



## REQUEST FOR DECISION

Report Date: April 3, 2020

Agenda Item Number: 9.6

Meeting Date: April 8, 2020

Report Author: Michael Stamhuis

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**TO:** Mayor & Council

**FROM:** Michael Stamhuis

**SUBJECT:** Options for Use of CRU Space – Strathmore Municipal Building

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### RECOMMENDATION:

THAT COUNCIL accept the report for information and THAT COUNCIL select Option ? for the use of the space identified as Commercial Retail Unit (CRU) as outlined in the report.

### REPORT SUMMARY:

There are three options for use of the designated CRU space as follows:

1. Keep the space as designed for a CRU – Additional Cost = \$0
2. Finish the space for use as a meeting room – Additional Cost = \$25-30,000
3. Finish the space for use as a meeting room while maintaining fire separations – Additional Cost = \$40-45,000

## REPORT

### BACKGROUND/CONTEXT:

Council has requested costing information on the conversion of the designated CRU space to a meeting room. Council has also requested further costing information on allowing for this conversion while maintaining flexibility for future uses by keeping proposed fire separations in place.

## **DISCUSSION:**

Based on Council's request for costing of conversion of the CRU space, there are three Options to consider as follows:

### **Option 1 – Keep the space as designated for a Commercial Retail Unit:**

This option was originally designed to allow for a tenant to operate a retail unit that would be complementary to the uses of Kinsmen Park. The space would be unfinished to allow the proposed tenant to finish in accordance with their requirements. It should be noted that the investment required by a proposed tenant would likely necessitate a longer term lease and would minimize the amount of revenue initially generated from that lease. This use requires the installation of fire separation along the perimeter and ceiling. The thinking behind this is that the space could ultimately be a source of revenue and could at a future date be converted to office space expansion. At that time a separate structure could be erected in the Park if the CRU was to be retained. Costs for this option are currently included in the project budget.

### **Option 2 – Convert this space to a Meeting Room:**

This option would require expenditures for the finishing of this space to a standard similar to that of the neighbouring office space. The space could accommodate meetings of at least 20 persons and could conceivably be rented to outside agencies. Under this option, the fire separations would not be necessary as this would be an extension of the Town Hall. In the future, this space could be converted to expanded staff offices. However, with this option, keeping the meeting space would be more difficult to accommodate as a separate structure for meeting space would not be practical. This option would cost an additional \$25 -30,000.

### **Option 3 – Convert this space to a Meeting Room While Maintaining Fire Separations:**

Under this option the space would be finished as per Option 2 but the planned fire separations would remain in place. This option would provide the Town with the maximum amount of flexibility over future building uses. However, if the space is seen as future Town Hall office space, the fire separations would not be needed. If Council wishes to consider alternative outside uses for this space, this option would provide for the most choices. However, some of these choices may restrict the Town's ability to use it as a meeting room. This option would not

have the cost offset or removal of fire separations and is estimated to cost an additional \$40-45,000.

### **STRATEGIC PLAN ALIGNMENT AND ANALYSIS:**

The proposed funding of the Strathmore Municipal Project will provide for a contingency of approximately \$450,000. The primary purpose of the contingency fund is to allow for unknowns and uncertainties that remain in the completion of the works. However, a secondary purpose of the contingency is to provide the Town with *some* flexibility to make changes to the project as deemed appropriate.

### **CONCLUSION:**

The Commercial Retail Unit space can be converted to a Meeting Room at a cost of either \$25-30,000 or \$40-45,000 depending on whether fire separations are maintained.

### **SUPPORTING DOCUMENTATION:**

The plan showing the meeting room configuration is attached. This configuration would be identical for either Option 2 or Option 3.

**REVIEWED AND APPROVED BY: R. ROYCROFT**