a reduced addition footprint from 12,700 ft<sup>2</sup> to 9,500 ft<sup>2</sup> and removal of the minor interior renovation portion of the project.

Changes include:

- Eliminated square footage from the addition reduced from 12,700 ft<sup>2</sup> to 9,500 ft<sup>2</sup>.
- Removed the lounge and office spaces.
- Decreased the size of the storage space.
- Shifted the large hall to the east so it aligns with the east vestibule.
- Decreased the size of the vestibule.
- No changes to the hall layout and floor area size.
- Within the major renovation area, the servery is removed and changed to an open office.
- The wash area has been removed and can be used as a single person office.
- The café/bar can include the reception area and be used as a multi-purpose space.

- Removed the canopy from the west entrance.
- Minor interior renovation area has been removed.

Using the estimated unit costs provided by the cost consultant, staff estimates the cost for Plan A2.2C around \$7,000,000.

Overall, the project has been proceeding extremely well, the architect has produced an excellent design and the Southgate Centre Board Facility Committee and Staff have been immersed in the entire design process. Southgate Centre has expressed a strong preference for the design with the estimated project cost of \$9,000,000. Staff are concerned that advancing a project design that is expected to be over budget will place City Council in a position of either approving an increased budget or rejecting the tenders. Staff would typically rescope the project to bring it closer to the project budget, and only report to Council for an increased budget if key deliverables of the project are in jeopardy. The project with a revised scope maintains all the new program space and additional washrooms which is a key deliverable, but it will eliminate some ancillary space and not include the kitchen renovations, pantry addition, and server room.

Before proceeding with final design and documents, direction should be set on the preferred floor plan as the larger floor plan (Plan A2.2B) may result in a sizeable budget increase. Making a decision now on Plan A2.2B or Plan A2.2C prepares Council to make a fair decision on the future tender award.

Once direction is set, the architect shall prepare the final design for the drawings and construction documentation. We anticipate a tender call late fall 2023.

The current project budget includes \$3,100,000 of financing from debentures. The estimated first year cost of debt is \$294,054 and includes principal and interest. Total financing costs over a 20-year term is approximately \$1.4 million based on a quoted rate of 4.53%. Financing an additional \$2,000,000 of debt is approximately \$189,712 for the first year. Total financing costs for the additional \$2 million over 20 years is approximately \$930,000 based on the same quoted rate.

A suggested Council motion to retain the existing project budget is to simply “*receive the delegation and report as information*”. It is important to note that the rescope project may still require a smaller increase in the project budget given current construction pricing dynamics/volatility.

A suggested Council motion to increase the project budget is:

*That the budget for the Southgate Centre Addition and Renovation be increased by \$(insert \$) to be financed through debenture,*

A suggested Council motion to increase the project budget, but to do so on a shared basis with Southgate Centre is:

*That the budget for the Southgate Centre Addition and Renovation be increased by \$(insert \$) conditional on Southgate Centre raising \$(insert \$) as its share of the increased budget and the remaining \$(insert \$) City share of the increased budget to be financed through debenture.*

## **RECOMMENDATION**

For Council's direction.

*Authored by: Craig Wallace, CET, Manager of Building & Facilities*

*Approved by: Harold deHaan, P.Eng., City Engineer*

*Approved by: David Creery, M.B.A., P. Eng., Chief Administrative Officer*

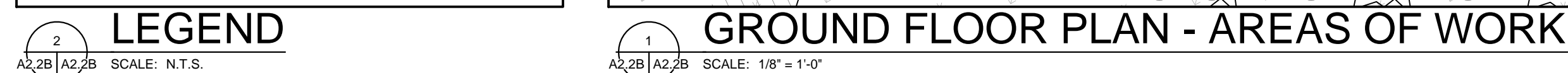


No.	Date	Issued For / Revisions
A	2023-03-24	ISSUED FOR COSTING
B	2023-05-23	ISSUED FOR CLIENT REVIEW

Project: Addition & Renovation to  
South Gate Centre

### GROUND FLOOR PLAN AREAS OF WORK

Drawn By: MH	Job Captain: MH	Project No.:  2242
Scale:  AS SHOWN		A2.2B
Plot Date:  2023-05-23		
Current Issue: B	Current Revision: -	



A2.2B A2.2B SCALE: N.T.S.



SITE AREA:  
= 100,509 sq.ft. (9,337.62 m2)

BUILDING AREA:  
EXISTING - BUILDING AREA: = 1,290.00 m<sup>2</sup> ( 13,885 sq.ft. )  
PROPOSED ADDITION - BUILDING AREA: = 882.55 m<sup>2</sup> ( 9,500 sq.ft. )  
TOTAL BUILDING AREA: = 2,172.46 m<sup>2</sup> ( 23,385 sq.ft. )

GROSS FLOOR AREA:  
EXISTING - GROUND FLOOR AREA: = 1,290.00 m<sup>2</sup> ( 13,885 sq.ft. )  
EXISTING - MEZZANINE AREA: = 37.05 m<sup>2</sup> ( 399 sq.ft. )  
PROPOSED - GROUND FLOOR AREA: = 882.55 m<sup>2</sup> ( 9,500 sq.ft. )  
TOTAL GROSS FLOOR AREA: = 2,209.53 m<sup>2</sup> ( 23,784 sq.ft. )

BUILDING AREAS / SCOPE OF WORK:

MAJOR RENOVATION AREAS = 2,659 sq.ft.

COMPLEX RENOVATION AREAS:  
- DEMOLISH EXIST. ADMIN OFFICE, RECEPTION, LOBBY, FITNESS ROOM, FOYER & CORRIDOR TO CREATE:  
- NEW CONNECTION CORRIDOR FROM THE ADDITION INTO THE EXISTING ATRIUM.  
- NEW ADMIN OFFICE SPACES  
- NEW WASHROOMS  
- NEW UNIVERSAL WASHROOM  
- CONNECTING CORRIDOR RENOVATIONS (INCLUDING NEW FLOORING, T-BAR, AND WALL PAINTING).

ADDITION = 9,500 sq.ft.

NEW CONSTRUCTION / ADDITION:  
- NEW ENTRANCES & VESTIBULES  
- NEW RECEPTION AREA / CAFE & BAR SPACE  
- NEW ATRIUM  
- NEW HALL - DIVISIBLE BY 3  
- NEW STORAGE SPACES  
- NEW MECHANICAL & ELECTRICAL ROOM

CBC CLASSIFICATION:  
3.2.2.26. GROUP A, DIV 2, UP TO 2 STOREYS, INCREASED AREA, SPRINKLERED  
- ASSEMBLY - COMMUNITY CENTRE & OFFICES  
- SINGLE STOREY BUILDING  
- SPRINKLERED

BUILDING AREA:  
BUILDING AREA NOT MORE THAN 4,800 M<sup>2</sup>, IF 1 STOREY IN BUILDING HEIGHT.  
BUILDING AREA = 2,172.46 m<sup>2</sup>

CONSTRUCTION:  
COMBUSTIBLE AND NON-COMBUSTIBLE PERMITTED.  
- ACTUAL CONSTRUCTION = NON-COMBUSTIBLE  
- MEZZANINE - IF COMBUSTIBLE 45 MIN. F.R.R. REQUIRED - WAIVED PER 3.2.2.26 (2) (B) CONSTRUCTION IS NON-COMBUSTIBLE  
LOADING BEARING WALLS, COLUMNS AND ARCHES SUPPORTING AN ASSEMBLY TO BE 45 MIN. F.R.R. REQUIRED - WAIVED PER 3.2.2.26 (2) (C) (II). CONSTRUCTION IS NON-COMBUSTIBLE.

WASHROOMS:  
3.7.4.3.A - PLUMBING FIXTURES FOR ASSEMBLY OCCUPANCIES  
- COMMUNITY ROOMS & HALLS - A2 - ASSEMBLY  
- TABLE 3.7.4.3.A  
- 251-300 PERSONS EACH SEX = 5 MALE WIC's & 10 FEMALE WIC's

EXISTING WASHROOM COUNT:  
- MALE  
- 2 TOILETS + 2 URINALS + 2 SINKS  
- FEMALE  
- 5 TOILETS + 3 SINKS  
- UNISEX  
- 1 TOILET + 1 SINK  
\*\* NO CHANGE TO THE EXISTING WASHROOMS \*\*

PROPOSED WASHROOM COUNT:  
- 1 UNIVERSAL WASHROOM  
- 1 TOILET + 1 SINK  
- 4 UNISEX WASHROOMS  
- 4 TOILETS + 4 SINKS

TOTAL WASHROOMS:  
- PUBLIC  
- EXISTING = 10 WATER CLOSETS  
- PROPOSED = 5 WATER CLOSETS  
- TOTAL = 15 WATER CLOSETS

THEREFORE, PER 3.7.4.3.(A), UP TO 600 PERSONS MAX. IS THE OCCUPANCY FOR THE FACILITY.

LEGEND

2  
A2.2C A2.2C SCALE: N.T.S.



GROUND FLOOR PLAN - AREAS OF WORK - REVISED PLAN SMALLER BUILDING FOOTPRINT - SCOPE REDUCTION

1  
A2.2C A2.2C SCALE: 1/8" = 1'-0"

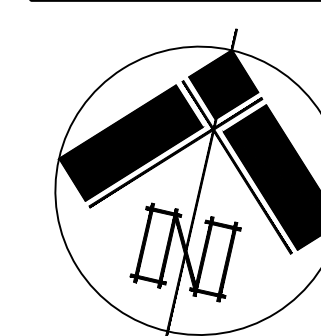
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NOTES:  
1. VERIFY ALL DIMENSIONS PRIOR TO CONSTRUCTION.  
2. DO NOT SCALE DRAWINGS.  
3. REPORT ALL DISCOVERIES OF ERRORS, OMISSIONS, OR DISCREPANCIES TO THE ARCHITECT OR DESIGN ENGINEER AS APPLICABLE.  
4. USE ONLY LATEST REVISED DRAWINGS OR THOSE THAT ARE MARKED "ISSUED FOR CONSTRUCTION".  
5. THE DRAWINGS ARE THE PROPERTY OF THE ARCHITECT AND/OR ENGINEER AND MUST BE RETURNED ON COMPLETION OF THE PROJECT. ANY UNAUTHORIZED USE IS PROHIBITED.  
6. AREA CALCULATIONS ARE APPROXIMATE.  
7. DATE FORMAT: YYYY-MM-DD

ISSUE & REVISION DESIGNATION  
LETTER (A) = ISSUE, No. (1) = REVISION

No.	Date	Issued For / Revisions
A	2023-05-23	ISSUED FOR CLIENT REVIEW

NOT FOR CONSTRUCTION



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Project: Addition & Renovation to  
South Gate Centre

191 Old Wellington St S, Woodstock, ON

Drawing: GROUND FLOOR PLAN  
AREAS OF WORK  
SMALLER BUILDING FOOTPRINT

Drawn By: MH Job Captain: MH Project No.: 2242

Scale: AS SHOWN

Plot Date: 2023-05-23 Sheet No.: A2.2C

Current Issue: A Current Revision: -