

THE CORPORATION OF THE TOWN OF GEORGINA

REPORT NO. CAO-2021-0004

**FOR THE CONSIDERATION OF
COUNCIL**

April 14, 2021

SUBJECT: REPLACEMENT CIVIC CENTRE REDESIGN

1. RECOMMENDATION:

- 1. That Council receive Report No. CAO-2021-0004 prepared by the Office of the CAO dated April 14, 2021 respecting the Replacement Civic Centre.**
- 2. That Council endorses the new proposed path to redesign the Georgina Replacement Civic Centre.**
- 3. That Council approves the schedule, new scope, and additional costs for the Georgina Replacement Civic Centre project redesign including a total of \$102,800 for CBRE and a total of \$336,500 for IBI.**
- 4. That Council approves and authorizes the Chief Administrative Officer (CAO) to approve payments for the new redesign scope.**

2. PURPOSE:

To provide Council with an update of the current status of the project including scope, budget, and schedule. Also, to inform the Council of the recommended options to move forward with the project in view of a post-COVID 19 needs reassessment that was carried out in 2020 by the project team. In addition, the steering committee and project team are seeking Council approval of the new proposed path for the Georgina Replacement Civic Centre project.

3. BACKGROUND:

In 2016, the Town consultant provided Council with multiple options related to current and future accommodation of the Town's operation at the Civic Centre property. Council moved forward with approval of the option to construct a "stand-alone" Replacement Civic Centre building. Which shall be located within the proximity of the present Civic Centre building and site. While the re-adaptive and re-use of portions of the current Civic Centre facility is not impossible, it is unlikely to provide a financially and functionally viable long-term solution to address the current (pre and post COVID) future needs of the Town. The Replacement Civic Centre building will outperform the retrofit/expansion options, providing some features that may include:

- Functional design provides flexibility for future use, municipal use, and expansion; open floor plates and shape optimization allows for diverse Town programming and non-Town related programming to be accommodated such as hosting public committees and vendor selected businesses such as educational clinics.
- Improved efficiency; space utilization and energy usage.
- Enhanced environmental system sustainability such as variable frequency drive controlled mechanical equipment, LED lighting, etc....
- Safe ecosystem for the staff and the public to protect against unknowns such as COVID
- A flat roof that allows a standard HVAC system to allow for better airflow distribution
- Easily meet current legislative requirements, including AODA;
- Reduce structural limitations which is a major hurdle to retrofitting the current building
- Provide a healthy and fully accessible building and work environment, leading to increased productivity;
- Avoid costs associated with multiple moves and provide the public with a more convenient experience;
- Avoid work, service or business interruption;
- Provide dedicated public and staff areas;
- Accommodate potential/future partnership; and
- Augmentation of building service areas efficiently

In addition, the re-adaptive and re-use of portions of the current Civic Centre facility will not provide a financially viable long-term solution to address the future needs of the Town. As per the 2016 Strategic Accommodation report, the investments associated with a “stand-alone” build versus a retrofit/expansion option were within 2% when considered over a 30-year period:

- Upfront capital cost;
- Maintenance cost;
- Operation cost; and
- Interest on capital borrowing.

Over the years, retrofitting the current Civic Centre was always considered but based on recommendations developed, Council proceeded with approval of the replacement (with a new stand alone building) and demolition of the existing Civic Centre. If staff are to continue to occupy the current Civic Centre in the long term, a major capital replacement program has to be immediately established to address the following:

- Modernizing the elevator
- Total HVAC renovation with COVID prevention systems
- Main electrical panel replacement
- Emergency Generator Overhaul

- Installing a fire alarm sprinkler system
- Fire alarm panel replacement

The current high level estimate for this capital program is approximately \$4.7 Million. The above mentioned is only a portion of a bigger capital program that has to be established as per the O.Reg. 588/17 that will be forthcoming.

In 2019, the Town Council approved the project budget of \$27 Million, whereas project management and design activities progressed, reaching the Design Development Stage of 100%.

In March 2020, COVID-19, a global pandemic, forced governments and health authorities around the world to establish health and safety measures, including work from home, and physical distancing orders. The Town of Georgina, in compliance with Provincial orders, directed most staff to work from home, wherever possible. With the changes to the work environment, staff quickly adapted using virtual platforms and other technologies, and were able to continue service delivery with few disruptions. Around mid-June and at the peak of the COVID-19 pandemic crisis, the Town decided to pause further project design activities. The Town subsequently instructed CBRE - Project Management, Workplace Strategy, and Furniture team - to conduct a reassessment of the Town's needs in view of the accelerating trends towards remote working and remote public service delivery.

4. ANALYSIS:

In the summer of 2020, CBRE implemented and completed an update to the *Workplace Strategy* that was identified in the 2016 "*Strategic Accommodations Options Plan for the Georgina Civic Centre*" assessment through workshops, surveys, interviews, and meetings, and presented their recommendations to the Steering Committee. The intent of the Workplace Strategy assessment update is to:

- identify the appropriate square footage for the new Replacement Civic Centre required to deliver critical services to the public by utilizing a balanced workplace model of staff, technology and policy resources in a post COVID era and the long-term future; and
- perform a high-level cost analysis identifying any immediate and anticipated financial impacts, including any savings expected with implementing this workplace model;

Through this update to the *Workplace Strategy*, the team explored and dismissed some nonviable scenarios; (1) Keep current Civic Centre and accommodate for future with or without remote work, (2) Utilize a portion of the current Civic Centre with other Town facilities/buildings, (3) Move Town to remote work only, and (4) Utilize Town facilities/buildings with remote working but without a Civic Centre. Subsequently, it is determined that the new Replacement Civic Centre has to be re-

imagined as a centralized hub complemented with the Work from home (WFH) approach.

As such, this amalgamation offers a hybrid model that provides opportunities to streamline service delivery and facility functions. Furthermore, this model also offers some beneficial characteristics that are common to both centralized and decentralized organizational structures while also protecting against some of their major drawbacks. The table below highlights some of these drawbacks:

Major risks of a Centralized Organizational Structure	Mitigations by a Hybrid model
Single point of failure from a building and technology perspectives	Flexible arrangements can help business continuity by allowing the Town to make quick changes to the WFH approach and vice versa on as-needed-basis; thus, preventing abrupt interruptions to both business and provision of services.
Initial major capital investment	The integration of a WFH approach can help reduce the need for additional footprint within the new Replacement Civic Centre which in turn will reduce the capital investment
Fixed operational Expenses	While the reduced physical foot-print will have a lower operational expenses, the merits of the flexibility of this hybrid model means that the Town will have more control over the operation of the building whether for the sake of maintenance or further savings of operational expenses.

Major risks of a Decentralized Organizational Structure	Mitigations by a Hybrid model
<p>More buildings to manage with larger physical footprint means more buildings that require:</p> <ul style="list-style-type: none"> ○ State of good repair capital program as per O.Reg. 588/17 ○ Continuous operation costs ○ Capital funds for modernization to meet current and future accessibility environmental standards such AODA, GHG, Ashrae, etc.. 	Eliminating the need for a multitude of buildings with a substitute that provides more efficient access to space and services. Savings are also captured from the economies of scale whether in capital expenditures or the ongoing operational and maintenance expenditures.

<p>Duplication of the required functions and services is more mandated by the size and nature of the facilities available.</p>	<p>More flexibility to assign functions as needed allowing more efficiency in space utilization. Centralizing services (i.e one facility) complemented with remote features helps avoid duplication while ensuring uninterrupted customer access to Town services.</p>
<p>Due to pre-existing buildings' conditions and limitations of the facilities, it is unlikely to achieve an optimal use but rather resort to compromising functionality, services, and overall town staff productivity. Examples:</p> <ul style="list-style-type: none"> - Limited capacity flexibility - In-person team adjacency and collaboration challenges (capacity/access) - Restrictive meeting and amenity distribution - Capacity limitations for dynamic work - Imbalanced utilization 	<p>Through the hybrid model the new Replacement Civic Centre will be designed for specific functions to achieve the optimal utilization of spaces (i.e. hoteling stations, WIFI throughout, open spaces, etc..). Therefore; team building, dynamic work environment, as well as maintaining a strong corporate and productive culture are more guaranteed to be achieved.</p>
<p>Staff wellness and management – there has never been a year like 2020 where virtual platforms are the main channels with which the workplace maintained some sort of business continuity. Several studies have determined that while these virtual platforms are helpful tools, they can add to our stress that may include but not limited to:</p> <ul style="list-style-type: none"> - Mental exhaustion from constant screen-eye contact and physiological issues such ergonomics - Home life work balance is much harder as now work has invaded the home life and boundaries such as family time, privacy, etc... become challenging to establish. - Lack of Community and Teamwork. - Lack of Motivation. - Challenge in remote management of staff 	<p>Legacy social interaction found in physical workspace can be immensely valuable. This will in turn help reduce mental health benefits paid out by the Town over time, loss of productivity, etc...Only time will tell how much impact remote working will have but providing staff an alternative(facility) will help mitigate some of these issues and maintain the wellness of our staff.</p>

<ul style="list-style-type: none">- Added Town expenses that may occur due to increased benefit payouts, productivity losses, etc...	
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Redesign

Based on the reassessment of the needs and the updated *Workplace Strategy*, the Georgina Replacement Civic Centre gross area could be reduced by a range of 12000-16000 SQF. However, to capture and incorporate these savings, there is a need to embark on a redesign that would enable the team to advance the project back to a 100% Design Development stage. The proposed path to redesign takes into consideration the extensive work and studies accomplished and assumes the utilization of previous progress.

Workshops, Surveys, and Interviews

CBRE utilized a variety of tools and communication means to solicit meaningful input from the Town, regarding the COVID-19 impact and changes adopted by the Town. Workshops and meetings were carried out with the Senior Management, Management, and Supervisors as well as a survey of over 30 respondents informed the workplace strategy update. The survey provided access to benchmark across industries as it utilized CBRE's global survey platform. In addition, focus meetings were conducted to align with the Town's strategies on Records Management, Customer Service, Human Resources, and Information Technology.

Research Outcomes

The research identified several key findings with potential impact on the current project design. The increased Work From Home (WFH) approach explores space allocation and reduced office occupancy, which prompts potential design modifications to the Replacement Civic Centre such as seat sharing, neighbourhoods, and related policies and technology, which are efficient and effective strategies to accommodate a reduce office occupancy.

The Town of Georgina includes diverse groups (from service counter workers to field workers), and the optimal WFH frequency will not be consistent in all worker types by division. Therefore, the hybrid model will ensure that each worker type by division can WFH at the optimal frequency to maintain a high-performance organization. Moreover, the increased WFH decreased the justification of the space and cost associated with assigned, private offices. So, there is a potential to reduce assigned and private offices. However, the increased WFH requires the infrastructure for remote communication, collaboration, and file access. Thus, there is an increased need for enhanced technology (hardware and software) to support WFH.

Workplace Strategy Update

The updated Workplace Strategy was based on key recommendations and considerations to the Replacement Civic Centre workplace and public facilities Environment, Policies and Etiquette, as well as Tools and IT Infrastructure. For example, the decreased number of seats is based on 2 days/week average remote work with seat sharing ratio between 1.3-1.5 employees per desk. This is supported by adopting a clean desk policy and leadership training for managers/supervisors to effectively manage their teams remotely. On the public front, decreasing the size and capacity of service counters with the expectation that customers will shift to virtual service methods as well as providing additional power/data in public area to support potential self-service kiosks in future.

The WFH considerations, the increased remote access to services, and the four-pillar strategies; Records Management, Customer Service, Human Resources, and Information Technology, were all factored in to generate a thematic solution. The updated Workplace Strategy is based on an initial reduction to the total seat count yet allowing future growth by changing seat count to staff ratio. In that manner, the Town can still grow, in number of staff, without the need to expand the Replacement Civic Centre gross area.

5. RELATIONSHIP TO STRATEGIC PLAN:

PRIORITY 2: "Promote a High Quality of Life" - Healthy, Safe, Sustainable;
Communities - A vibrant, healthy, safe and accessible community;

PRIORITY 3: "Engage Our Community & Building Partnerships" - Communication
Engagement, Collaboration & Partnerships;

PRIORITY 4: "Provide Exceptional Municipal Service" - Organizational &
Operational Excellence to the residents and other stakeholders.

6. FINANCIAL AND BUDGETARY IMPACT:

The financial and budgetary impacts are as follows:

Total Project Redesign Costs are for the sum of \$439,300 plus effective taxes of \$7,731.68 (1.76 effective HST rate), totaling \$447,031.68

7. PUBLIC CONSULTATION AND NOTICE REQUIREMENTS:

No Public Consultations

