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**TO:** CITY MANAGER **DATE:** 2019 June 05

**FROM:** MAJOR CIVIC BUILDING PROJECT **FILE:** 4230 08  
COORDINATION COMMITTEE *Reference: South Burnaby Arena*

**SUBJECT: SOUTH BURNABY ARENA – FUNDING REQUEST**  
**7789 EIGHTEENTH STREET**  
**REZONING REFERENCE #18-19**  
**EDMONDS TOWN CENTRE PLAN**

**PURPOSE:** To obtain funding approval to undertake the construction of the South Burnaby Arena (SBA) project.

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**RECOMMENDATIONS:**

1. **THAT** Council authorize the use of Community Benefit Bonus Reserves in the amount of \$56,000,000 to fund the construction of the South Burnaby Arena construction project.
2. **THAT** a copy of this report be forwarded to the Parks, Recreation and Culture Commission for information.

**R E P O R T****1.0 INTRODUCTION**

The public tender process for the construction of the South Burnaby Arena (SBA) project at 7789 Eighteenth Street was a five week process that commenced on 2019 April 12 and closed on 2019 May 29. The project was tendered to a list of pre-qualified general contractors for which the City has received five construction bids. Staff are in the process of reviewing the project bids and are preparing for the award of a construction contract, which will be advanced in a separate report to Council, subject to Council's approval of funding.

In advance of the construction contract award, the purpose of this report is to seek Council funding approval for the SBA project through the use of Community Benefit bonus funds. This report also provides a status update on the detailed design, and development approval process for the project.

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## 2.0 BACKGROUND INFORMATION

- 2.1 On 2018 January 28, Council granted Final Adoption to Rezoning Reference #18-19 for the development of the SBA project. The proposed facility, which will be located at the City-owned property at 7789 Eighteenth Avenue, northwest corner of Eighteenth Street and Tenth Avenue within the Edmonds Town Centre (see *attached* Sketch #1), has a total gross floor area of 8,631 m<sup>2</sup> (92,903 sq. ft.) and includes two NHL sized arenas (80' wide x 200' long) that can accommodate both ice and dry surfaces with a total of 411 spectator seats within the two arenas. The facility is capable of providing year-round ice but can also accommodate lacrosse, ball hockey, dry surface sports, community events and other City programs when the ice is removed. The design includes energy efficient mechanical and electrical equipment, heat recovery systems and natural light to minimize the cost of operating the facility.

Supporting amenities include a large warm viewing area upstairs for both arenas. The amenity spaces of the facility include 10 change rooms (5 per arena), skate shop, concession, instructors' office, arena storage rooms, reception, and public lobby. There are also two multi-purpose rooms upstairs with capacities of 49 and 103 occupants and one patio roof deck. These spaces will be available for facility programs and public bookings. The overall facility with the two arenas and multi-purpose and meeting rooms will allow for the delivery of a variety of programs and services to the community.

- 2.2 On 2018 February 14, Council approved the award of a consulting agreement with HCMA Architecture + Design to complete the detailed design component of the SBA project, including advancement of the project through the Preliminary Plan Approval and Building Permit processes. Since that time, detailed design of the project has been completed, as well as its advancement through the City's development approvals processes. Work has also been completed on the geotechnical and environmental subsurface investigations for the site.
- 2.3 The construction tender phase of the project, which concluded on 2019 May 29, was tendered to a list of six pre-qualified general contractors, for which the City received five bids. Staff are currently in the process of determining the successful bid/proponent. Once complete, staff will prepare two separate reports to Council; the first report will seek funding approval for the project, and the second report will seek approval to award the contract to the successful proponent. The following sections of this report discuss the overall estimated cost of the project and the requested funding approvals through the Community Benefit Bonus Funds.

## 3.0 POLICY SECTION

The advancement of this project aligns with the following goals and sub-goals of the Corporate Strategic Plan:

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- **A Safe Community**
  - Community Amenity Safety – Maintain a high level of safety in City buildings and facilities for the public and City staff
- **A Connected Community**
  - Social Connection – Enhance social connections throughout Burnaby
- **A Dynamic Community**
  - Economic Opportunity – Foster an environment that attracts new and supports existing jobs, businesses and industries
  - City Facilities and Infrastructure – Build and maintain infrastructure that meets the needs of our growing community
- **An Inclusive Community**
  - Serve a Diverse Community – Ensure City services fully meet the needs of our dynamic community
  - Create a Sense of Community – Provide opportunities that encourage and welcome all community members and create a sense of belonging
- **A Healthy Community**
  - Healthy Life – Encourage opportunities for healthy living and well being
  - Healthy Environment – Enhance our environmental health, resilience and sustainability
  - Lifelong Learning – Improve upon and develop programs and services that enable ongoing learning
- **A Thriving Organization**
  - Financial Viability – Maintain a financially sustainable City for the provision, renewal and enhancement of City services, facilities and assets

#### 4.0 PROJECT BUDGET / FINANCING

The following is a cost summary for the funding request which is comprised of construction value, consulting services and various related project costs.

Construction, Contingency and Testing	\$ 51,700,000
Permits and Fees	\$ 350,000
Infrastructure Improvements	\$ 2,450,000
Furniture, Fixtures and Equipment	\$ 1,500,000
<b>Total:</b>	<b>\$ 56,000,000</b>

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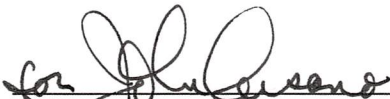
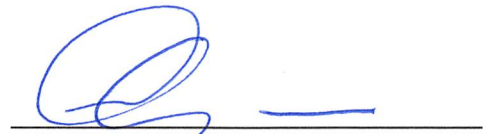

Funding totaling \$6,742,400 of the Total Capital Financial Plan has been previously raised and is earmarked for design, feasibility, and overhead expenditures. Community Benefit Bonus reserves of \$56 million are required to fund the balance of the project. The anticipated total project cost for the South Burnaby Arena Project will total \$62.7 million.

Sufficient Community Benefit Bonus Reserves are available to finance the project. The award of a Construction Contract will be the subject of a future report to Council.

## 5.0 RECOMMENDATIONS

The detailed design of the South Burnaby Ice Arena is complete and has been tendered as a lump sum general contract. In order to prepare for the award of a construction contract, it is recommended that Council authorize the use of Community Benefit Bonus Reserves in the amount of \$56,000,000 to finance the South Burnaby Arena as outlined in this report.

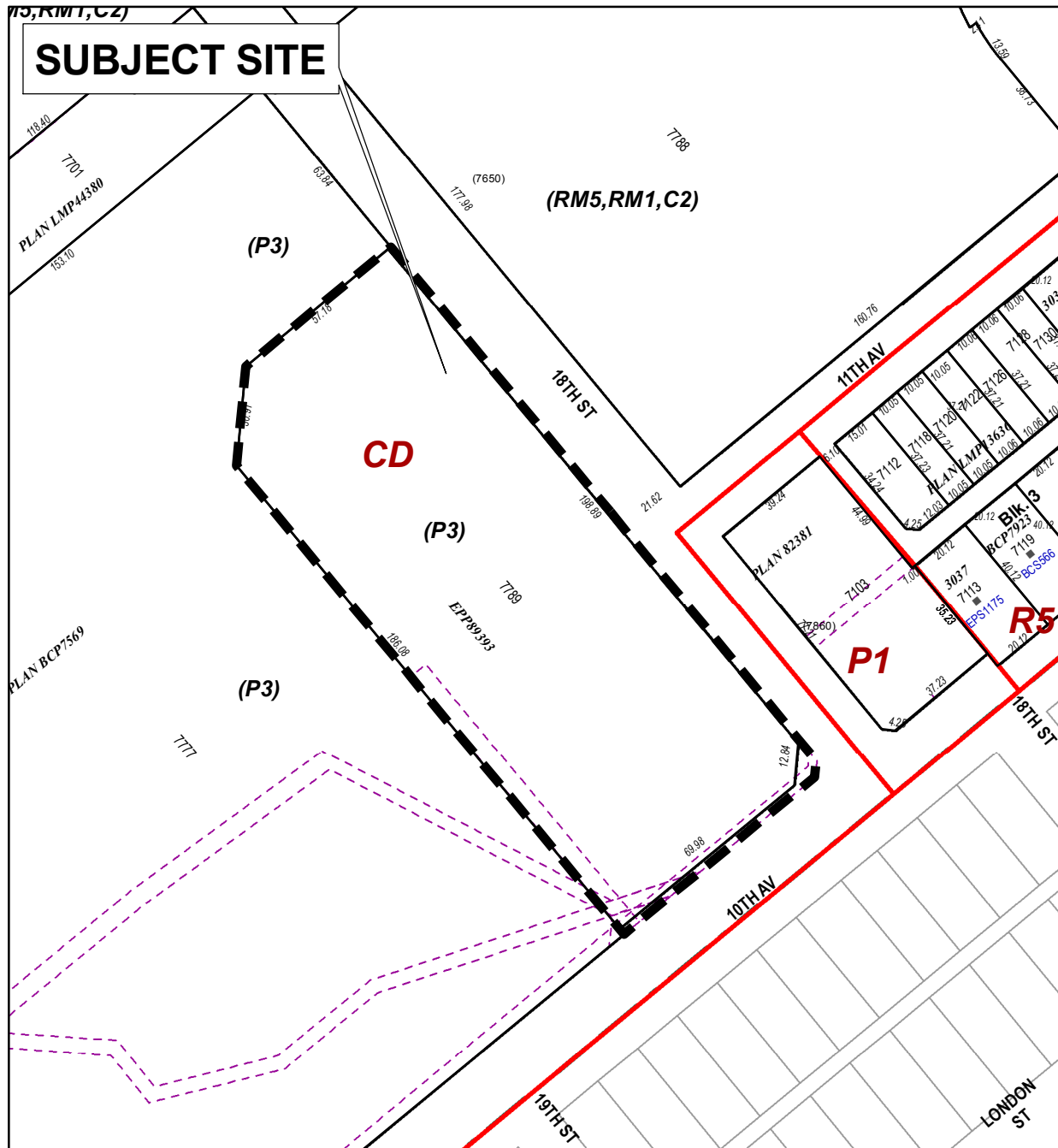
It is also recommended that a copy of this report be forwarded to the Parks, Recreation and Culture Commission for information.

  
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E.W. Kozak, Chair, Major Civic Building Project  
Coordination Committee  
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Leon Gous, Director Engineering  
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Dave Ellenwood  
Director Parks, Recreation and Cultural Services

TVD/ZT:sla  
**Attachment**

cc: Director Corporate Services  
Director Finance  
Purchasing Manager  
City Clerk

Director Public Safety and Community Services  
Assistant Director – Civic Building Projects  
City Solicitor



PLANNING & BUILDING DEPARTMENT




DATE:  
JUN 04 2019

SCALE:  
1:2,000

DRAWN BY:  
AY

**REZONING REFERENCE #18-19  
7789 18TH STREET**

 Subject Site

**Sketch #1**