

Junction East Project Update

Presented To:	City Council
Meeting Date:	June 28, 2022
Type:	Managers' Reports
Prepared by:	Ian Wood Strategic Initiatives, Communications and Citizen Services
Recommended by:	Chief Administrative Officer

Report Summary

This report provides Council with updated information related to the Conceptual Design, Business Plan, Operational Model and Financial Plan for the Library/Art Gallery Project, now known as Junction East. Council approval and direction are recommended for several aspects of the project and the path to project completion is outlined.

Resolution

1. That the City of Greater Sudbury approves the conceptual design of the Junction East building, as presented in the Junction East Project Update at the Special City Council meeting of May 3, 2022.
2. That the City of Greater Sudbury rescinds City Council Resolution CC2018-184, dated July 10, 2018, which described a governance model for a previous iteration of the Junction East Cultural Hub project, and in its place approves the Junction East Cultural Hub Operational Model as described in the report entitled "Junction East Project Update", from the Chief Administrative Officer, presented at the City Council meeting on June 28, 2022.
3. That the City of Greater Sudbury approves the Junction East Cultural Hub Project Financial Plan, as outlined in the report entitled "Junction East Project Update", from the Chief Administrative Officer, presented at the City Council meeting on June 28, 2022, with a total budget of \$98.5 million, comprising the following elements:
 - a. Construction of the Junction East building with an estimated construction cost of \$80.7 million including a project contingency budget of \$14.0 million, net HST
 - b. Inclusion of the following Enhanced Building Options, in addition to the estimated construction cost:
 - i. The Enhanced Sustainability Option with a total estimated cost of \$6.6 million, net HST
 - ii. The Enhanced Accessibility Option with a total estimated cost of \$4.7 million, net HST
 - iii. Public Art with a total estimated cost of up to \$700,000
 - c. Other Project Costs (incl. Project Admin and Land Acquisition) of \$4.1 million
 - d. HST Costs of \$1.7 million

4. That funding for Junction East be provided by the following sources:
 - a. Cultural Hub Partners (as defined in this report) – up to \$3.1 million
 - b. Potential External Funding – up to \$37.2 million
 - c. CGS Contribution
 - i. Debt – up to \$68.0 million
 - ii. Reserves – up to \$1.0 million
5. That if additional funding is required to fund the project to the approved budget determined in Resolution #3, that funds be provided by the annual budget allocation to capital in equal amounts from the 2023, 2024, and 2025 operating budget.
6. That in consideration of the planned Junction East Cultural Hub project outcomes, the City of Greater Sudbury directs staff to suspend the Junction West/Synergy Centre project and that all files be consolidated and retained for future reference.

Relationship to the Strategic Plan, Health Impact Assessment and Community Energy & Emissions Plan (CEEP)

The Junction East Cultural Hub Project directly addresses the following objectives described in the City of Greater Sudbury Strategic Plan 2019-2027:

- Objective #1 – Asset Management and Service Excellence
- Objective #3 – Climate Change
- Objective #4 – Economic Capacity and Investment Readiness
- Objective #6 – Create a Healthier Community
- Objective #7 – Support Community Vibrancy

CEEP objectives for facility energy usage have been addressed in this project and it is proposed as a Net Zero Carbon facility.

Financial Implications

The financial implications of this report are addressed in the Financial Plan as outlined in the report and in Resolution #3 above. The total budget, if approved as presented, would be \$98.5 million. This includes enhancements that address both environmental sustainability and accessibility. Financing would be provided by a variety of sources including debt, reserves, contributions from facility partners and senior governments, subject to confirmation of various funding applications currently under review.

Background

Council directed staff (Motion 2017-273) to develop the Junction East Cultural Campus Project by producing a Business Plan, an Operational Model, a Conceptual Design, and a Financial Plan. This report responds to that direction and provides the outstanding elements for Council's approval. If approved as presented, the project will proceed to the detailed design and construction phases.

Originally presented in 2015 as two separate projects by the Greater Sudbury Public Library and the Art Gallery of Sudbury, Council directed staff to work with both groups to assess the potential for a shared facility. This was selected as a priority project for Council in April 2016.

Over the past six years, in accordance with key directions and Council support, the project evolved from a library branch with space for an art gallery to an iconic municipal facility, situated on one of the most prominent sites in Greater Sudbury. The project makes a statement about our city's position as the Capital of Northeastern Ontario and our community's commitment to accessibility, environmental sustainability,

multiculturalism, Indigeneity, social inclusion, and the importance of cultural industry.

Conceptual Design: The building design, titled “The Journey” by the design team led by WZMH Architects, and presented to Council on May 3, 2022, is the result of almost 18 months of effort by the project team and based on the most extensive engagement process in the City’s history. The team clearly heard the community’s expectations for a facility that featured iconic architecture and could become a destination for visitors and be a catalyst for transformational change in the heart of the city. References to successful central library projects in Halifax and Calgary were often brought forward in this process.

As described in greater detail in the attached *Junction East Project Profile*, in the latest design the building’s footprint was reduced from the initial concept shown in July 2021. This was largely accomplished by reducing non public-facing spaces and also disconnecting the Sudbury Theatre Centre from the new building. Overall, since the initial feasibility space analysis in 2017, the building has grown from 92,700 square feet to approximately 102,000 square feet in the current recommended design.

This increase can be attributed to four factors:

- a better understanding of operating requirements for the building’s multiple tenants
- an increase in public space based on community feedback indicating expectations for an iconic facility and its intended purpose as a destination for visitors
- the need to accommodate enhanced accessibility features
- space to include the Sudbury Multicultural Folk Arts Association. The space required for library and art gallery operations has remained the same through the design period.

Staff, partner representatives and the design team are confident that “The Journey” design will fully achieve all of the goals established for the project and deliver the vision created through the public engagement. This design is recommended for Council’s approval.

Business Plan and Operational Model: Considering Council’s financial investment in this project, staff recommend it operate as a municipal facility with three tenants occupying defined spaces. In the original 2017 concept, it was assumed that the building would be a library branch sharing some space with the art gallery.

In 2018, the facility had been reimagined as co-located with the Convention and Performance Centre and called “The Junction”. At that time, Council accepted staff’s recommendation that a municipal services corporation be established to manage both the Library/Art Gallery and Convention/Performance Centre facilities, largely to address the need to promote and operate the performance and convention space. With the project now established as “Junction East” located on the Shaughnessy East site and functioning much more as a municipal community building, staff have revised the recommended operational structure.

The Business Plan approved by Council on July 10, 2018, was developed as part of the original feasibility study for the Library/Art Gallery Project by Lord Cultural Resources. Known as the “Lord Report,” this document included the idea, as a fundamental premise, that the City would absorb the full facility operating costs through the Library operating budget and that the Art Gallery of Sudbury would be housed in this new building for a nominal cost of one dollar per year.

Since Council’s approval in principle of this Business Plan, the project team had maintained this approach to the project. In the past twelve months, however, as the facility has taken shape, staff and partners have recognized opportunities for the facility to generate new revenue for all of the partners and to support the facility.

The Lord Report, for example, proposed a multi-purpose lobby that the Art Gallery could use to stage weddings or other special events and generate revenue for its own purpose. In the current design of Junction East, however, there are at least 10 spaces that can be used in a similar manner and some of these are within the common area which will be operated by the CGS as building owner.

When reviewing these opportunities with all Junction East partners, they are committed to sharing the ongoing operating costs and they recognize the potential for new revenue generation. The group requires additional time to assemble revenue forecasts and develop a revenue sharing model. This will inform annual subsidy requirements from the municipality once the facility is operational.

Operating costs for Junction East will begin in 2025 and the Year 1 projected costs are \$1.6 million. The Junction East Cultural Campus Committee, which began operating this month, will undertake the development of a facility business plan that will use the existing budget for the GSPL McKenzie Branch as a base and identify new and innovative revenue streams that can benefit individual partners as well as the overall facility. The goal will be to offset the operational impact of the building to the maximum extent possible. Initial findings will be reported to Council as part of the 2024 Municipal Budget Process and finalized in contemplation of the 2025 Budget.

As indicated in the May 3, 2022 presentation, staff anticipate that Council will budget an appropriate amount for asset renewal and replacement, estimated to be equivalent to 1.5% of construction costs. This would fund a reserve for Capital Renewal and Replacement. This reserve is intended to prepare for major repair/renewal costs during the service life of Junction East, and the facility's eventual replacement. The recommended 1.5% renewal and replacement reserve in Year 1 is estimated at \$1.2M and would be considered as part of the contribution to capital discussion in the 2025 Municipal Budget Process.

Financial Plan: Staff are recommending a fully funded capital budget for Council approval. While inflationary pressures continue to affect the projected costs, now that the design is complete it is possible to make decisions that can positively impact the cost profile. In addition, staff continue to explore potential funding sources to reduce the municipal portion of the funding plan. Nonetheless, a plan to address any funding shortfall is recommended, and part of the financial plan.

Projected Costs

As indicated in the May 3 presentation, Junction East construction costs have been reviewed and updated for this report. The estimates have moved from a Class D (+/- 20%) estimate to a Class C (+/- 15%) as more design details for the project are now available. As part of this review, the project cost consultants analyzed the market and revised their projected inflationary indices for the period leading to project completion. The escalation allowance is now set at a rate of 12% per annum for 2022, 5% per annum for 2023, and 4% per annum for 2024, and is calculated on this basis to the mid-point of an estimated 24-month construction schedule. This change alone adds \$3.6 million to the previous estimate of construction costs. Further refinement of some design details occurred over the last several weeks and this also influenced the cost estimate. As a result, the base building construction cost estimate has been revised to \$81.6 million and the total project cost stands at \$98.5 million.

Nonetheless, an ongoing dialogue is taking place between the architects, the cost consultants, the project team and the partners as choices can be made as to how to address construction cost pressures. The Project Team is confident that this process will allow the project to be hard capped at \$98.5 million and that this total project cost is adequate to deliver the project Council has approved.

Project Funding

On the project funding side, staff and key members of Council continue efforts to promote Junction East as a worthy investment for several federal and provincial funds. Meetings with local MPs, Viviane Lapointe and Marc Serré, have been extremely positive and Mayor Bigger will work to engage provincial ministers at the AMO Conference in August. As discussed previously, staff are also recommending that work on the Junction West Convention and Performance Centre Project be suspended, and the amount borrowed for both Junction projects be consolidated and made available for Junction East as required.

The following charts show the current estimated costs and funding for the project. While some of the funding is unconfirmed in the current plan, approximately \$10.8 million of the Junction debt financing remains available. Staff will continue to work to realize as much external support as possible in order to reduce the portion funded by the City. If approved as presented, the funding plan anticipates any shortfall in funding at

the time of the tender award will be funded by committing a portion of the annual operating budget contribution to capital in equal amounts from the 2023, 2024 and 2025 municipal budgets.

Project Costs Summary	
Building Construction (per Class C Estimate +/- 15%)	\$53,600,000
Site and Landscape	\$2,700,000
Soft Costs (incl. Fees, Furniture/Equipment and Permits)	\$10,400,000
<i>Subtotal</i>	\$66,700,000
Contingencies (incl. escalation allowance)	\$14,000,000
Enhanced Sustainability Recommendation	\$6,600,000
Enhanced Accessibility Recommendation	\$4,700,000
Public Art Recommendation	\$700,000
<i>Subtotal</i>	\$26,000,000
Other Project Costs (incl. Admin and Land Acquisition)	\$4,100,000
Total Net HST =	\$96,800,000
HST Payable by Municipality =	\$1,700,000
Total	\$98,500,000

Project Funding Summary				
Source	Potential	Confirmed	Totals	Share
External Third Parties				37.8%
Federal and Provincial Program Applications	\$34.9M	\$0.8M	\$35.7M	
Community Contributions	\$1.5M		\$1.5M	
Cultural Hub Partners				3.1%
AGS, GSPL, SMFAA	\$1.6M	\$1.5M	\$3.1M	
CGS Funds (Balance Required to Fully Fund Project)				59.1%
Debt (30 Year Debenture)	\$47.2M	\$10.0M	\$57.2M	
Reserves	\$1.0M		\$1.0M	
Total	\$86.2M	\$12.3M	\$98.5M	

Next Steps

Staff will continue to work with the design team to develop the tender documents and detailed drawings necessary to issue a Construction Tender in Q1 2023. The tender will be issued to the pre-qualified constructors of RFPQ CAO22-99 which recently closed. Greater Sudbury received 4 submissions from proponents and is in the process of evaluating the submissions and verifying project references.

The Cultural Campus Committee, which includes all the partners including the Sudbury Theatre Centre, has begun to meet regularly and is planning a jointly programmed event later in the summer which will begin to demonstrate the potential synergies of the groups for the future.

Staff expect to provide a further project update to Council on October 4.

Resources Cited

1. "The Journey" Design Presentation-Council Meeting May 3, 2022 – <https://pub-greatersudbury.escribemeetings.com/FileStream.ashx?DocumentId=44260>
2. Junction East Sustainability Feasibility Study Results—Council Meeting March 8, 2022 - <https://pub-greatersudbury.escribemeetings.com/Meeting.aspx?Id=38c26fb0-0c09-4ec2-b355-a1a4f182cdaf&Agenda=Agenda&lang=English>
3. Junction East Update—Council Meeting January 25, 2022 - <https://pub-greatersudbury.escribemeetings.com/Meeting.aspx?Id=7aa6e4d3-9588-4b27-a466-a040532e86b0&Agenda=Agenda&lang=English>
4. Large Project Update Presentation—Council Meeting July 14, 2021- <https://pub-greatersudbury.escribemeetings.com/Meeting.aspx?Id=b92bf0e4-6ba2-41fb-85ad-9f7d06e39a51&Agenda=Agenda&lang=English&Item=45&Tab=attachments>
5. The Junction Project Information Report—Council Meeting August 12, 2020- <https://pub-greatersudbury.escribemeetings.com/FileStream.ashx?DocumentId=39313>
6. Large Projects Update – The Junction – Council Meeting June 9, 2020 - <https://pub-greatersudbury.escribemeetings.com/Meeting.aspx?Id=60ae5ab9-2051-4d89-83fd-fac994e24efe&Agenda=Agenda&lang=English>
7. Update on The Junction and Place des Arts Projects—Council Meeting March 24, 2020- <https://pub-greatersudbury.escribemeetings.com/Meeting.aspx?Id=614f40de-df59-4388-bf40-927a39288e4b&Agenda=Agenda&lang=English>
8. Large Project Update – Council Meeting November 12, 2019 - <https://pub-greatersudbury.escribemeetings.com/Meeting.aspx?Id=8242a559-b466-4fde-a6e1-238d043a66ee&Agenda=Agenda&lang=English>
9. Request for Decision – Investing in Canada Infrastructure Program—Council Meeting October 8, 2019- <https://pub-greatersudbury.escribemeetings.com/Meeting.aspx?Id=E0EAFD46-234F-4894-AB6C-9F50BD06F5C9&Agenda=Agenda&lang=English>
10. Members Motion M-3 Alternate Site for Library / Art Gallery—CGS Finance and Administration Committee Meeting February 19, 2019 - <https://pub-greatersudbury.escribemeetings.com/Meeting.aspx?Id=25b93988-dce2-4f08-b381-0e509047eacd&Agenda=Agenda&lang=English>
11. Library / Art Gallery and Convention and Performance Centre – Council Meeting July 10, 2018 - <https://pub-greatersudbury.escribemeetings.com/Meeting.aspx?Id=D09B69C6-6BBE-4882-8AA0-81DC597AAF09&Agenda=Agenda&lang=English>
12. Update on Library / Art Gallery and Convention Centre Projects Presentation – Council Meeting April 10, 2018- <https://pub-greatersudbury.escribemeetings.com/Meeting.aspx?Id=EF91EE03-A792-4379-BC79-D11BD9761484&Agenda=Agenda&lang=English#agendaitem14917>
13. Greater Sudbury Convention and Performance Centre (formerly Synergy Centre) Library Art Gallery Update – Council Meeting January 9, 2018 - <https://pub-greatersudbury.escribemeetings.com/Meeting.aspx?Id=DB63D2BB-305F-4E2B-90DA-1D3C1FB45A65&Agenda=Agenda&lang=English>
14. Greater Sudbury Convention and Performance Centre / Library Art Gallery Update – Council Meeting November 22, 2017- <https://pub-greatersudbury.escribemeetings.com/FileStream.ashx?DocumentId=7222>
15. Request for Decision Update on Library / Art Gallery and Synergy Conference Centre Projects- Council Meeting September 12, 2017 - <https://pub->

[greatersudbury.escribemeetings.com/Meeting.aspx?Id=80E1FE7A-EFD4-431D-A17D-2AC8E1E223A4&Agenda=Agenda&lang=English](https://pub-greatersudbury.escribemeetings.com/Meeting.aspx?Id=80E1FE7A-EFD4-431D-A17D-2AC8E1E223A4&Agenda=Agenda&lang=English)

16. Synergy Centre and Library / Art Gallery Reports – Council Special Meeting June 28, 2017 - <https://pub-greatersudbury.escribemeetings.com/Meeting.aspx?Id=39E70809-FBB6-4216-AC05-04CE32A902A4&Agenda=Agenda&lang=English> <https://pub-greatersudbury.escribemeetings.com/Meeting.aspx?Id=D09B69C6-6BBE-4882-8AA0-81DC597AAF09&Agenda=Agenda&lang=English>

Appendix A – Junction East Project Profile

Project Profile

June 2022



JUNCTION EAST

Table of Contents

Introduction	3
1.0 Project Evolution.....	4
1.1 Council Direction.....	4
1.2 The Partners.....	6
1.3 Project Rationale.....	8
2.0 Conceptual Design Plan	15
2.1 Community Engagement	15
2.2 Facility Design	17
2.3 Sustainable Design and Emissions	21
2.4 Enhanced Accessibility	23
2.5 Junction East Public Art.....	26
2.6 Junction East Parking	26
3.0 Financial Plan	29
3.1 Project Construction Costs.....	30
3.2 Recommended Additional Project Costs	32
3.3 Potential Project Costs.....	33
3.4 Historic Trends in Costs of Construction.....	34
3.5 Project Financing.....	35
4.0 Business Plan (Operating Plan)	36



Introduction

Junction East will be a venue for arts, culture, technology, knowledge and innovation in northeastern Ontario. This new facility will be home to a central branch library, an art gallery, and a multicultural association and will form part of the Junction East Cultural Campus. It will be an accessible, inviting, contemporary, people-oriented space for connecting citizens to a world of information and technology as well as to each other. Greater Sudbury is a community of communities that respects the dignity and rights of persons with disabilities and endeavors to facilitate inclusive access to municipal programs, services and facilities. Junction East embodies this commitment and will contribute to the local economy and tourism, drive municipal environmental performance, and provide a welcoming gathering place for citizens and visitors alike. It will also be a demonstration of repeatable, leading-edge strategies to cut GHG emissions that provides a model of sustainable development.

Junction East will ensure that all residents have equitable access to community services, amenities and cultural experiences. Each partner organization has a mandate to provide targeted programming and services to youth, culturally diverse audiences, official language minority communities and Indigenous communities. Furthermore, each organization provides programming and services to several underserved communities.

Junction East will also provide improvements over existing facilities that are not compliant with the AODA. The existing Central Library was originally constructed in 1952 and has required major capital outlay to ensure the viability of this facility. The Art Gallery of Sudbury was built in 1907 and is housed in a former residential home with significant limitations to meet its Category A classification. The SMFAA building is also a former residential home, which was constructed in 1940 and is not compliant with current AODA standards.

Junction East will provide a variety of benefits to the community in the following ways:

- Develop a facility with less space than would be required in separate facilities,
- Opportunity to lead by example, by demonstrating leadership in the development and promotion of ideas, policies and actions that positively influence global climate conditions;
- Implement actions to support Council's declaration of climate change emergency;
- Strengthen community vibrancy by contributing to lifestyles and economic activity through community amenities, events and facilities;
- Increase of new money into the community through increased tourism visitation and related spending; and



- Create a community cultural hub in downtown Greater Sudbury that contributes to an arts and culture district, thereby enhancing Greater Sudbury’s quality of place and sense of pride

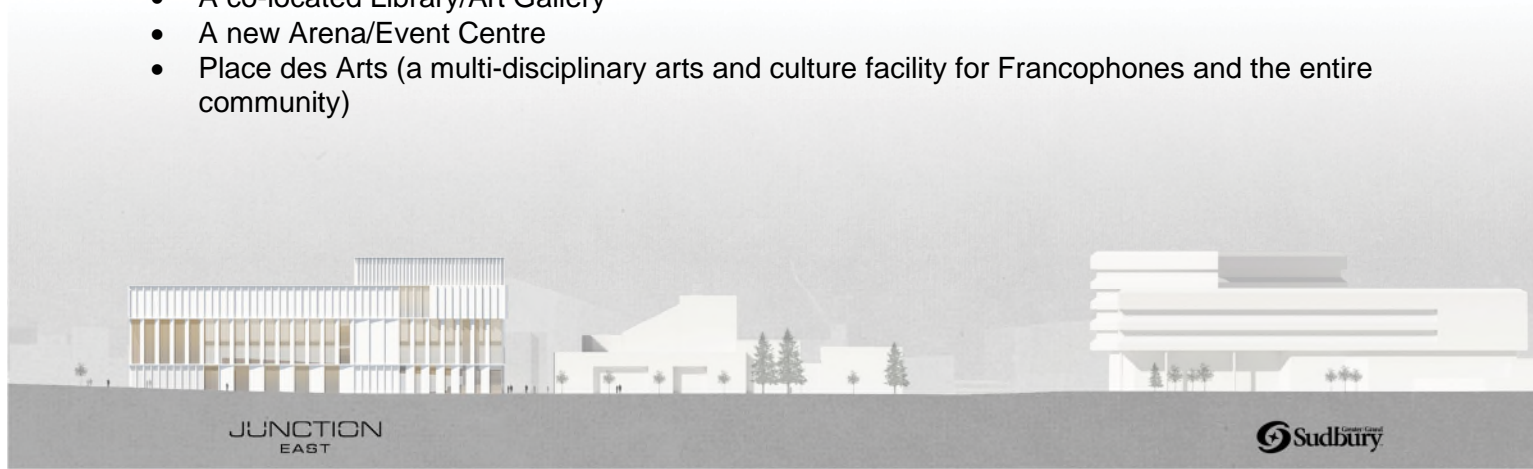
1.0 Project Evolution

1.1 Council Direction

Council Directions	
April 2016	Council selected five "Large Projects" and directed staff to work with the Library and Art Gallery to determine if their projects could be realized in one building (CC2016-149)
June 2017	Direction to build combined Library/Art Gallery, subject to Council approval of conceptual design, business plan, financial plan and operational plan (CC2017-189)
August 2017	Council approved the 2017-2021 Multiyear Accessibility Plan (CC2017-252)
July 2018	Conditional approval of concept design and business plan (CC2018-183)
September 2018	Approved the draft Public Art Policy (PL2018-170A)
February 2019	Direction to seek alternate location (FA2019-05)
May 2019	Official declaration of a climate emergency (CC2019-151)
May 2019	Approval of Shaughnessy East site as final location and direction to seek partnerships with SMFAA and STC (CC2019-169)
August 2019	Approval of 30 Year Debenture with \$10M allocated to Junction East and repayment plan included with 2020 Budget (FA2019-53)
September 2020	Council approved the Community Energy and Emissions Plan (CC2020-233)

The development of this project has been defined by the directions of Council over the past six years. In the Fall of 2015, Mayor and Council put a call out to the community looking for “shovel-ready” projects that would be transformative for the community. Community groups, organizations and private entities presented more than 21 projects for Council’s consideration. Following a comprehensive evaluation and review of all the projects presented; in April 2016, Council endorsed four large projects to be implemented within the community:

- A co-located Library/Art Gallery
- A new Arena/Event Centre
- Place des Arts (a multi-disciplinary arts and culture facility for Francophones and the entire community)



- A Convention and Performance Centre

Staff worked with the proponent of each of these projects to further develop feasibility studies, business plans and ultimately undertook a site selection process. At their January 9, 2018, meeting, City Council approved 240 Elgin St., (the site of the existing Sudbury Community Arena) as a shared site for the development of the Library/ Art Gallery and the Convention/Performance Centre. In April 2018, a presentation was made to Council that introduced these two projects together as “The Junction”. This was selected for many reasons, including:

- Definition is “a point where two or more things converge;”
- It speaks to what we want to be in the future;
- It’s broad enough to capture the activities of the site;
- Junction Creek runs just north of the site;
- The streets, Elgin, Minto and Van Horne create an intersection or junction;
- The Sudbury Junction, the original name of the train station on Elgin St.

As a result of several factors and unpredicted pressures, Council directed staff to investigate alternate sites for the Library / Art Gallery component of the Junction. In May 2019, Council selected a new preferred location at the Shaughnessy East site (the Sudbury Theatre Centre lot). This new alternate site for the LAG presented a wonderful opportunity to partner with both the Sudbury Theatre Centre (STC) and the Sudbury Multicultural Folk Arts Association (SMFAA). With direction to relocate the Library / Art Gallery and the opportunity to establish partnership with STC and SMFAA the project evolved from a Library / Art Gallery into a cultural campus; a very different project than envisioned originally 2015.

The evolution of the Junction East project to a cultural campus integrated additional requirements into the project. For example, the updated site selection required land acquisition, and the transformation to a cultural campus incorporated interior and exterior space requirements that were not originally anticipated.

Furthermore, Greater Sudbury’s Community Energy and Emissions Plan (CEEP) dated December 2019 (Revised March 2021) introduced strategic sector goals that outlined sustainable passive design strategies for implementation. In response to the CEEP, the Junction East project team commissioned the *Junction East Net Zero & Sustainable Design Feasibility Study*. The study outlined design and energy consumption scenarios including associated costs to achieve the applicable goals developed within the CEEP and detailed the requirements to pursue certifications in Net Zero Carbon and LEED Silver. The additional cost associated with the recommended sustainable design scenario is further discussed in section 2.2 Sustainable Design and Emissions.

In 2017, Greater Sudbury published the CGS Multi-Year Accessibility Plan. The plan highlights the key achievements of the City of Greater Sudbury in the identification, removal and prevention of barriers and will provide focus and assistance in guiding the organization in its commitment to ensuring an inclusive and accessible community for all residents. The Junction East accessibility enhancement goals are driven by the Multi-Year Accessibility Plan and



extensive community consultation. The Junction East project team has engaged with the Accessibility Advisory Panel to provide insight related to accessibility of municipal services, programs, and facilities as required under the Ontarians with Disabilities Act, 2001 and the Accessibility for Ontarians with Disabilities Act, 2005. Additional details on the Junction East accessibility enhancements are provided in section 2.3 Enhanced Accessibility.

In September of 2018, Council approved a draft Public Art Policy and directed staff to develop an implementation plan. The implementation plan includes a recommendation to set aside approximately 1% of the capital budget for public art in the community. For further information on the public art commitment, please refer to section 2.4 Junction East Public Art.

Sustainability, enhanced accessibility, and public art factors represent features that were not originally considered, and these initiatives have added costs to the overall project while increasing inclusivity. In addition, the current market volatility was not considered in the overall project cost developed in 2017.

In its new location, Junction East will be the cultural cornerstone for our community, reflecting and celebrating the diversity and vibrancy of our community both in its physical structure and in the programs and amenities provided by the four partner organizations. The community's commitment to multiculturalism, equality, Indigeneity and its Francophone roots, will be realized through this project.

1.2 The Partners

Art Gallery

The Art Gallery of Sudbury will assume its rightful role as an anchor institution in Sudbury's historic downtown, enticing visitors to see one of the largest public community art collections in the North. The Gallery is committed to preserving and growing and ever-expanding permanent collection of Indigenous and regional art. The AGS will dedicate a new gallery to the famed Group of Seven artist Franklin Carmichael, whose grandchildren are donating 33 works of art valued at \$3.5 million, from his estate. The Carmichael family will also contribute financially to the project, and have committed a gift of \$100,000 upon the commissioning of this new facility.

Greater Sudbury Public Library

The new Central Library will enhance the ways that GSPL supports the community. By giving more people access to technology, programs, collection items and more, they will have a bigger economic impact on our community. By offering better and more accessible meeting and gathering spaces, they can better support the work of important community organizations. By moving to a more central location downtown, they can provide better services to our community's vulnerable, including the Virtual Community Infrastructure Project which allows people without internet access at home to access virtual health, legal and social services. The new Central Library will be a 21st century library, one which bridges the technology access divide and supports the community in meaningful ways, while still providing access to a great



collection of books, magazines, multimedia resources, digital resources and 3D items, like sports equipment, fishing gear, games and puzzles. The new Central Library will also house two important spaces: the Local History and Genealogy Reading Room and the Makerspace. Both of these popular features support research, creativity and knowledge creation that is unique to Greater Sudbury.

Sudbury Multicultural Folk Arts Association

SMFAA works towards building bridges between newcomers and existing services, identifying problems and solving them in the community. It is an umbrella organization of 50 delegate groups, with a client population of over 30,000 citizens of Greater Sudbury and is managed by a board of directors with members from the constituent groups. The centre is committed to maintaining high standards of community service, volunteerism and protection of human rights while supporting newcomers to be well adapted to contribute to Canadian society. SMFAA is an essential resource to Greater Sudbury. Connecting SMFAA to the Junction East Cultural Campus provides the organization with key community resources and connection to well-established networks. It creates synergies with citizens, culture, arts, education and entertainment.

Sudbury Theatre Centre

For 50 years, STC has been bringing our community together and engaging visitors, drawing on and exhibiting local talent, and fulfilling the need for a local and northern tourist attraction and cultural hub. STC will draw 40,000 citizens to the Junction East campus annually with 39 weeks of artistic programming. As a member of the Junction East Cultural Campus, STC will provide compelling experiences for visitors and share its resources through this partnership to further create synergies to connect education and entertainment.



1.3 Project Rationale

Through celebrated architecture, innovative physical spaces, and dynamic, responsive programming. Junction East will...

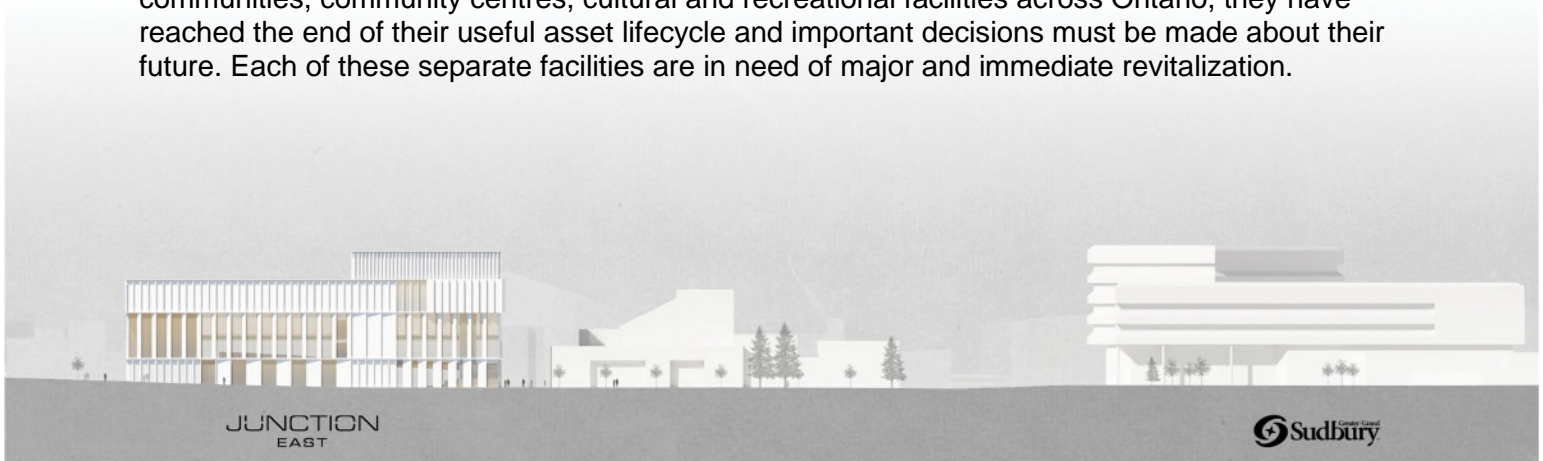
- Create a cultural hub in the city's historic downtown, spurring the growth of an arts and culture district
- Be an important anchor, first impression and welcome site for those entering the City of Greater Sudbury
- Generate visitor traffic for the City and provide more reasons to visit, helping to increase the length of stay, visitor spending and increase the flow of new money.
- Support the City's small, medium and large-scale businesses, as they compete for and attract new talent to the community.
- Transform the South District of downtown Sudbury, providing property owners and tenants the confidence to further invest and continue to build in our city's historic core.
- Build a connection to the story of the founding of Sudbury Junction and the history of the people who have lived on and shared the land.

Not only does Junction East have a transformational impact on Greater Sudbury, but as a civic and cultural landmark it will be a crown jewel in northern Ontario. Junction East will attract global recognition because of architectural design and its state-of-the-art technology related to net zero carbon emission targets.

Necessary Accessibility and Infrastructure Improvement

Junction East will provide improvements to infrastructure as a result of the deferred maintenance and facilities that are not compliant with the Accessibility for Ontarians with Disabilities Act (AODA), a compliance which must be achieved by 2025.

The existing Central Library was originally constructed in 1952 and has required major capital outlay to ensure the viability of this facility. The Art Gallery of Sudbury was built in 1907 and is housed in a former residential home with significant limitations to meet its Category A classification. The SMFAA building is also a former residential home, which was constructed in 1940 and is not compliant with current AODA standards. The Central Branch of the Greater Sudbury Public Library, the Art Gallery of Sudbury at Bell Mansion, the Sudbury Theatre Centre and the Sudbury Multicultural and Folk Arts Association are cultural cornerstones of Northern Ontario. For more than six decades, these social institutions have served to advance education, newcomer services and the enjoyment of local, national and global culture. They provide numerous community programs and amenities, and are integral to making Sudbury a great place to live, work and play. They also serve to preserve the region's unique bilingual demographic and long-standing relations with Indigenous peoples. However, like many communities, community centres, cultural and recreational facilities across Ontario, they have reached the end of their useful asset lifecycle and important decisions must be made about their future. Each of these separate facilities are in need of major and immediate revitalization.



The Central Branch is no longer in a state of good repair and rehabilitation would require major capital outlay that does not represent prudent value for money. Numerous deficiencies in need of immediate repair were highlighted in a building condition assessment completed in 2019. For further details regarding the deferred maintenance and projected capital need of the existing Main Branch Library, please refer to section 3.4 Facility Operating Cost – Existing Main Branch Costs.

Similarly, a 2010 facility analysis of the Art Gallery determined that retrofitting Bell Mansion was no longer cost-effective. The analysis highlighted several concerns including limited gallery space to generate sufficient public interest, lack of adequate storage space for the Gallery's collection and building systems in need of significant upgrades. Likewise, a building conditions report completed in 2019 revealed that the Sudbury Theatre Centre required significant immediate building upgrades and improvements as a result of years of deferred maintenance and capital investment.

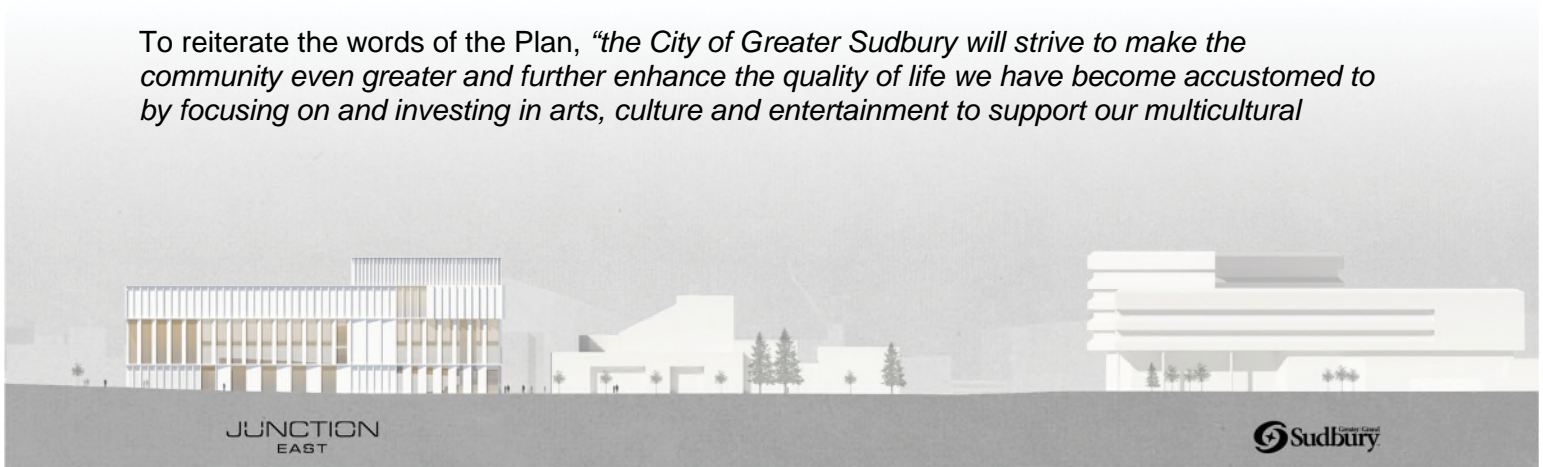
These current facilities do not meet modern accessibility requirements. Fostering greater accessibility and inclusiveness are two of the primary motivations behind the project. The city will therefore aim to ensure the new community space is in line with the highest technical standards set out by the AODA to safeguard accessibility for all residents and visitors. Of particular importance is the general aging of the local population over the next 20 years as the number of Ontario's seniors increase but remain more active than previous generations. This emphasizes the importance of a downtown site that is more accessible to seniors by public transportation. Junction East will focus on being a publicly accessible community building that acknowledges and recognizes that these structures and spaces are at the heart of our community vitality: they are places where our citizens and visitors gather, access essential services, learn and plan. Greater Sudbury fully appreciates that the quality, availability and location of these spaces – along with the services they sustain, plays a meaningful role in fostering inclusion in society and combating systemic inequities

Strategic Plan Alignment

The Junction East project aligns with Council's previous and current strategic plans for the organization as well as the community economic development strategic plan. The Junction East project has spanned across two administrations and continues to align with the priorities of Council.

Previously outlined in Greater Together, Council's Strategic Plan 2015-2018, strengthening the high quality of life we already know, and love was a priority of Council. Two objectives of this priority were: to maintain great public spaces and facilities to provide opportunities for everyone to enjoy; and promote a quality of life that attracts and retains youth and professionals and encourages seniors to relocate to our community taking into consideration all of Greater Sudbury.

To reiterate the words of the Plan, *“the City of Greater Sudbury will strive to make the community even greater and further enhance the quality of life we have become accustomed to by focusing on and investing in arts, culture and entertainment to support our multicultural*



communities, by creating a more vibrant downtown and by developing arts, culture, heritage, language and tourism in our multicultural city, where many languages are spoken.”

Junction East is a direct reflection of the objectives outlined under the Strategic Plan’s pillar of Quality of Life and Place and becomes a catalyst to realizing many of the actions as well. In addition, the Junction (of which Junction East is a component) is a deliverable outlined under the Strategic Plan’s pillar of Growth and Economic Development, which is to grow the economy and attract investment, by investing in large projects to stimulate growth and increase conferences, sports and events, tourism, and celebrate cultural diversity.

These priorities have been reinforced in the more recently approved 2019-2027 City of Greater Sudbury Strategic Plan, with a vision to be, “a centre of excellence and opportunity – a vibrant community of communities living together.” Within the Economic Capacity and Investment Readiness Strategic Objective is a deliverable that reflects Council’s desire to “prepare the ground” for economic growth across the community. As northern Ontario’s largest city and hub for education, healthcare and employment, the city must undertake initiatives that ensure the city maintains its resiliency and competitiveness. This will be achieved through investments in people and resources and collaboration with other public sector agencies and senior levels of government. Junction East is one project that will enable the City to advance initiatives to sustain the great quality of life the City has come to offer and increase the City’s capacity to respond to new opportunities while attracting investment. This strategic priority can be realized by investing in transformational facilities like Junction East that support economic development in Greater Sudbury.

As reflected in the community economic development strategic plan, From the Ground Up (FTGU), our community has been moving forward to achieve its vision; “Through collaborative efforts and innovative action, our community will attract the people, services, enterprises and investments needed to generate 10,000 net new jobs by 2025, achieving an unmatched quality of place, lifestyle and economic prosperity.” This vision to significantly increase employment includes efforts to attract newcomers and a higher-than-average standard of living. Junction East supports a foundational goal outlined in FTGU: “A quality of place and lifestyle that is second to none.” Cities and communities have turned to creating an elevated quality of place and lifestyle to gain an advantage. We know that attributes of a community are important considerations in the attraction and retention of both businesses and highly skilled talent. As a civic landmark and architectural showcase, the Junction East project will help reinforce Greater Sudbury’s role as a regional capital, foster the growth of new creative enterprises and attract the knowledge-based workforce and investment to the community that will be necessary to help realize our goal of 10,000 net new jobs by 2025.

Within FTGU, objective #4.1 is to revitalize and redevelop Downtown Sudbury as a key indicator of the community’s quality of place. It specifically indicates that a necessary action to achieve this is to develop public spaces, buildings and infrastructure as a catalyst for revitalization and private sector investment in downtown Sudbury. The attributes of a community are an important consideration in attraction and retention of both businesses and highly skilled talent. The quality of a downtown; the quality and availability of housing stock, access to recreation and cultural



amenities, and community and retail services all factor into their decision making. Greater Sudbury recognizes that downtowns are important. They are the historic and symbolic heart of the community, the reflection of the City's image, pride and prosperity. They are the meeting place for the entire city, where all types of different people come together to celebrate and share common experiences. A healthy, active, successful downtown makes a positive statement about the prosperity of the city, sending a confident message to future residents, business and investors.

In addition to aligning with strategic priorities that ensure a quality of place and lifestyle that is second to none, Junction East is an initiative that achieves objective #6.1 in FTGU, which is to develop environments that reflect the cultural richness and heritage of Greater Sudbury by creating a shared cultural facility that maximizes synergies and incubates creative initiatives.

FTGU outlines a goal of Greater Sudbury becoming one of Ontario's top destinations; this is supported by objective 7.1, which is to invest in facilities, spaces and initiatives needed to support the growth of tourism. By investing in Junction East and new destination attractions, it confirms our position as the leading event, arts and cultural destination for northeastern Ontario. The demand for accommodations will increase along with an increased number of overnight stays. This comes with increased visitation not only to downtown restaurants and shopping, but to other significant attractions in our community like Science North and Dynamic Earth. Junction East will transform the tourism and business meeting image of the city, with significant positive impacts to the rest of downtown and the city as whole.

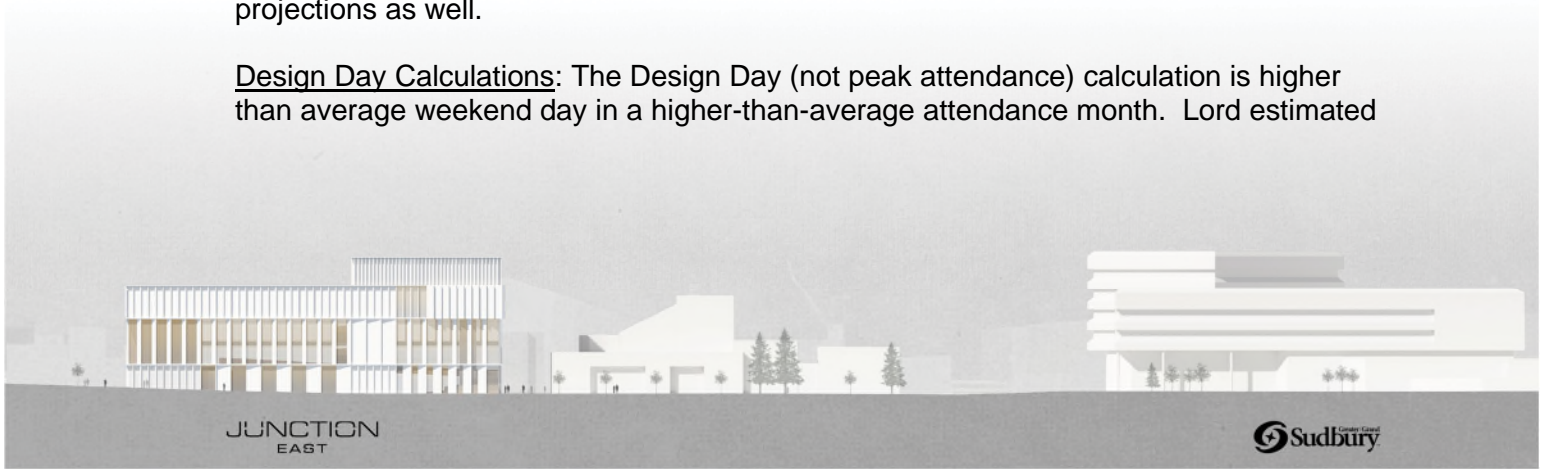
Increased Tourism

Greater Sudbury is a leading tourist destination in Ontario. With over 1.2 million visitors each year and approximately \$200 million in tourist spending, tourism is a growing sector of our economy. The new art gallery's strategic location in downtown Sudbury will make it a significant attraction. Junction East and specifically the new gallery will be an important anchor. As a destination, Junction East will generate visitor traffic for the city and provide more reasons to visit, helping to increase the length of the stay and visitor spending.

As outlined in GSPL & AGS Co-Location Facility and Business Plan (Lord Cultural Resources 2017), on-site attendance levels are estimated to grow from the base level rounded 12,000 annual visitors in the current Bell Mansion facility to 60,000 in the opening year, 55,000 in Year 2 and 50,000 in the stabilized Year 3. Year 1 attendance is estimated to be about 20% higher because of the common opening year curiosity factor; with Year 2 higher than Year 3 because of an assumed 3-month major exhibition. These projections are also based on the following estimates and assumptions.

Attendance by Weekdays and Weekend Days: It is common for weekend days to account for about half of all visitors. Lord has used 50% for the purpose of these projections as well.

Design Day Calculations: The Design Day (not peak attendance) calculation is higher than average weekend day in a higher-than-average attendance month. Lord estimated



attendance during such a weekend day at 10% higher than average except for Year 2 in which a major level exhibition is assumed and is increased to 10%. The resultant figures are then applied to estimate how many people will be in the building at one time. Based on the size of the exhibition space, they have estimated about 30% of daily visitors will be in the building at one time, which is within the common 25-35% range.

Attendance by Main Market Segment: The assumed pattern is that, on a percentage basis, resident attendance will be highest in the opening year then decline, with tourist percentages increasing in Years 2 and 3 and school attendance in the same general range.

The City's strategic objective to be a nationally recognized centre of excellence, vibrancy and creativity – a new gallery facility would contribute to Greater Sudbury's profile and alignment with Franklin Carmichael and the Group of Seven. Furthermore, the new Indigenous gallery would improve exhibit space for First Nations artwork (e.g., regional ties to Daphne Odijig, Leland Bell and Woodland style of visual arts). Not only does Junction East have a transformational impact on Greater Sudbury, but as a civic and cultural landmark it will be a crown jewel in northern Ontario. We are confident that Junction East will attract the same degree of global recognition as Halifax or Calgary because of architectural design and its state-of-the-art technology related to net zero carbon emission targets.

Junction East's strategic location in Greater Sudbury's downtown will make it a significant attraction both as part of the City's Downtown Master Plan and revitalization efforts and of the entire City. As an important anchor in the downtown, the facility will be an important first impression and welcome site for those entering the City of Greater Sudbury. Junction East will provide a new, flexible and high-quality tourism product to attract many more visitors to the City, while greatly enhancing the diversity of the City, boosting the regional tourism experience and enriching the cultural economy.

Junction East will increase the flow of new money into the community by increasing tourism visitation and related spending. As outlined in the accompanied Co-location Facility and Business Plan Final Report, prepared by Lord Cultural Resources, Susan Kent Consulting and Altus Group Limited (2017); "tourists are more likely to attend an art gallery than a public library in a city they are visiting so the assessment of the tourist markets for Greater Sudbury is very much focused on the Art Gallery of Sudbury (AGS). There are about 310,000 people who reside within a 10-mile radius of Greater Sudbury, excluding the nearly 165,000 residents of Greater Sudbury; this suggests about 145,000 residents who would be categorized as regional day trip or overnight tourist. There is an opportunity for AGS to offer a wider level of appeal to this and other tourist markets because of the familiarity with Franklin Carmichael and the Group of Seven."

Furthermore, for visitors to Greater Sudbury, the Visiting Friends and Relatives, or VFR market is even more important, accounting for about 47% of all visitors. The VFR market is of particular importance because visitors are influenced and often accompanied by residents to the art galleries or public libraries among other community spaces and events if they offers facilities



and services that are special. This is seen by TripAdvisor data in Halifax, Nova Scotia that ranks its new Central Library as the second most popular place to visit in the City, confirming that a great library can be a tourist destination.

Enhanced Quality of Place

Quality of Place matters. It is a key to defining the image of any city. It is central in the competition for talent and investment. It also influences where businesses choose to locate and where people choose to live. Today, people want to live and work in communities that offer a wide variety of assets and amenities, like art galleries, theatres and cultural experiences. Junction East will help the city's small, medium and large-scale businesses, as they compete for and attract new talent to the community. Junction East will become another selling feature for the community like the Jim Gordon Boardwalk on Ramsey Lake or Science North and Dynamic Earth. 80% of Ontarians agree that an active local arts scene helps communities attract business.¹ And, according to the Federation of Canadian Municipalities, "arts, culture and heritage improve the ability of municipal governments to influence local economic development by attracting and retaining a skilled and talented workforce."² According to Nanos Research for Business for the Arts, 65% of Ontario business leaders say that a thriving arts and culture scene is something that would make it easier to attract top talent to their community.³ In addition, in a similar report, 65% of skilled workers agree that a thriving arts and cultural scene is something they would look for when considering moving to a new community.⁴

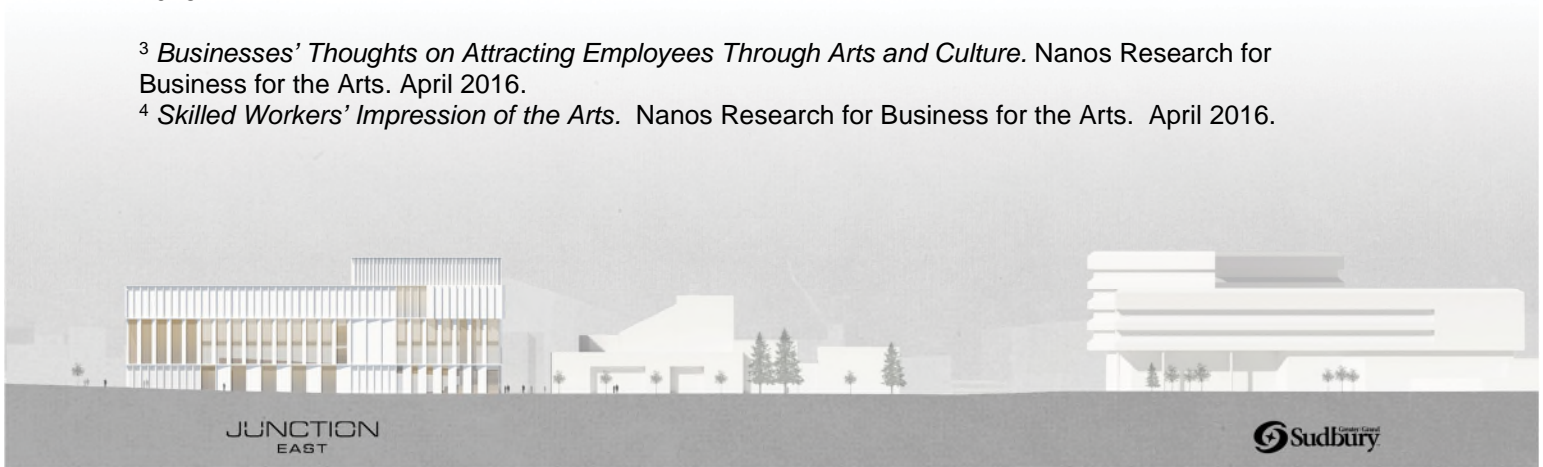
New residents can provide a steady stream of new skills, experiences and international connections that can benefit our city, provided that the quality of life and community can continue to match the needs of these new residents. Offering opportunities to leverage the strengths and capabilities of more diverse demographic groups will facilitate and create a welcoming environment that can attract and retain newcomers. This is especially critical in smaller urban centres within Greater Sudbury where historic rates of immigration are lower and where newcomers have started to arrive from countries of origin that differ from traditional source of immigration. In all case, integration of immigrant in the broader community remain a high priority for economic development, and is particularly important in retaining immigrants and their families over the longer term. Junction East provide a conduit to the community for new residents, not only because specific new comer services provided by SMFAA but also because of the unique strategic alliance that exists between the Junction East partnership.

¹ Arts and Heritage Access and Availability Survey 2016. Environics Research Group. March 2017.

² *Policy Statement on Social-Economic Development*. Federation of Canadian Municipalities. March 2016.

³ *Businesses' Thoughts on Attracting Employees Through Arts and Culture*. Nanos Research for Business for the Arts. April 2016.

⁴ *Skilled Workers' Impression of the Arts*. Nanos Research for Business for the Arts. April 2016.



In addition, the Sudbury Rural and Northern Immigration Pilot Program (RNIP) is a unique permanent residence pathway for international workers, aimed toward filling important labour shortages in the Sudbury community. The RNIP is designed for workers who have an intention to reside in the City of Greater Sudbury over the long term. Sudbury Multicultural and Folk Arts Association is a key partner in

The attributes of a community are an important consideration in the attraction and retention of both businesses and highly skilled talent. The quality of a downtown; the quality and availability of housing stock; access to recreation and cultural amenities; and community and retail services all factor into their decision making. A healthy, active, successful downtown makes a positive statement about the prosperity of the city and sends a positive message to future residents, businesses, and investors. The City of Greater Sudbury's Downtown Master Plan calls for promoting tourism in the downtown core and creating destination attractions such as a "signature arts district" that will draw visitors from across the region. In response to this plan and the priorities set in the 2019-2027 Strategic Plan the City is investing in the necessary infrastructure that will act a critical enabler for economic development. Junction East will demonstrate the City's commitment to Greater Sudbury's downtown development and revitalization, therefore spurring confidence from the private sector to invest as well.

Creating a New Setting for Investment

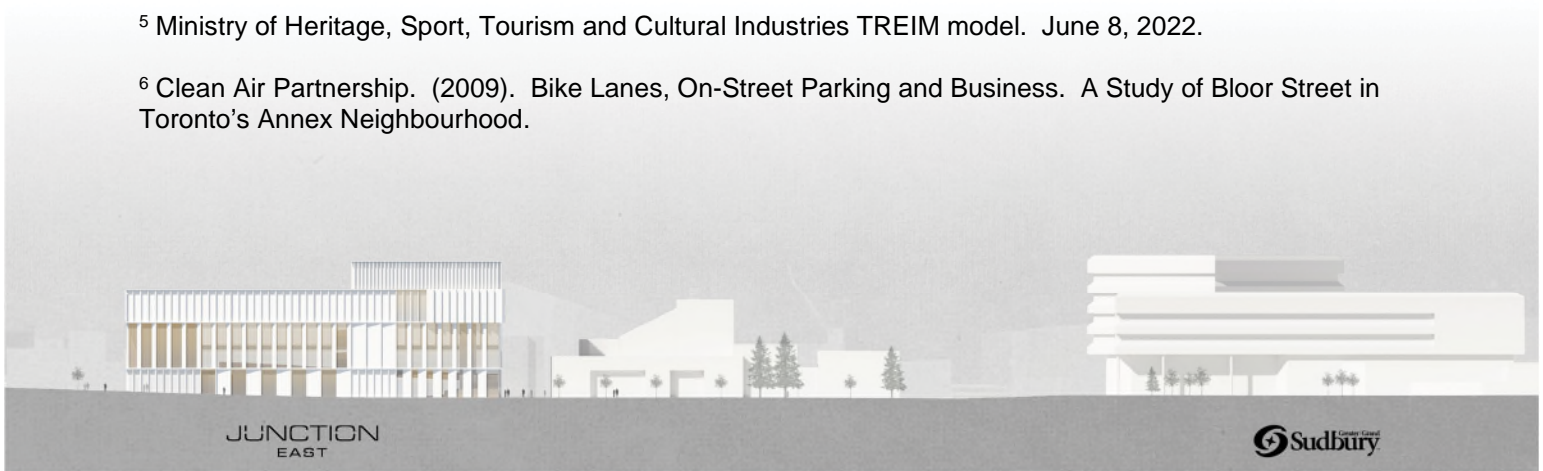
Junction East will transform the South District of downtown Sudbury, providing property owners and tenant the confidence to invest in sites in building that are in the south district and elsewhere downtown. This public investment will result in new investment, generating economic development and increased assessment. The investment into Junction East will improve the attractiveness and value of surrounding properties. This rise in value will stimulate increases in assessment and local and provincial taxation. It is anticipated that Junction East will be a \$94 million investment that will result in an increase of Federal, Provincial and Municipal tax by \$20 million annually.⁵

Reinforce the Downtown Economy

Junction East creates another reason to visit downtown and therefore increase the opportunities to spend locally. Approximately 14,200 (9 percent) of Greater Sudburians live within a 1 kilometer (walking distance) of the downtown. Approximately 65,400 (40 percent) live within 5 kilometres (biking distance). A study of Bloor Street in Toronto's Annex Neighbourhood found that patrons arriving on foot and by bicycle visited Bloor Street most often and spent the most money per month, compared to other shoppers.⁶ Harnessing the purchasing power of people living within walking and biking distance and the downtown is key to sustaining and improving the economic health of its more than 400 businesses. In a survey of 18 mid-sized Ontario cities, all municipalities reported using cultural and recreational amenities as tool for downtown

⁵ Ministry of Heritage, Sport, Tourism and Cultural Industries TREIM model. June 8, 2022.

⁶ Clean Air Partnership. (2009). Bike Lanes, On-Street Parking and Business. A Study of Bloor Street in Toronto's Annex Neighbourhood.



revitalization and 83% deemed this strategy to be an effective tool⁷. Furthermore, 88% of Ontarians agree that arts and cultural activities are important to a community's economic wellbeing.⁸

2.0 Conceptual Design Plan

2.1 Community Engagement

The Junction Engagement - 2018

In 2018, when The Junction projects (new Central Library/Art Gallery and Convention/Performance Centre) were planned to proceed together on an integrated site in downtown Sudbury, the City held a two-month community engagement campaign to obtain public input into these projects.

This campaign included a public open house, online survey, library drop-ins, pop-ups and community hijacks. The campaign culminated in a design charrette during which the working group identified five success criteria for these two projects – the “vision for success”. This vision for success has been re-affirmed and remains for Junction East. These criteria included:

- Sustainability; economic, social, environmental, and political
- Celebrated architecture
- A destination for tourists
- A catalyst for community growth and economic development, and
- Accessibility for all abilities, ages, and social groups

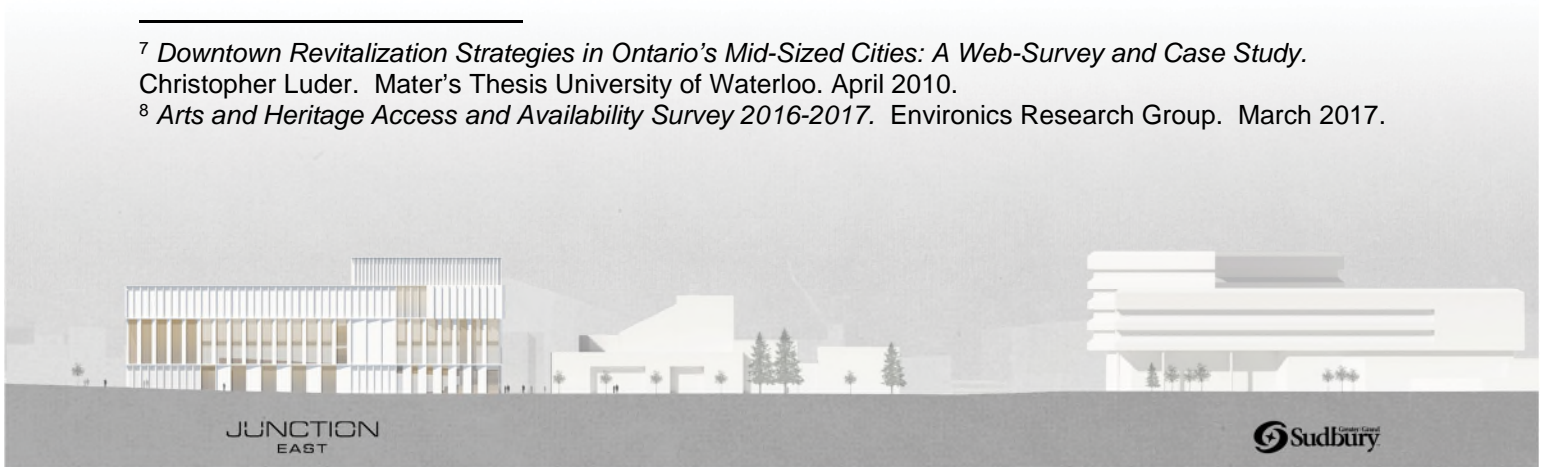
Due to a variety of factors and unpredicted pressures, in May of 2019 Council selected a new preferred location for the library/art gallery component of The Junction – the Shaughnessy East site (STC parking lot). At this alternate site, the Library/Art Gallery project became known as “Junction East” and presented the opportunity to partner with both the STC and SMFAA, to create a cultural campus in downtown Sudbury.

Junction East Engagement – 2020/2021

Drawing on the results of the engagement conducted in 2018, and beginning in the fall of 2020, an intense community engagement campaign was undertaken to refine the vision for Junction East. The feedback garnered from this engagement defined public spaces, shared spaces, building spaces, materials, described anticipated finishes, equipment, and sustainability needs.

⁷ *Downtown Revitalization Strategies in Ontario's Mid-Sized Cities: A Web-Survey and Case Study.* Christopher Luder. Mater's Thesis University of Waterloo. April 2010.

⁸ *Arts and Heritage Access and Availability Survey 2016-2017.* Environics Research Group. March 2017.



During the community engagement campaign, the City hosted four Public Open Houses, received more than 300 completed surveys, and conducted over 25 community focus group sessions that targeted specific audiences and communities for an inclusive approach, and included, but was not limited to Francophone cultural organizations, the LGBTQ2IA+ community, families and children, seniors, sustainability, downtown businesses and neighbours, social service providers and black, Indigenous, people of colour and newcomers to name a few.

Also integrated into the engagement campaign was a specific Indigenous engagement, led by First Peoples Group. They designed a process to engage with Indigenous and Metis residents of Greater Sudbury and with the Nations whose territories overlap with the City of Greater Sudbury to gather ideas and feedback that informed the design of the Junction East facility. Utilizing a variety of engagement methods, the goal of the Indigenous outreach and engagement was to create a space for Indigenous community members to provide ideas and feedback that directly influenced the functional design of the facility including shared spaces and programming objectives.

Engagement Outcomes

Common themes and desires expressed by the community emphasized that Junction East must be welcoming, inclusive, and accessible. These features can be seen throughout the design of Junction East and are highlighted specifically by the community living room, the inclined pathway, trilingual and accessible signage, and all gender washrooms.

As a result of the engagement campaign, the vision for success was validated and continues to be the guiding principle for the project. In addition, and as a direct result of what was heard during engagement the following design themes were established:

- Public realm – represent our diverse community of various cultures
- Form – the communicative power of buildings
- Inhabited art – art and architecture working together
- Inside/outside – diffusing their boundaries
- Interior landscapes – interior spaces as organic terrains
- Materiality and playfulness – craftsmanship, scale, colour, and textures

This thoughtful and thorough campaign allowed the City to engage with more than 500 community members and stakeholders and is supported by impressive social media statistics. What is especially impressive is that this was achieved by virtual engagement methods during the COVID-19 pandemic.

As the building evolves and the designs are refined, these design themes and vision for success are used as a lens to ensure that we are creating the building envisioned by our community. That ensures that Junction East has the transformative qualities to achieve the desired outcomes related to revitalization, economic development, enhanced regional tourism, talent attraction and youth retention.



Future Opportunities

Council can look forward to seeing future opportunities for the public to be engaged in the project. For example, there will be an opportunity for the public to comment and provide feedback on the how the schematic design is emerging through scheduled open houses and on the City's engagement portal, Over to You. The team envisions time-lapse photography or live streaming of construction being incorporated on the website so that residents can monitor the project's progression. The team is also planning a series of sneak peek previews of the construction site (having strict regard for health and safety protocols) with dignitaries, stakeholders, media and selected citizens. These are just a few upcoming engagement activities that are planned for the project.

Junction East represents an opportunity to create a multi-disciplined cultural facility to serve the people of Greater Sudbury. It is an opportunity to ensure that we are inclusive and respectful of Indigenous Nations, organizations and individual citizens. As such, a broadly representative Junction East Indigenous Advisory Committee will be formalized over the next few months. This committee will provide advice and guidance to the Large Projects Team as this project moves towards completion.

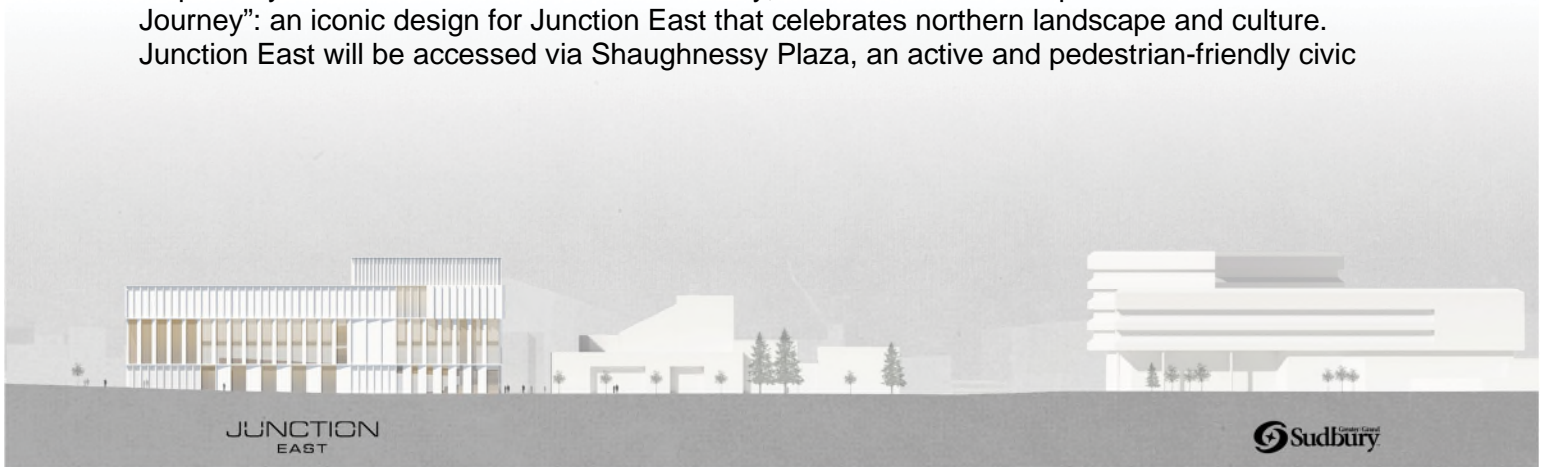
The Junction East partner organizations also have strong linkages across our community and an ongoing interest in building engagement platforms and programs that will lead to increased community participation and ownership in the future.

2.2 Facility Design

In July 2021, the Design Team presented the initial concept design and preliminary construction costing to Council. A grand design called "Waterfall" was presented and it included a seamless connection to the Sudbury Theater Centre, an expansive inclined walkway, two elevator banks and interior shipping and receiving facilities. By the end of September, a more comprehensive costing was completed and staff, along with project partners, worked to determine how to maintain the project vision while achieving increased value.

Between October and November 2021, the project team undertook a comprehensive value engineering exercise and efficiencies were identified, primarily in non-public facing areas such as eliminating one elevator block and reducing internal loading facilities. The resulting redesign also disconnected the Sudbury Theatre Centre building from Junction East with the intent to maintain STC as an integral partner in a new cultural campus model where partners can develop joint programming and shared spaces

Inspired by our collaboration with the community, Junction East is now presented as "The Journey": an iconic design for Junction East that celebrates northern landscape and culture. Junction East will be accessed via Shaughnessy Plaza, an active and pedestrian-friendly civic



space. The building and exterior spaces will provide enhanced accessibility and trilingual signage.



The lobby showcases a library makerspace, the Sudbury Multicultural and Folk Arts Association, and the art gallery retail store. The City Living Room is the first of many public spaces and features a seating area and café.



A welcome desk greets visitors and acts as a threshold to the Library Marketplace. This space includes a sloped pathway with seating along its edge, and an elevator bank for access to all



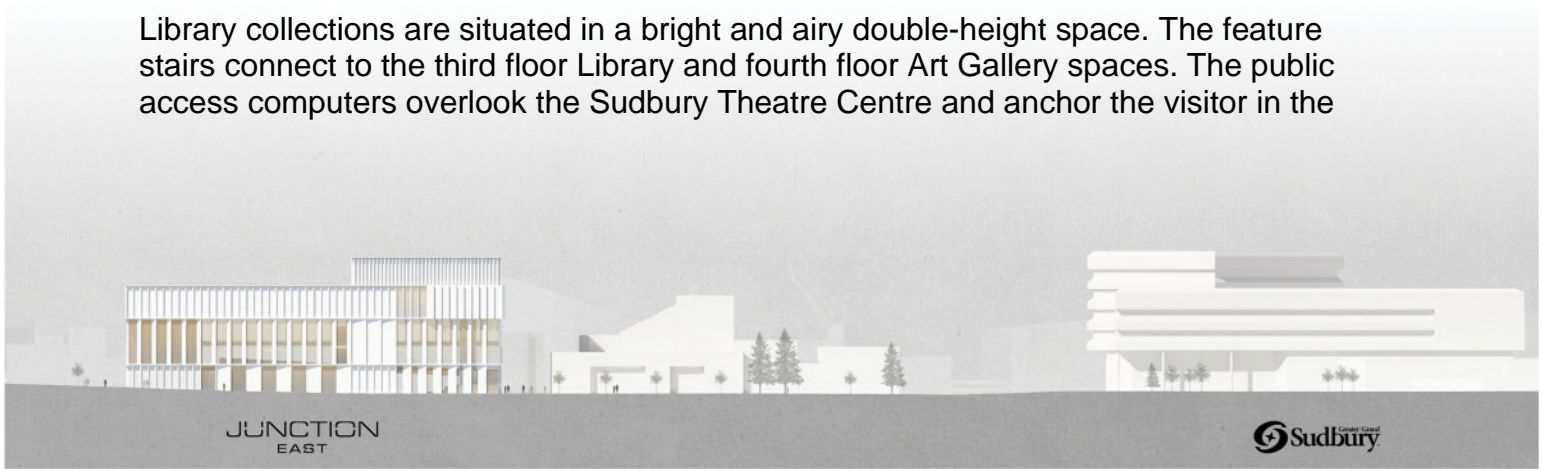
floors. The pathway embodies Junction East's goal of enhanced accessibility, providing access to the second floor along with expansive views. From the pathway's elevated viewpoint, there is visibility to the Library Service Desk and Makerspace.



The pathway creates a spatial and visual connection to all building levels. It can be programmed in many ways and is overlooked by the reading balcony. In the centre of the space, the elevator bank serves as a backdrop for projected artworks. As the pathway continues, it overlooks Shaughnessy Plaza, and creates a visual connection to the library. The pathway arrives at the Loud and Collaborative space, which will act as a Library living room: a place for meetings and events that bring the community together such as book clubs, movie nights and more.



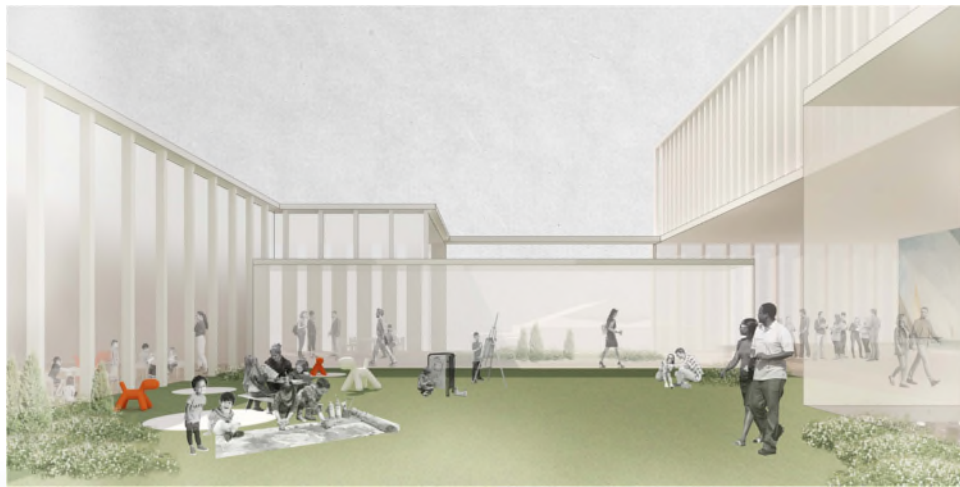
Library collections are situated in a bright and airy double-height space. The feature stairs connect to the third floor Library and fourth floor Art Gallery spaces. The public access computers overlook the Sudbury Theatre Centre and anchor the visitor in the



Junction East cultural campus. Looking west, we see the third floor Library program suspended in space, including the Local History and Reference Collections, quiet study, meeting and board rooms, as well as views of the main Library area.



The Journey continues in the Art Gallery of Sudbury's Gathering Space, which provides access and views to two roof terraces that can accommodate special events and programming. The interior walkway separating the terraces creates a threshold to the Art Education area to the south. The Art Gallery will include a Franklin Carmichael gallery alongside Indigenous and Francophone galleries.



The innovative design of Junction East's building envelope will contribute to enhanced sustainability and enhanced accessibility features have been planned throughout. Informed by ongoing engagement with the community, the design of Junction East will provide a vibrant campus for arts and culture in Sudbury. Offering meaningful connections between interior and exterior, Junction East will create a unique interweaving of culture, knowledge, art, and nature.

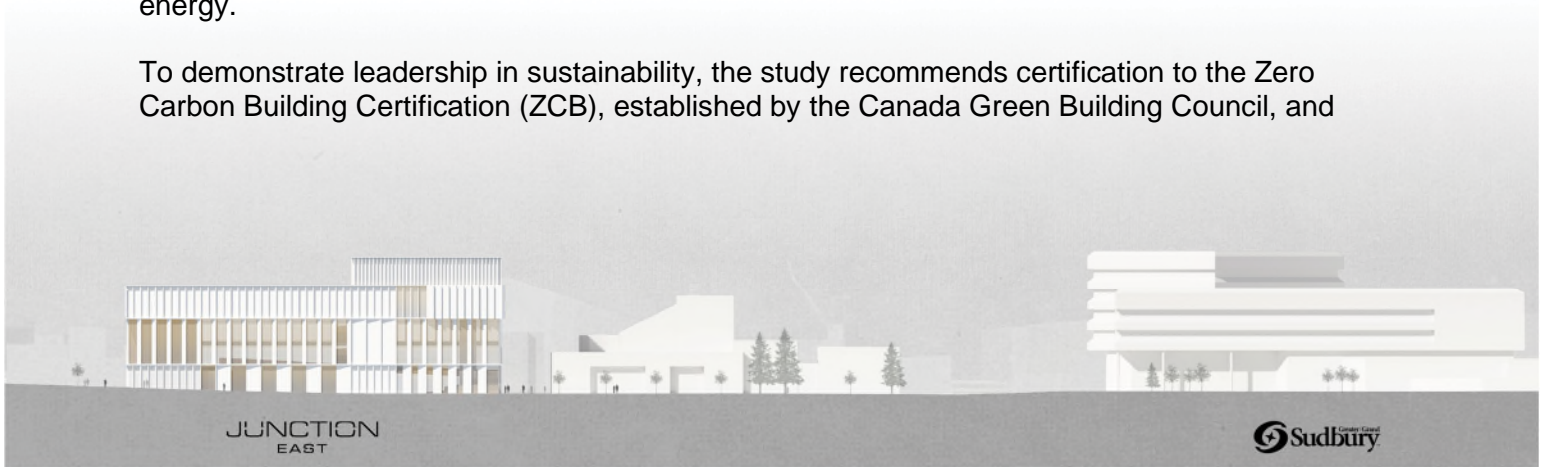


2.3 Sustainable Design and Emissions

Junction East presents a unique opportunity for Greater Sudbury to build an inspiring facility that aligns with internal policy direction on climate change and showcases leading edge sustainable design solutions. The new building could serve as a symbol to the community of what can be achieved in following the goals set out in the Community Energy and Emissions Plan (CEEP). To determine the optimum approach for energy efficiency, a Net Zero and Sustainable Design Feasibility Study, supported by the Federation of Canadian Municipalities, was undertaken in 2021.

The recommended design scenario of the Net Zero and Sustainable Design Feasibility Study is Scenario 4B with generation of 175 kWp of renewable energy through roof top photovoltaic panels on site. The 175 kWp represents ~15% of total annual energy usage. Meanwhile 60 kWp would represent ~5% of annual energy usage. The investment in scenario 4B is estimated to be ~\$6.6M inclusive of design and construction with the generation of 175k kWp of renewable energy.

To demonstrate leadership in sustainability, the study recommends certification to the Zero Carbon Building Certification (ZCB), established by the Canada Green Building Council, and



LEED Silver standards. Junction East could be designed and constructed to meet the ZCB and LEED Silver requirements without participating in the certification process. However, by choosing to pursue the third-party certifications, the City is better able to verify performance and make a clear statement to the community and potential funders that the project aligns with the Climate Emergency declared in May 2019 and Greater Sudbury’s CEEP document.

The sustainable design also includes a ground source heat pump and electric boilers. The major upgrades that are recommended with scenario 4B are a better performing building envelope and reduced energy use for lighting. The better performing envelope includes higher R-value insulation in the walls and roof (~\$0.6M) and triple glazed windows (~\$2.3M) as opposed to double glazed. These recommended upgrades ensure the project is eligible to pursue the ZCB and LEED Silver certifications.

Additionally, mass timber construction was explored during the sustainability study and with the subsequent Class C cost estimate. Using mass timber construction would add approximately \$9.8M to the base building construction and is not in the recommended design scenario.

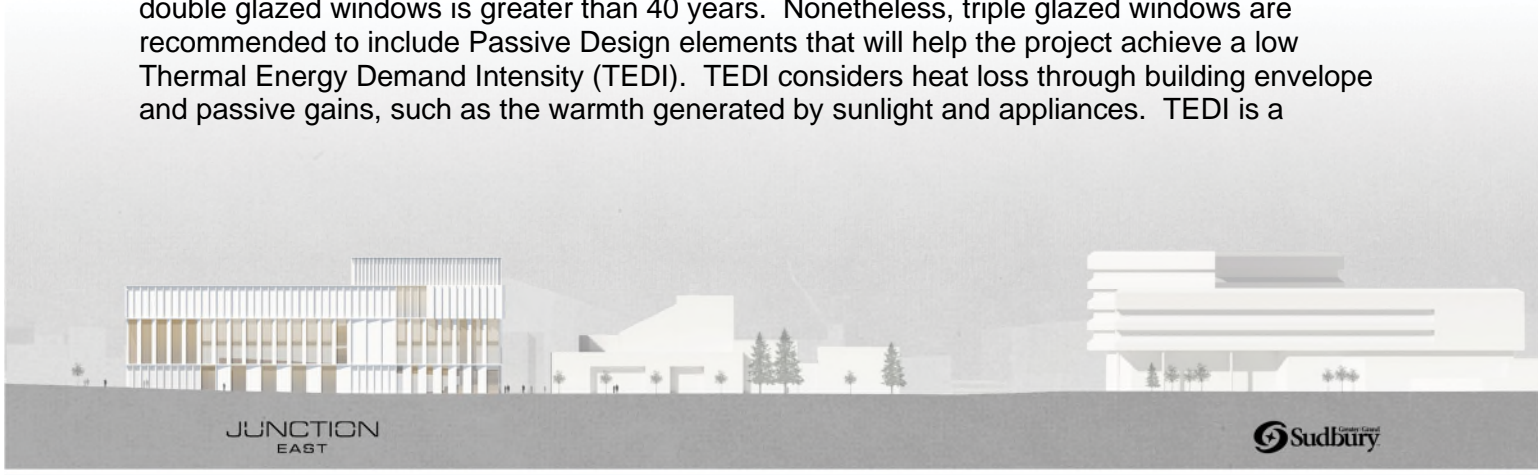
To demonstrate the benefits of investing in sustainable design, a greenhouse gas (GHG) emission analysis was prepared. The analysis compares the existing Main Branch facility to the recommended sustainable design scenario. The analysis also compares the Main Branch and Bell Mansion building to the recommended sustainable design scenario. These results, which are summarized in the following table, indicate that the carbon footprint of Junction East, even though larger than the current facilities, is less than 25% of their impact.

Analysis	Emission Output (kg CO ₂ e)	Output Scenario	Period to CO ₂ Output
1	113,400	Main Branch & Bell Mansion	1 Year
		Sustainable Design Scenario	5 Years and 1 Month
2	87,796	Main Branch	1 Year
		Sustainable Design Scenario	3 Years and 11 Months

It is difficult to justify investment into the sustainable design scenario on investment payback period alone. However, there is an anticipated investment payback period over the long term based on current modeling of future values.

To determine investment payback period, the sustainable design scenario may be compared to a design scenario that includes a heating source of fossil fuel. The payback periods for the low carbon design scenario as compared to scenario with a heating source of fossil fuel is approximately **36 Years**.

The monetary payback period of the \$2.3M investment into triple glazed windows as opposed to double glazed windows is greater than 40 years. Nonetheless, triple glazed windows are recommended to include Passive Design elements that will help the project achieve a low Thermal Energy Demand Intensity (TEDI). TEDI considers heat loss through building envelope and passive gains, such as the warmth generated by sunlight and appliances. TEDI is a



measure of the amount of annual heating energy that is output from all heating sources needed to maintain a building's stable interior temperature. The recommendation to invest in triple glazed windows aligns with the goals set forth in Greater Sudbury's CEEP document and is anticipated to be necessary to pursue Zero Carbon Building (ZCB) certification.

2.4 Enhanced Accessibility

"The City of Greater Sudbury is a community of communities that respects the dignity and rights of persons with disabilities and endeavours to facilitate inclusive access to municipal programs, services, and facilities." (City of Greater Sudbury 2017-2021 Multi-Year Accessibility Plan)

Over the past several years, there have been several improvements made to the accessibility of municipal services and facilities. These include the identification of strategic pillars, removing barriers to accessibility within the municipality and the development of a Multi-Year Strategic Accessibility Plan. The City has an Accessibility Advisory Panel that provides insight to municipal staff on matters related to the accessibility of municipal services, programs, and facilities as required under the Ontarians with Disabilities Act, 2001 and the Accessibility for Ontarians with Disabilities Act, 2005.

Junction East is a new building project in Greater Sudbury's historic downtown that involves the design and construction of a state-of-the-art facility shared by three cultural organizations: the Greater Sudbury Public Library, the Art Gallery of Sudbury, and Sudbury Multicultural and Folk Arts Association. With an area of approximately 100,000 square feet and designed by WZMH Architects and team, it also creates opportunities to integrate programming with its next-door neighbour and fourth cultural organization, the Sudbury Theatre Centre. As the largest new construction project completed by the City of Greater Sudbury (CGS) in many years, it offers an opportunity for the municipality to demonstrate its vision for an accessible community.

Of course, Junction East will comply with the Ontario Building Code (OBC) and the Accessibility for Ontarians with Disabilities Act (AODA). These two standards include many requirements and features that make a building accessible. In 2021, CGS undertook numerous public engagement sessions, including one specifically on the topic of accessibility, to assist in the design of Junction East. It was clear from engagement that accommodating people with a range of abilities was a priority of community members. CGS directed the Junction East design team to identify opportunities for enhancing accessibility beyond what the OBC and AODA require.

As the City of Greater Sudbury does not yet have an accessible facility design standard for designers to follow, the design team created a comprehensive list of enhanced features for consideration that drew on best practices from the following nine sources:

- CNIB's Clearing Our Path
- CSA B651-18 Accessible Design for the Built Environment
- City of Mississauga 2015 FADS



- OCAD University FADS
- Humber College Accessibility Toolkit
- Smithsonian Museum Guidelines for Accessible Design
- National Endowment for the Arts' Accessibility Checklist
- Proposed AODA Kindergarten to Grade 12 Education Standards
- Universal Design best practices

These guiding documents were selected due to their relevance to Junction East's functional program. While the OBC and AODA often focus on dimensions (i.e., maneuvering clearances, mounting heights, etc.) that are helpful to people with mobility-related challenges, these additional references consider a wider-range of disabilities that affect people in the community.

The comprehensive list of enhanced accessibility features was reviewed by the design team and specific features were highlighted for consideration and selection. Highlighted items were suggested based on a range of considerations including, impact on a broad range of users, the feasibility of implementing them in the Junction East design, longer-term maintenance and value for money.

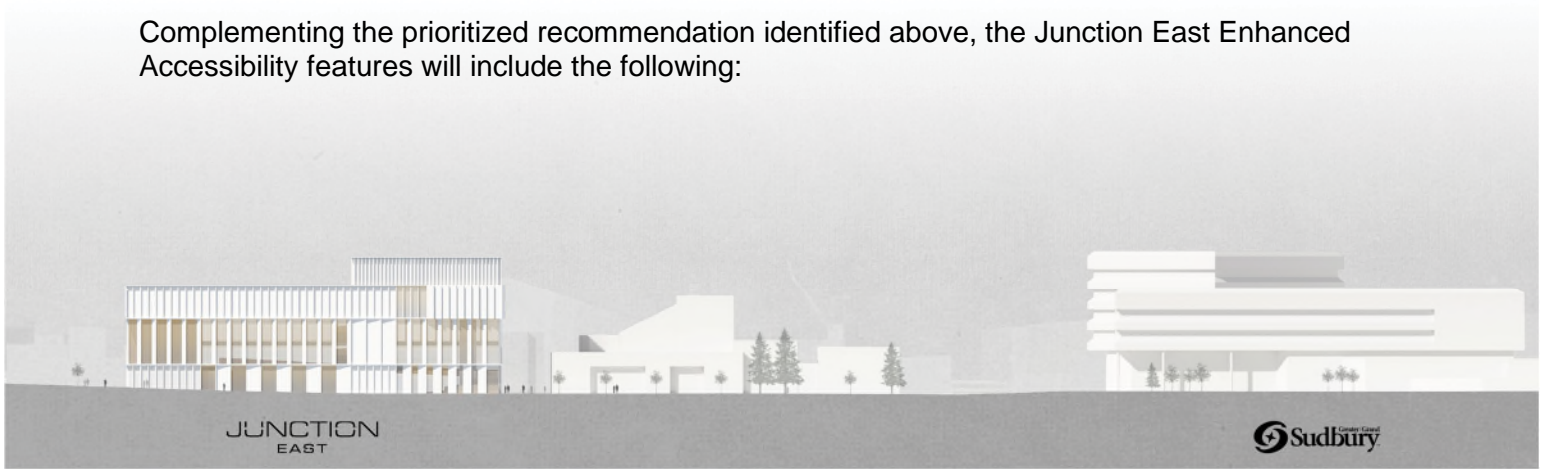
In addition to the comprehensive review undertaken by the Junction East Project Team of the enhanced accessibility features being recommended, additional feedback was solicited from the Accessibility Advisory Panel regarding specific features and options. While the Panel indicated that all the features presented should be implemented there was agreement on a number of prioritized features. Reinforcing their desire to incorporate all the enhancements, the Panel suggested the implementation of accessibility features be continually evaluated and improved.

Prioritized features included:

- An inclined pathway connecting the first and second floors
- Providing rest area seating where long corridors exist
- Providing information and communication systems within the main lobby as well as tactile guidance systems
- Installing charging stations for mobility devices (i.e., wheelchairs or scooters)
- Providing a service dog relief area, including garbage and water fountain
- Voice announcements for floor designation and arrival within elevators

The Art Gallery of Sudbury (AGS) and Greater Sudbury Public Library (GSPL) both reviewed sections of the enhanced accessibility features list that were relevant to their activities and indicated what they were most interested in pursuing for Junction East. Furthermore, each organization made commitments to operational changes that would increase the level of service being provided to ensure accessibility for all.

Complementing the prioritized recommendation identified above, the Junction East Enhanced Accessibility features will include the following:



- A digital app that assists with navigation of Junction East (i.e., Goodmaps - www.goodmaps.com)
- Hearing Loop capabilities within designated spaces (i.e., multi-purpose room, community room etc.)
- Tactile signage to supplement the text of regulatory signs, warning signs and identification signs
- Sensory rooms provided on each floor

In addition to these accessibility enhancements, the Junction East design currently incorporates an inclined pathway from the first to the second floor. The sloped walkway is an accessibility enhancement beyond the Ontario Building Code and the Accessibility for Ontarians with Disabilities Act. Not only does the inclined walkway provide a practical physical connection to the second floor, but it is also a significant design element that signals to the community Council's commitment to accessibility.

Based on the feedback received from the above stakeholders, the Junction East enhanced accessibility features list has been finalized and an associated Junction East Accessibility Implementation Plan is now being developed. The Accessibility Plan will be organized into the following three categories:

- **Base Building:** These are constructed elements that are integrated into the architectural design. They are implemented by the General Contractor and are part of the building's construction when it opens to the public.
- **Furniture, Fixtures & Equipment (FF&E):** Elements that are installed into the building that support the operation of each organization.
- **Operations:** Procedures and best practices that are implemented by people who work within Junction East and/or are responsible for its operation and maintenance. This takes place once the building is occupied.

The value of the enhanced accessibility features, inclusive of the inclined pathway, is up to \$4.7M. With Council approval of the budget, the design team will integrate the identified enhanced accessibility features into the design development and contract document phases. Throughout the project, the design team will continue to meet with CGS, the Accessibility Advisory Panel, and Junction East partners to share how the enhanced accessibility features are being implemented and to gain feedback to develop the design to completion.

Should these enhanced accessibility features be incorporated into the project, Junction East will become a significant step in realizing the City's commitment to making its facilities, programs and services accessible to all citizens now and in the future.



2.5 Junction East Public Art

In September 2018, Council approved a draft Public Art Policy and directed staff to develop an implementation plan. The report entitled “Elements of a Public Art Implementation Plan, received by Council on November 19, 2019, contains the following statement:

“Funding for Public Art programs varies from municipality to municipality. A common form of funding for public art is the “Percent-for-Public Art” model which sets aside 1% of the municipality’s Capital Budget for Public Art in the community”.

In keeping with this approach, staff recommend an allocation equal to 1% of the Junction East project construction budget, or \$700,000, towards the installation of public art within the Junction East site.

It should be noted that the 1% for public art typically covers many costs. The following table illustrates how the \$700,000 could be used in this public art project:

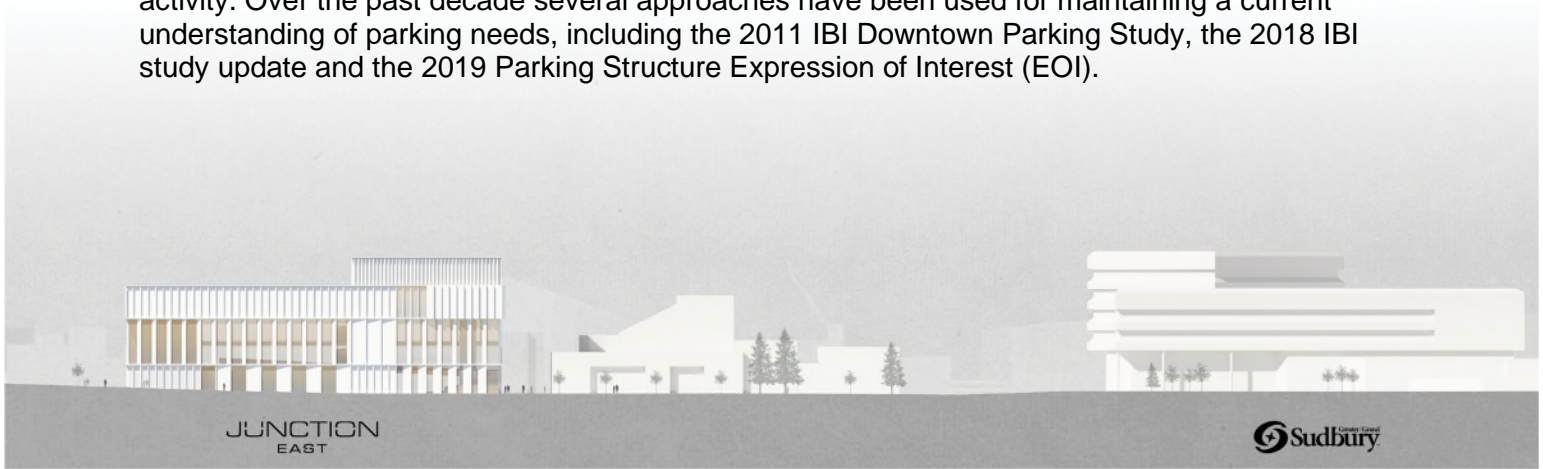
Percentage	Item
80% ~\$560,000	Materials, fabrication disbursements, transportation of completed work to site, site preparation, below grade elements, accent lighting, plaque, identifier, brochures, engineering fees, legal fees, artist fees, documentation of work (slides, digital images, etc.), taxes, etc.
10% ~ \$70,000	Administration
10% ~ \$70,000	Maintenance

Furthermore, the policy also indicates, *“The City will coordinate and prioritize sites where capital projects are compatible with a commissioning of public art and the projects are of high profile.”* The Junction East project is a priority for Council and will be built on a very high-profile location.

Should Council choose this option for the Junction East development, project staff will work with the project partners and the Planning division to follow the process outlined in the Public Art Policy, including artist selection, development of a public art project plan, implementation plan, community consultation, etc.

2.6 Junction East Parking

The City of Greater Sudbury understands that a component of a successful and vibrant downtown is ensuring an adequate parking supply to support local commercial and recreational activity. Over the past decade several approaches have been used for maintaining a current understanding of parking needs, including the 2011 IBI Downtown Parking Study, the 2018 IBI study update and the 2019 Parking Structure Expression of Interest (EOI).



The development of Junction East will create added parking supply pressures in the downtown's south district as the project site is an existing parking lot with approximately 145 spaces. In operation, Junction East will have specific parking needs that need to be accommodated within relatively close proximity to the new facility.

Recommendations from the 2018 updated parking study include a centrally located parking structure of approximately 315-500 parking spaces. This recommendation was part of the reason for the 2019 CGS Downtown Parking EOI. As Council is aware, there were six submissions to the EOI, and Council indicated interest in two of the submissions at the time. After this initiative, the COVID-19 pandemic drastically changed the parking situation in the downtown and it remains unclear how the situation will evolve as the community returns to a new normal. The past two years has forced the workforce to reconsider how services are delivered and both the private and public sectors have incorporated work from home policies. It will be important for us to understand these implications on parking demand estimates prior to the pandemic.

Staff initiated a process to update the previous studies based on this current context. The scope includes understanding the specific supply and demand dynamics in the south district, including the anticipated effect of event nights, at Junction East. It also considers active transportation alternatives and will help us identify the potential range for post-pandemic parking demand across the downtown. This will guide the City's plans for a more comprehensive, long-term parking solution, including the potential for a multi-level structure. At the same time, staff are developing a plan to address parking needs during Junction East construction.

To accommodate the needs of Junction East users, and subject to Council approval of a land purchase, the two empty lots on the west side of Shaughnessy which directly face the main entrance of the new building will be redeveloped into a dedicated parking lot for Junction East. As shown in the conceptual image below, there is opportunity to realize parking as well as a strong pedestrian connection from the Minto Street parking lot to the new Junction East facility. Also included in the image below is parking space dedicated to bicycles and an area reserved for service dog relief.

During Planning Committee on May 30th, a resolution was passed to purchase the south lot demonstrated in the image below. The Planning Committee minutes are anticipated to be ratified, with a bylaw prepared in June. Once the decision is final, there is a transaction closing date early in August 2022.

This image shows an initial concept for the combined lots across from Junction East.





The following table indicates the current parking situation along Shaughnessy Street.

Parking Lot	Location	Current Parking Spaces	With Junction East
Shaughnessy Street East – East Side Lots	Sudbury Theatre Centre lot.	110	0
	Former Max Parking Lot. Acquired by CGS in 2021.	35	0
Shaughnessy Street West – West Side Lots	Lot between Golden Grain and Wacky Wings lot.	56	56
	Northerly empty lot between Wacky Wings and Alexandria’s restaurant.	35	39
	Southerly empty lot between Wacky Wings and Alexandria’s restaurant.	35	
Shaughnessy On-Street Parking	On-street parking, Brady Street to Van Horne Street	10	10
	On-street accessible parking in directly in front of Junction East.		



3.0 Financial Plan

Construction cost estimates are created at many different points in time throughout a project. These estimates are developed to different levels of detail and accuracy, with the detail and accuracy becoming greater as the project design progresses.

In December 2017, a report titled Greater Sudbury Public Library and Art Gallery of Sudbury Co-Location Facility and Business Plan was prepared for Greater Sudbury. Among other items, the report outlined a Class D (+/- 20%) estimate to build a facility that would house the library and gallery. The estimated total building cost in 2017 was \$42M.

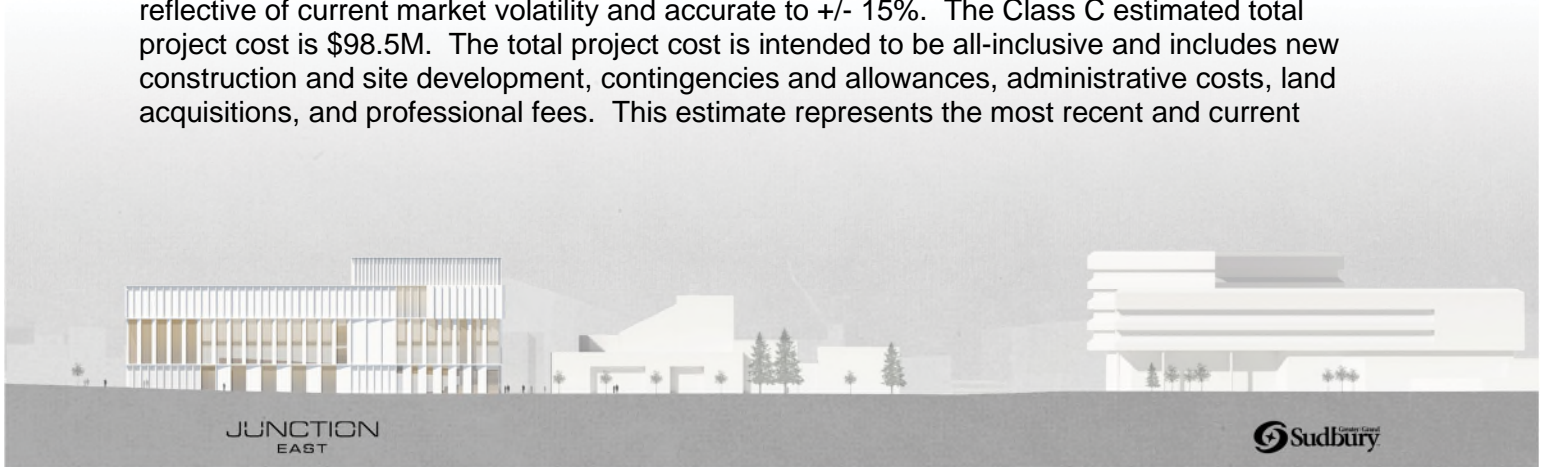
The building imagined in 2017 was a 92,700 square foot facility that would house the library and gallery. Since 2017 the scope of the building has evolved with strategies that are being implemented by Greater Sudbury. As discussed within section 1.1 Council Direction, the project has evolved into the current Junction East design that encompasses Greater Sudbury's vision for sustainable emission design, inclusive and enhanced accessibility, and the ability to showcase public art.

Additionally, the evolving approach to the cultural campus which features an iconic design aligns with Greater Sudbury's commitment to delivering transformative spaces in the downtown core.

With progress of the Junction East evolution from the library and art gallery to the cultural campus, the project team performed a value engineering exercise with the focus on what the Junction East project is, and what the project will cost.

During the value engineering stage of the project, the project team, architect, and project partners reviewed and worked through how the interior and exterior building spaces will be used, how the spaces may be shared, and how they interrelate with one another while looking for a balance between functionality, vision, and efficiency. Specific cost savings were determined by reducing the area of the building by ~16% from the waterfall concept discussed in section 2.2 Facility Design to the current, "The Journey", cultural campus design. Space saving was achieved by disconnecting the building from the Sudbury Theatre Centre creating the cultural campus. Additional design revisions such as a reduction in elevators, and varying roof treatments contributed to cost reduction.

Currently, staff is working with a Class C estimate from June 2022. The Class C estimate is reflective of current market volatility and accurate to +/- 15%. The Class C estimated total project cost is \$98.5M. The total project cost is intended to be all-inclusive and includes new construction and site development, contingencies and allowances, administrative costs, land acquisitions, and professional fees. This estimate represents the most recent and current



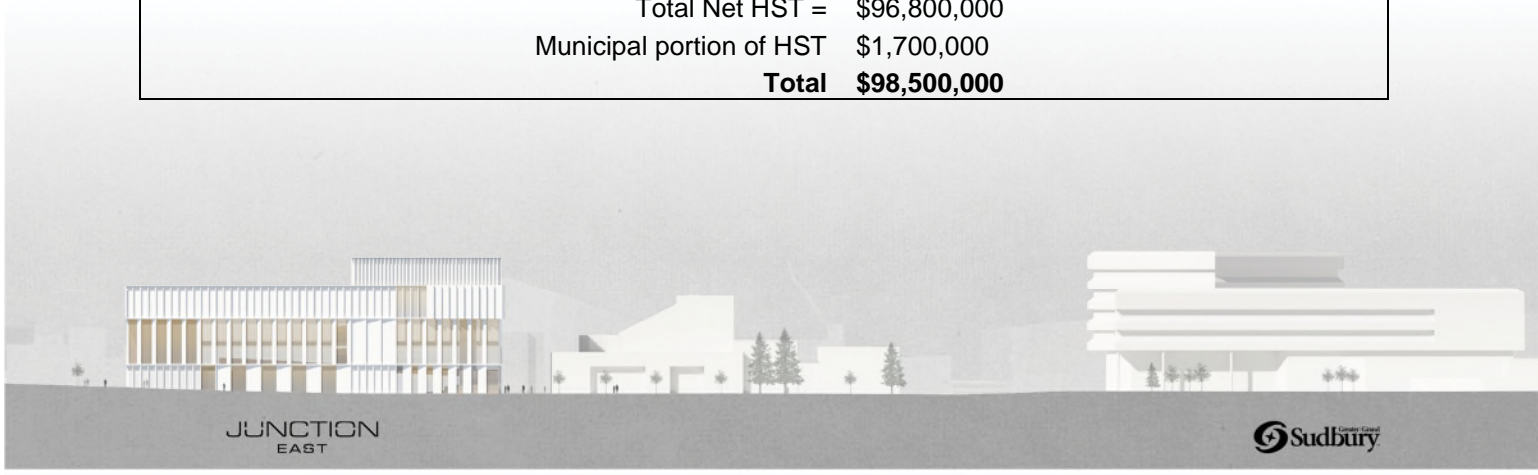
snapshot of project design, and will be used as a “hard cap” budget for the project leading up to the construction tender.

The total project cost has increased from the Class D estimate presented to Council on May 3rd. The primary cost driver behind the increase is inflation, which represents an estimated cost increase of ~\$3.6M since May 3rd. Another notable increase of ~\$0.5M is associated with the enhanced sustainable building design and ~\$1.1M to enclose the roof terrace. Additionally, there was an increase of ~\$0.5M to the base building which has a ripple effect on the estimates for contingency values and percentage based professional fees.

3.1 Project Construction Costs

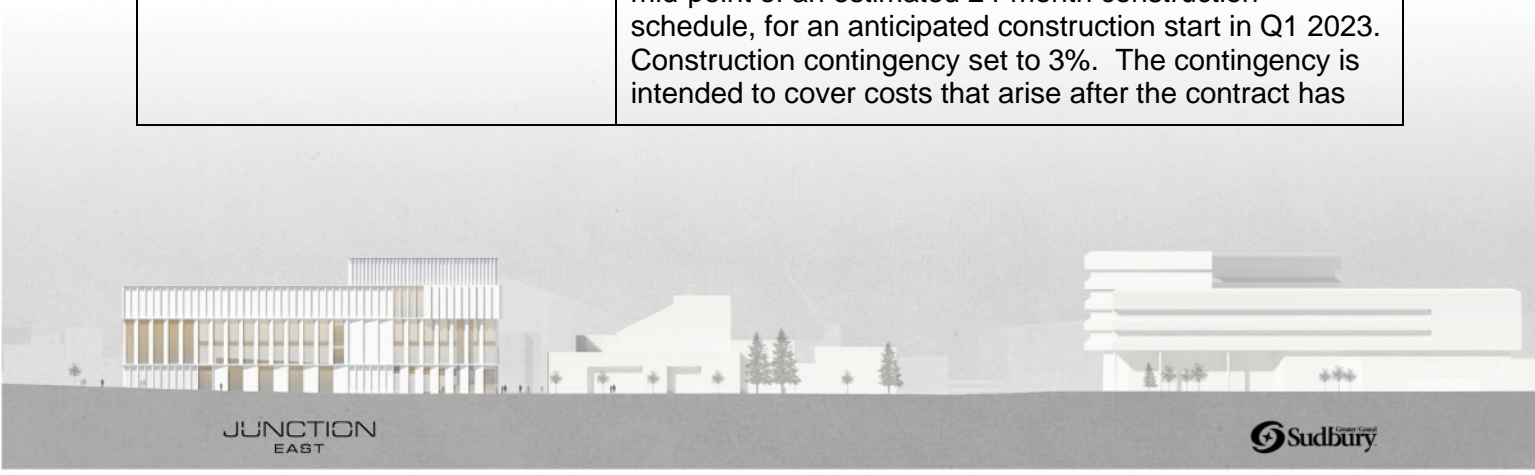
The total project costs for the 100,000 ft² Junction East may be further broken down as follows.

Project Costs	
Cost of Building	
Building Construction (per Class C Estimate +/- 15%)	\$53,600,000
Site and Landscape	\$2,700,000
<i>Subtotal</i>	\$56,300,000
Soft Costs	
Professional Fees	\$5,800,000
Furniture and Equipment	\$1,500,000
Building Permit	\$900,000
Soft Cost Allowance	\$2,200,000
<i>Subtotal</i>	\$10,400,000
Contingencies	
Design Contingency (5%)	\$3,300,000
Escalation Allowance (Varies by year)	\$8,400,000
Construction Contingency (3%)	\$2,300,000
<i>Subtotal</i>	\$14,000,000
Enhanced Sustainability	\$6,600,000
Enhanced Accessibility	\$4,700,000
Public Art	\$700,000
<i>Subtotal</i>	\$12,000,000
Other Project Costs (incl. Admin and Land Acquisition)	\$4,100,000
Total Net HST =	\$96,800,000
Municipal portion of HST	\$1,700,000
Total	\$98,500,000



The cost of building estimate encompasses all the materials and labour to design and develop the Junction East, provided by elemental classification. Details of the Project Costs from the Class C estimate are provided below.

Project Cost Details		
Cost of Building	A1. Substructure	Helical piles, grade beams, pile caps, mat foundations, waterproofing, perimeter drainage, insulation, and dewatering.
	A2. Structure	Steel structure; for information on mass timber please refer to the sustainable design and emissions background document
	A3. Exterior Enclosure	Cladding system with R-25 wall and R-40 roof values to meet building code; double glazed curtain walls and windows in base option. Enhanced sustainability includes upgraded insulation with R-30 wall and R-50 roof, and triple glazed systems.
	B1. Partitions & Doors	Drywall and metal stud walls including reinforced concrete shaft walls
	B2. Finishes	Floor finishes, ceiling finishes, and wall finishes
	B3. Fittings & Equipment	Metals such as handrails, washroom accessories, millwork, elevator pit ladders, and elevators.
	C1. Mechanical	Plumbing and drainage, fire protection, HVAC, and controls
	C2. Electrical	Service and distribution, lighting, devices and heating systems, and ancillaries
	D1. Site Work	Existing removals, hardscape and softscape site development, mechanical and electrical site services
Soft Costs		Professional fees for architectural and engineering services, commissioning authority, and geotechnical investigations; furniture and equipment; building permit fees; a general contractor commissioning allowance; and a soft cost contingency
Contingencies		Design contingency set to 5%. The contingency accounts for features that will not be captured in the drawings and specifications until detailed design. Escalation allowance is set at a varying rate of 12% per annum for 2022, 5% per annum for 2023, and 4% per annum for 2024; and is calculated on this basis to the mid-point of an estimated 24-month construction schedule, for an anticipated construction start in Q1 2023. Construction contingency set to 3%. The contingency is intended to cover costs that arise after the contract has



	<p>been awarded (during construction) to the successful proponent. The percentages are applied to the cost of building subtotal.</p>
Enhanced Sustainability	Please refer to section 2.3 Sustainable Design and Emissions
Accessibility Enhancements	Please refer to section 2.4 Enhanced Accessibility
Public Art	Please refer to section 2.5 Public Art
Other Project Costs	Project administration and land acquisition

3.2 Additional Project Costs

Enbridge Gas Line Relocation

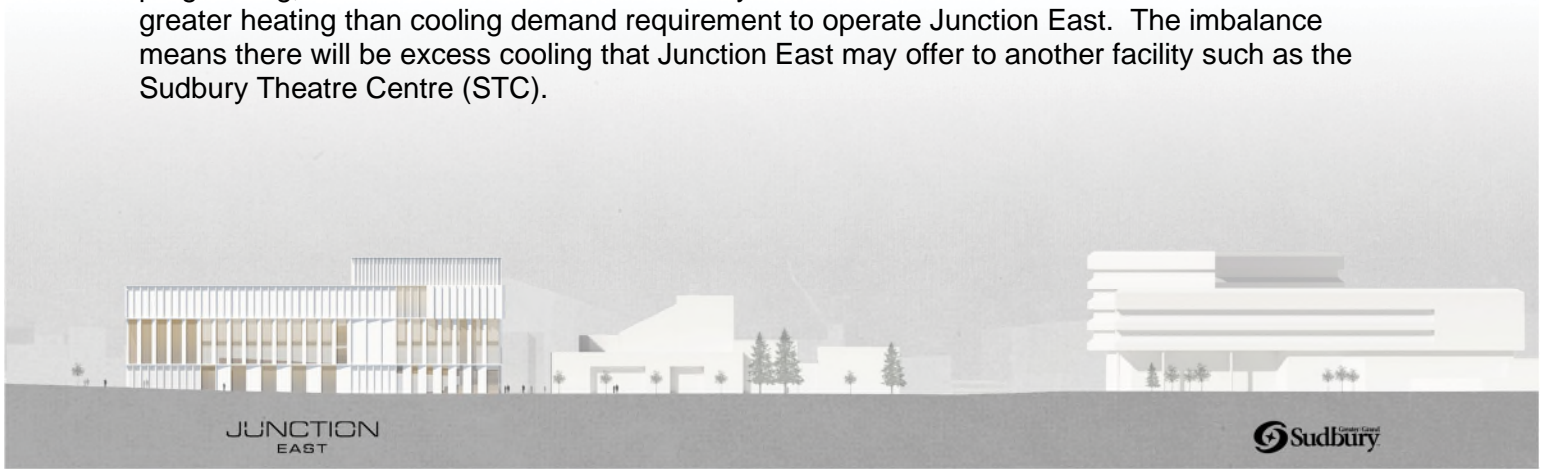
There is an Enbridge gas line that runs through the Junction East site. The gas line is within an abandoned laneway that has since been closed by Planning Committee earlier in 2022. The relocation will take place within a 10-business-day window commencing in late-July or August.

The gas line that is being replaced feeds multiple facilities. The installation will involve a seamless connection for all the gas customers, meaning there will be no supply interruption; except for the SMFAA facility. There will be a required gas shutdown at SMFAA for up to two (2) days.

The estimated cost of the Enbridge gas line relocation is approximately \$130k. This cost **is included in the Class C** estimate as gas line relocation is mandatory to construct the Junction East at the selected location.

Cooling Connection to Sudbury Theatre Centre

As the design of the Ground Source Heat Pump (GSHP) system for the Junction East is progressing, it has been determined that the system will be imbalanced. This is due to the greater heating than cooling demand requirement to operate Junction East. The imbalance means there will be excess cooling that Junction East may offer to another facility such as the Sudbury Theatre Centre (STC).



The cooling connection considers provisions for underground infrastructure to connect the two facilities at a future date. The cooling connection is not mandatory, however there is mutual benefit. The cooling connection will help achieve lifecycle expectations by boosting the performance and efficiency of the GSHP and provide 'green' cooling to the STC. Additionally, a building condition assessment completed for the STC indicated the cooling system will require modernization in the not-too-distant future.

The estimated additional cost to install the provisions for the STC cooling connection is approximately \$55k. This cost **is included in the Class C estimate.**

Parking

Greater Sudbury currently owns one parking lot directly across Shaughnessy from the proposed front door of the Junction East facility, with the purchase of a second adjacent parking lot expected to close at the beginning of August 2022.

The City plans to develop these lots as part of the Junction East project. The lots will also be integrated into the construction project as they have been identified as a laydown and storage area for the constructor. The additional cost to design and build the final finished parking lot is currently estimated to be \$216k; this cost **is included in the Class C estimate.**

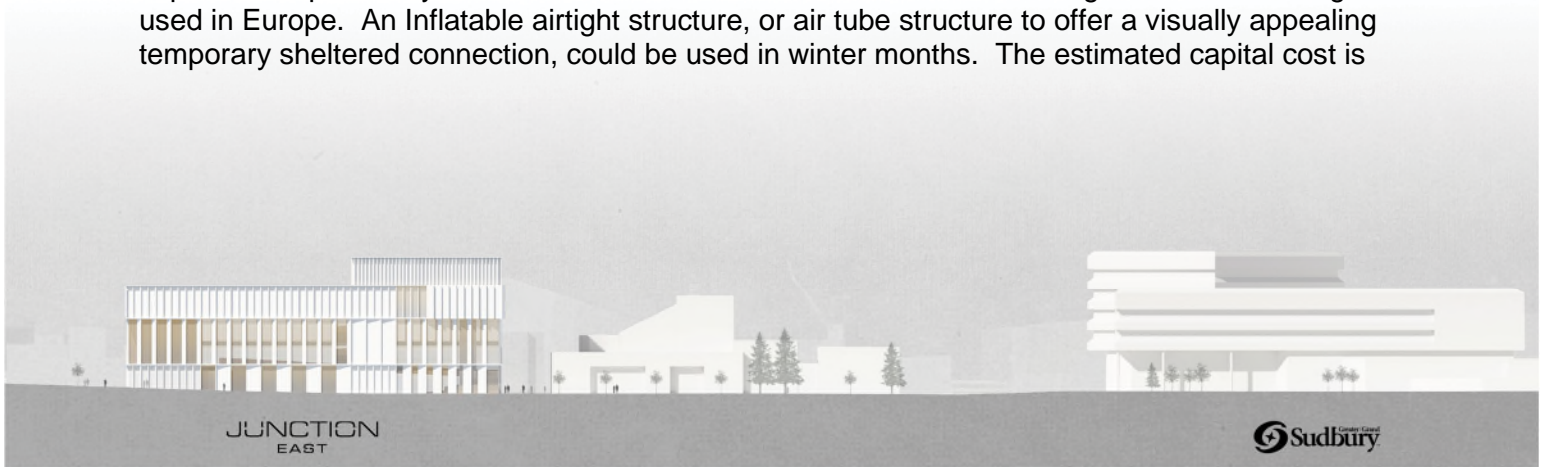
Roof Terrace to Atrium

Within the art gallery space on the fourth floor of the Junction East there are two open to the element's spaces, namely the roof garden and roof terrace. Each of these spaces will be contained within the building by an exterior wall enclosure; however, there is no roof over either of these spaces. Greater Sudbury and the consulting team explored the possibility of enclosing the larger of the two spaces, the roof terrace located in the centre of the fourth floor. The additional estimated cost to enclose this space to an atrium by installing a roof skylight is approximately \$1.1M. This cost **is included in the Class C estimate.**

3.3 Potential Project Costs

Pedestrian Connection to Sudbury Theatre Centre (This item is not currently recommended but may be considered in the future.)

In response to concerns about disconnecting the STC from Junction East, the design team has explored the possibility of a seasonal connection between the two buildings based on a design used in Europe. An Inflatable airtight structure, or air tube structure to offer a visually appealing temporary sheltered connection, could be used in winter months. The estimated capital cost is



up to \$1.5M. Additionally, there will be operating costs to install, remove, maintain, and store the temporary connection.

3.4 Historic Trends in Costs of Construction

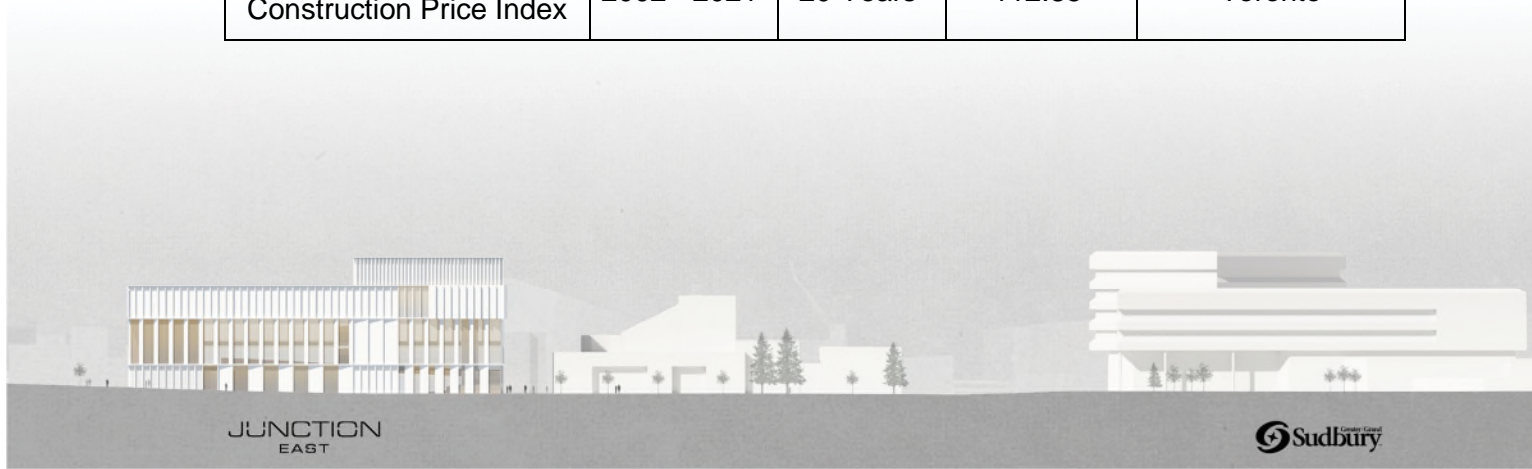
Some members of Council have asked for additional information regarding the potential for costs of construction to plateau or decline in future, following the uncertainty related to the pandemic.

Statistics Canada offers a Non-Residential Building Construction Price Index (NRBCPI) that is demonstrated in the following table. Since there isn't a local index specifically for Greater Sudbury, the City's policy is to use the index for Ottawa/Gatineau as a proxy. Over the course of five years, the NRBCPI has increased by 34.6% in Ottawa/Gatineau according to Statistics Canada. A significant portion of the increase is represented after 2020 when constraints such as a global pandemic and various supply chain issues came into effect. Looking at the NRBCPI between 2017 to 2019, there is an increase of 11.1% in Ottawa/Gatineau.

While looking at the NRBCPI, it is evident that prices have only increased over time. Statistics Canada also offers a Non-Residential Building Construction Price Index for Toronto, Ontario. The 20-year increase for Toronto is included in the table below. Under all scenarios, the Ottawa/Gatineau NRBCPI increase was above the increase associated with Toronto.

Furthermore, the Bank of Canada (BOC) inflation rate is included for all time periods. As demonstrated, construction cost increases have consistently outpaced the BOC inflation rate.

Indices	Period	Duration	% Increase	Location
Non-Residential Building Construction Price Index	2017 - 2019	2 Years	11.10	Ottawa/Gatineau
Bank of Canada Inflation			3.70	Canada
Non-Residential Building Construction Price Index	2017 -2021	5 Years	34.60	Ottawa/Gatineau
Bank of Canada Inflation			7.09	Canada
Non-Residential Building Construction Price Index	2012 -2021	10 Years	42.43	Ottawa/Gatineau
Bank of Canada Inflation			14.60	Canada
Non-Residential Building Construction Price Index	2002 - 2021	20 Years	112.85	Toronto



Non-Residential Building Construction Price Index			119.58	Ottawa/Gatineau
Bank of Canada Inflation			41.45	Canada

Based on these indices, there is no data available to support the view that Junction East construction costs will decline in a future period. Rather, historical data suggests costs will continue to increase in future periods.

3.5 Project Funding

Staff and key members of Council continue efforts to promote Junction East as a worthy investment for several federal and provincial funds. The following chart shows the current estimated funding for the project. While the total estimated funding exceeds the current cost, some of the funding is unconfirmed. The Federal and Provincial Program Applications represent grant applications that have been submitted to senior levels of government by Greater Sudbury. The Cultural Campus Partners represents funds that have been committed by the partners. The CGS Funds represent the 30-Year debentures for Junction East (\$10M) and Junction West (\$58M) and reserve contributions.

Current Project Funding				
Source	Potential	Confirmed	Total	Share
External Third Parties				
Federal and Provincial Program Applications	\$34.9M	\$0.8M	\$35.7M	
Community Contributions	\$1.5M		\$1.5M	37.8%
Cultural Hub Partners AGS, GSPL, SMFAA	\$1.6M	\$1.5M	\$3.1M	3.1%
CGS Funds (Balance Required to Fully Fund Project)				
Debt (30 Year Debenture)	\$47.2M	\$10.0M	\$57.2M	
Reserves	\$1.0M		\$1.0M	59.1%
Totals	\$86.2M	\$12.3M	\$98.5M	

Contingency Funding

If additional funding is required to fund the project to the approved budget funds will be provided by the annual budget allocation to capital in equal amounts from the 2023, 2024, and 2025 operating budget.



4.0 Business Plan (Operating Plan)

A business plan is a document that is an essential roadmap for project success. It describes the direction of the project, the goals of the project, and how the project goals will be achieved.

The original business plan for a library and art gallery co-location was prepared in 2017 and has been updated in 2022 to reflect the evolved project that is now Junction East. Discussed within these documents are:

- Operating costs specific to partner service levels;
- Facility operating costs specific to the buildings;
- Governance options and ownership models;
- Governance frameworks and tenant relationship structures; and
- Terms of reference and lease agreements.

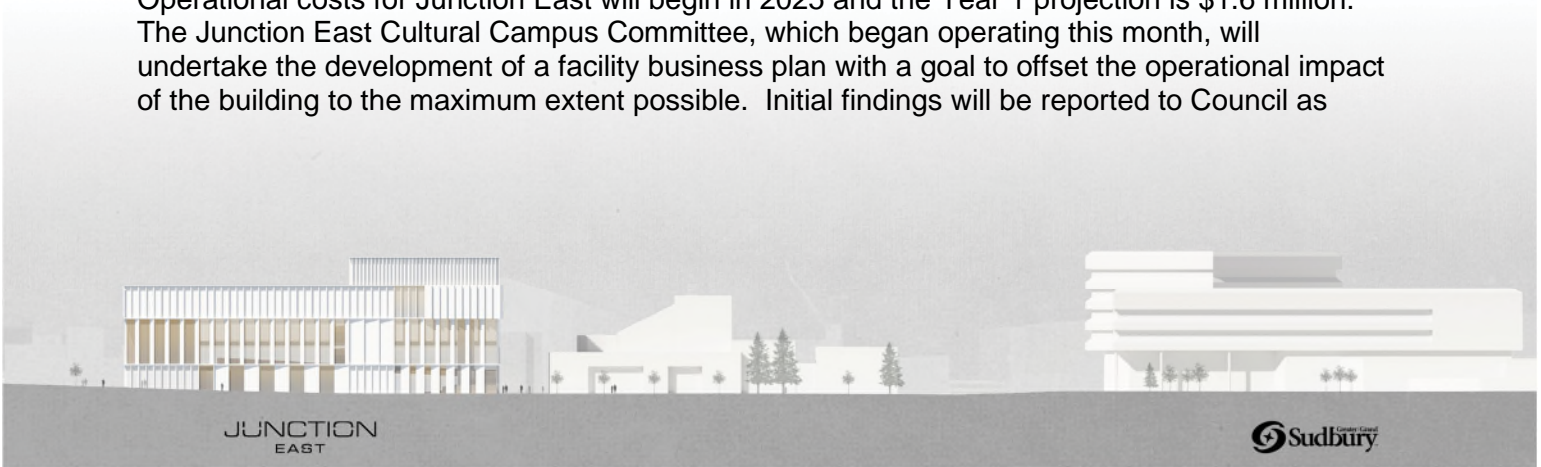
4.1 Operating Costs

The Operational Plan approved by Council on July 10, 2018 was developed as part of the original feasibility study for the Library/Art Gallery Project by Lord Cultural Resources. Known as the “Lord Report,” this document had, as a fundamental premise, that the City would absorb the full facility operating costs through the Library operating budget and that the Art Gallery of Sudbury would be housed in this new building for a nominal cost of one dollar per year.

Since Council’s approval in principle of this Operational Plan, the project team has maintained this approach to the project. In the past twelve months, however, as the facility has become more of a reality, staff have begun to better understand how the building will work and its potential to generate revenue for all of the partners.

The Lord Report, for example, proposed a multi-purpose lobby that the Art Gallery could use to stage weddings or other special events and generate revenue for their own purposes. In the current design of Junction East, however, there are at least ten spaces that can be used in a similar manner and some of these are within the common area which will be operated by the CGS as building owner. All Junction East partners are committed to sharing in the ongoing operational costs but the group requires additional time to assemble a realistic revenue generation and revenue sharing approach to determine annual contributions and the overall budget requirements from CGS.

Operational costs for Junction East will begin in 2025 and the Year 1 projection is \$1.6 million. The Junction East Cultural Campus Committee, which began operating this month, will undertake the development of a facility business plan with a goal to offset the operational impact of the building to the maximum extent possible. Initial findings will be reported to Council as



part of the 2024 Municipal Budget Process, and finalized so as to be incorporated into the 2025 Budget.

4.2 Governance and Ownership Model

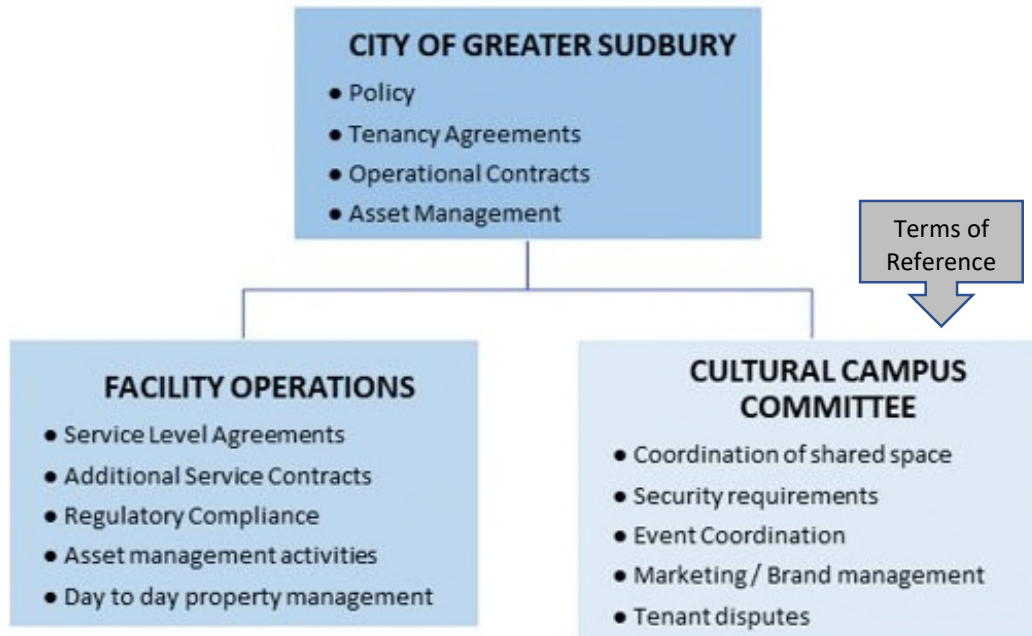
Greater Sudbury has reviewed and analyzed ownership models for similar municipally influenced, public interest facilities such as a municipal facility, a municipally owned corporation, and an independent corporation. Analysis considered the pros, cons, and impact on tenants of additional common types of registered ownership models. The models reviewed include sole ownership, joint tenancy, tenants in common, owning partnership, owning corporation, co-operative trust, and condo.

Junction East will be a facility solely owned and operated by the City of Greater Sudbury, with active input by the tenant organizations in the building and additional participation from the neighbouring theatre centre. The following diagram demonstrates a recommended governance model for owner, operator, and tenant relationships:

- The facility is owned by the City of Greater Sudbury
- Facility operations (i.e., Asset Services) performs the day-to-day property management
- An advisory committee oversees the governance of the tenants, often comprised of a mix of tenant representatives, with decision making authority remaining with the City.

Lease agreements with each individual tenant will define the terms for how the tenants occupy the space. Lease agreements will specify responsibilities, for example: maintenance, utilities, insurance, cleaning, property upkeep, etc.





4.3 Governance Framework and Tenant Relationship Structures

The Cultural Campus Committee, whose purpose is to provide a forum for programming, shared space use, facility scheduling and guidance to the City for facility operating decisions, will include five members. Four of these members will be representatives from each of the participant organizations: Greater Sudbury Public Library, Art Gallery of Sudbury, Sudbury Multicultural and Folk Arts Association and Sudbury Theatre Centre. The fifth member will be a representative from the City of Greater Sudbury; this representative will also Chair and provide administrative coordination.

The committee generally reviews and recommends to the City for approval decisions items in line with the following duties and responsibilities:

- Ensure that activities carried out in common areas and other shared spaces are conducted in accordance with the Facility Guidelines
- Review on a regular basis and recommend to the City any appropriate revisions to the Facility Guidelines
- Review and monitor the effectiveness of the facilities management process to appropriately maintain the physical infrastructure of Junction East, including both interior and exterior spaces
- Receive and make recommendations on tenant requests that are not explicitly provided for in the Facility Guidelines and outside of respective lease agreements
- Review health and safety incidents and recommended action where required



- Advise facility property management of any concerns related to the operations/maintenance of the facility and surrounding property
- Assist in scheduling major capital or repair work

Areas not covered explicitly by Facility Guidelines (or respective lease agreements) will be considered by the Cultural Campus Committee on a case-by-case basis, including any changes to Facility Guidelines. Consistent with multi-use facilities, guidelines will continue to evolve over time. It is the responsibility of the Cultural Campus Committee to ensure that these guidelines remain appropriate for their respective use, and that any changes are proposed in a timely manner, and consistent with the authority delegated to the Committee by the City of Greater Sudbury.

4.4 Terms of Reference and Lease Agreements

Throughout the Junction East project, Greater Sudbury and its consultants have met independently with the project partners to discuss potential guidelines and related concerns to occupancy, and daily operation of the shared Junction East facility. Following the one-on-one sessions, were three collaborative workshops to obtain feedback on the proposed facility guidelines. The feedback from this exercise informed a draft set of proposed operating guidelines.

The operating guidelines provide context, tenant guideline, and the Greater Sudbury's role for operating items such as: events, security, loading dock, shared spaces (common areas, multi-purpose room, tenant let space, and easements), access, waste, regulatory compliance, tenant specific services, damages, special event surcharge, special assessment, human resources, insurance, signage (interior, exterior, and temporary), facility management software, and other marketing materials.

