



**The Corporation of the City of Temiskaming Shores
Committee of the Whole Meeting
Tuesday, August 10, 2021 – 6:00 p.m.
City Hall – Council Chambers – 325 Farr Drive**

Agenda

1. **Call to Order**
2. **Roll Call**
3. **Review of Revisions or Deletions to Agenda**
4. **Approval of Agenda**

Draft Recommendation

Moved by: Councillor

Seconded by: Councillor

Be it resolved that the Committee of the Whole approves the agenda as printed / amended.

5. **Disclosure of Pecuniary Interest and General Nature**
6. **Public Meetings pursuant to the Planning Act, Municipal Act and other Statutes**

a) Public Meeting – New Liskeard Marina

Re: Review the current state of operations and for input on future operations of the facility, and use of the marina property / building

7. **Adjournment**

Draft Recommendation

Moved by: Councillor

Seconded by: Councillor

Be it resolved that the Committee of the Whole hereby adjourns its meeting at
_____ p.m.

Subject: New Liskeard Marina Future

Report No.:

RS-016-2021

COW Agenda Date:

August 10, 2021

Attachments

1. Appendix 01 – New Liskeard Marina Engineer Study (May 2021)
2. Appendix 02 – New Liskeard Marina Profit/Loss Summary 2016-2020
3. Appendix 03 – Submission from James Franks

Recommendations

It is recommended:

1. That the Committee of the Whole for the City of Temiskaming Shores acknowledges receipt of Administrative Report RS-016-2021.

Background

City of Temiskaming Shores operates two municipal marinas with one location (66 slips) in the former Town of Haileybury and the other location (82 slips) in the former Town of New Liskeard. These two marinas offer serviced hookups, fuel for purchase and pump outs. City recreation staff, along with a contingent of summer students, operate these two facilities from mid-May to early October each year.

Prior to 2020, the City of Temiskaming Shores leased the New Liskeard Marina building to a long-term tenant who also provided marina services to boaters. For the 2020 marina season, the Recreation Department provided marina services to our boaters utilizing regular staff resources. Also in 2020, the City hired A2S Consulting Engineers to complete a structural condition assessment of the building to provide further details on its condition. That report noted that the building was in fair condition but had a number of underlying deficiencies which would need to be rectified within 0 – 5 years. Those deficiencies were estimated to cost approximately \$120,000 which was then budgeted to be completed in the 2021 capital budget.

A request-for-proposal for marina operations was released in September, 2020 and at closing, two bids were received. Those bids were evaluated with the best value bidder invited to negotiate with the City. During negotiations it was determined that the successful bidder would wish to operate a food service establishment within the space and that further information was necessary to ensure such an establishment could occupy that space.

That investigation uncovered building code issues and fire code issues with the proposed use.

Due to these additional complications, staff brought forward a report to council at the January 19, 2021 regular meeting of Council. At that meeting, council directed staff to cancel the New Liskeard Marina RFP “CS-RFP-002-2020 NEW LISKEARD MARINA”.

At the Building Maintenance Committee meeting of February 9, 2021, the committee received report BM-2021-01 which outlined options to pursue following the cancellation of CS-RFP-002-2020. The Committee passed the following recommendation:

Recommendation BM-2021-004

Moved by: Councillor Doug Jelly

Be it resolved that:

The Building Maintenance Committee hereby request a further engineering study on the New Liskeard Marina building, specifically the west portion of the building.

Carried

The engineering report, dated May 5, 2021 (Appendix 01) outlines the further investigation into the roof structure and budget estimates for potential rebuilds of the building.

It determines that the roof is adequate for a Part 9 occupancy which encompasses most businesses. It would however, need further improvements for a Part 3 or 4 occupancy such as a restaurant.

The report also provided budget pricing for further improvements as discussed at the February 9, 2021 Building Maintenance Committee Meeting. Staff identified a space of approximately 1,200 square feet as an appropriately sized building to house washroom facilities and a small office space. Scenario A would be the demolition of 2/3 of the current building while retaining the remaining third of the building which currently houses the public washrooms. The remaining space would be renovated and brought up to code. This is estimated to cost approximately \$210/ft² or around \$250,000.

Scenario B would include a complete demolition of the building structure and rebuilding an appropriately sized building using the existing foundation. This is estimated to cost approximately \$225/ft² or around \$270,000.

Over the last five years, the New Liskeard marina has been operating around the break-even point (direct operations only). Staff have completed a financial analysis of the facility which is included as Appendix 02. The analysis includes the best-case scenario for staffing purposes and utilizes best estimates for an allocation of time of salaried staff. The New Liskeard Marina has generally operated at a slight profit of about \$500 per year. The Haileybury Marina has additional expenses and fewer revenues which translates into a yearly loss of, on average, \$24,500. In total, our marina operations were estimated to

have lost, on average, about \$24,000 per year from 2016-2020. Expenses for operations have averaged \$123,500 each year.

These figures account for only the direct operational expenses of the marina and do not account for capital costs or amortization. Reviewing past capital expenditures at the marinas, the City has spent \$688,500 since 2012, mostly on upgrades to the dock systems at both marinas. This figure averages to a yearly spent of approximately \$76,500.

Analysis

Moving forward, City staff are looking for direction from Council regarding the future of this facility. As noted in the background information, there is a large capital outlay needed within the next five years to continue to provide the same level of service as offered currently.

Additionally, City staff have received a number of unsolicited inquiries over the years from private enterprises and private individuals regarding this property. As it is situated on the Lake Temiskaming waterfront, it is prime real estate and would be attractive to the private sector for potential development. James Franks, the City's Economic Development Officer has provided a submission to Council included as Appendix 03 which outlines some of the private sector's interest in this property.

As noted in the submission from James Franks, should this property be developed by the private sector the City has the potential to see a new development which contributes positively to the City's tax base while also providing continued marina service at this location.

One note for consideration is that further intensification of this site may require an upgrade to the sewer capacity of the property. The current capacity is adequate for the current use of the building however, if the use changes, staff are concerned that the capacity may need to be upgraded. A preliminary estimate for these upgrades is \$167,000. This cost may be eligible for funding from other levels of government and/or could be included as part of any agreement for a private development.

Alternatively, the Recreation Department is able to continue to operate this facility as done currently. Capital improvements are needed to the building in the near future to continue the current level of service but upgrades to the sewer capacity are not expected to be needed.

Any consideration of changes to the use of this property should consider input from residents and stakeholders of the marina. It should be noted that a number of our boaters

are residents from other municipalities who pay non-resident user fees and provide positive economic spin-offs from visiting our municipality.

Ultimately, staff are looking for Council to provide direction for its preferred use of this facility. Those options include:

1. Continue to operate the New Liskeard Marina as done currently and direct staff to pursue options for repair of the New Liskeard Marina Building
2. Direct staff to pursue a private sector operator of the facility and pursue options to repair the New Liskeard Marina Building
3. Direct staff to pursue a long-term lease agreement with the private sector to redevelop the property.
4. Direct staff to pursue the divestment of the property.

Financial / Staffing Implications

This item has been approved in the current budget: Yes No N/A

This item is within the approved budget amount: Yes No N/A

Submission

Prepared by:

Reviewed and submitted for Council's consideration by:

"Original signed by"

"Original signed by"

Mathew Bahm
Director of Recreation

Christopher W. Oslund
City Manager



May 5, 2021

CORPORATION OF THE CITY OF TEMISKAMKING SHORES

325 Farr Drive, PO Box 2500

Haileybury, ON

P0J 1K0

Attn: Mathew Bahm, Director of Recreation

Dear Matt,

Re: **WATERFRONT MARINA – 199 RIVERSIDE DRIVE, NEW LISKEARD, ONTARIO**
ROOF ANALYSIS AND COSTING

As per our proposal dated February 8, 2021, and as a follow-up to our visual condition evaluation of the entire Marina building in October 2020, we have completed the following additional work:

- A structural analysis of the existing flat-plate wood trusses to determine their capacity; and
- Provided preliminary costing information for building renovation/partial demolition compared with a new build.

1. ROOF ANALYSIS

We returned to site on March 18, 2021 to measure the existing wood trusses. During this visit, we also confirmed that our immediate recommendations included in our previous report were completed – the second-floor and balcony are not occupied, and posts have been added below the second-floor built-up beam.

We were able to confirm that the flat-plate wood trusses generally consist of 2x4 top and bottom chord members, with 2x3 web members towards the ends of the trusses, and 2x4 web members for the vertical truss member at mid-span and the first diagonal to each side. One (1) 2x4 brace was added at the mid-point of this first diagonal each side of the vertical center member. Truss plates (ITS-PT20) of various sizes were installed on each side of the wood truss at each panel point, and at two splice locations in the top and bottom chords. We were not able to expose the truss where it bears on the wall top plate due to a lack of space and the presence of existing insulation. The trusses are spaced at 24" centres, with 2x4 strapping members installed perpendicular to the truss above the top chord supporting metal roofing.

We calculated a total dead load of 10 psf for the trusses (weight of roofing, strapping, trusses, insulation, and ceiling), and analyzed the truss under both the Part 9 snow loading of 38 psf and the Part 4 snow loading of 52 psf. Based on our analysis, the trusses have sufficient capacity to support Part 9 snow loading only, with several of the members and metal truss plates overstressed under the higher Part 4 loading. Reinforcing of the trusses would be required if this building is considering housing a Part 3 occupancy, such as a restaurant with more than 30 patrons. However, most retail spaces qualify under Part 9.

2. COSTING

As per your request, we have provided some preliminary costing information for renovating (and partially demolishing) the existing building compared to demolishing the entire existing building and building new. The budget figures presented are approximate in nature; accurate budgeting can only be obtained by establishing a scope of work and receiving quotes from qualified Contractors. It should be noted that the current pandemic has significantly increased the volatility of pricing and availability of some materials.

SCENARIO A – PARTIAL DEMOLITION AND RENOVATION

ESTIMATE: ~\$250K (\$210/FT²)

The following is a rough scope-of-work for the first scenario under consideration. We expect there will be a large premium associated with the partial demolition of the existing building compared with the full demolition in the second scenario.

- 2/3 of the existing building will be demolished (shop and center mono-slope area with partial second-floor), leaving the open retail portion of the building (approx. 1,200 ft²).
- The existing slab-on-grade under the demolished portion of building can remain as-is (if desired), although it should be thermally isolated from the remaining building.
- A new wall will be constructed along the new open length of building.
- The roof will be replaced, consisting of new plywood (or OSB) sheathing installed directly above the roof trusses, roof underlay, strapping, and new metal roofing. Insulation levels will remain as-is.
- OPTIONAL: Existing roof trusses will be reinforced to suit Part 4 snow loading.
- Diagonal bracing will be added to the underside of the existing roof trusses.
- The walls will be reinforced from the exterior, adding a 2x4 wall stud at each existing location, new 7/16" OSB sheathing to the exterior, air barrier, insulation, strapping and metal wall cladding. Windows will also be replaced.
- We have included an allowance for moving the heating, lighting, and other electrical systems into the remaining portion of building.
- Similar quality of construction materials will be used to existing.
- We have included an allowance for consulting fees (10%), as well as a construction contingency (10%).
- HST is in addition to the costs noted.

SCENARIO B – FULL DEMOLITION AND NEW BUILD

ESTIMATE: ~\$270K (\$225/FT²)

The following is a rough scope-of-work for the second scenario under consideration.

- The entire building is demolished to the top of the existing structural slab-on-grade.
- A new building, generally matching the size of the remaining building above (approx. 1,200 ft²), will be constructed on the existing structural slab-on-grade. We have assumed that the new building will be wood-framed, with the cost of any interior fit-up to be paid for by the future tenant (costs not included here).
- The existing slab-on-grade under the portion of building not being re-built can remain as-is (if desired), although it should be thermally isolated from the new building.
- The new building would be designed to meet current Ontario Building Code, either to Part 9 or Part 3 as determined by the future end use.

- Similar quality of construction materials will be used to existing.
- We have included an allowance for consulting fees (10%), as well as a construction contingency (10%).
- HST is in addition to the costs noted.

Given the similar costs, we would recommend proceeding with Scenario B as the new building can be designed to suit the proposed end-use of the building, will be more energy efficient than the existing building, and will be more durable than modifying an existing building.

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We trust that the above-noted information meets your current needs. Do hesitate to contact us with any questions or comments.

Sincerely,



Aaron Dent, P.Eng
A2S Consulting Engineers



Attachments: N/A

Cc: Mathew Bahm, City of Temiskaming Shores

mbahm@temiskamingshores.ca

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New Liskeard Marina, 2016-2020 Revenues and Expenses					
	2016	2017	2018	2019	2020
NL Marina Lease Revenue	\$ (17,922)	\$ (18,460)	\$ (19,014)	\$ (19,584)	\$ -
NL Marina Boat Slip Revenues	\$ (40,344)	\$ (39,909)	\$ (39,703)	\$ (44,390)	\$ (48,746)
NL Marina Gas Sales	\$ -	\$ -	\$ -	\$ -	\$ (22,108)
Total NL Marina Revenue	\$ (58,266)	\$ (58,369)	\$ (58,717)	\$ (63,974)	\$ (70,854)
Hydro	\$ 1,772	\$ 1,722	\$ 1,404	\$ 1,542	\$ 2,459
Heating	\$ -	\$ -	\$ -	\$ -	\$ 3,347
Fuel Purchases	\$ -	\$ -	\$ -	\$ -	\$ 25,819
Dock Maintenance	\$ -	\$ -	\$ -	\$ -	\$ 114
Materials & Supplies	\$ 4,003	\$ 6,048	\$ 5,022	\$ 3,514	\$ 5,657
Taxes	\$ 17,477	\$ 10,111	\$ 9,395	\$ 9,172	\$ -
Contracted Services	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ -
Insurance Costs	\$ 4,653	\$ 5,171	\$ 5,745	\$ 6,383	\$ 7,093
Estimated Staff Expenses*	\$ 7,955	\$ 8,132	\$ 8,309	\$ 8,486	\$ 36,938
Total NL Marina Expenses	\$ 60,861	\$ 56,184	\$ 54,875	\$ 54,097	\$ 81,426
Total Profit (Loss)	\$ (2,595)	\$ 2,185	\$ 3,842	\$ 9,877	\$ (10,572)

Haileybury Marina, 2016-2020 Revenues and Expenses					
	2016	2017	2018	2019	2020
Hlby Marina Boat Slip Revenues	\$ (35,887)	\$ (28,257)	\$ (32,714)	\$ (25,301)	\$ (31,613)
Hlby Marina Gas Sales	\$ (4,386)	\$ (4,821)	\$ (10,725)	\$ (854)	\$ (12,120)
Total Hlby Marina Revenue	\$ (40,273)	\$ (33,078)	\$ (43,439)	\$ (26,155)	\$ (43,733)
Hydro	\$ 7,879	\$ 6,952	\$ 6,424	\$ 6,086	\$ 4,784
Fuel Purchases	\$ 6,183	\$ 5,870	\$ 9,550	\$ 3,790	\$ 14,372
Dock Maintenance	\$ -	\$ -	\$ -	\$ -	\$ 169
Materials & Supplies	\$ 8,138	\$ 12,252	\$ 7,772	\$ 19,756	\$ 5,474
Fisheries & Oceans Lease	\$ 3,013	\$ 2,935	\$ 3,036	\$ 4,291	\$ 5,260
Service Marina Hydro	\$ 872	\$ 633	\$ 700	\$ 737	\$ 819
Service Marina Heating	\$ 1,060	\$ 1,245	\$ 1,359	\$ 1,239	\$ 1,617
Service Marina Materials & Supplies	\$ 1,504	\$ 266	\$ -	\$ 1,198	\$ 534
Insurance Costs	\$ 3,807	\$ 4,230	\$ 4,701	\$ 5,223	\$ 5,803
Estimated Staff Expenses*	\$ 22,158	\$ 22,650	\$ 23,143	\$ 23,635	\$ 36,938
Total Hlby Marina Expenses	\$ 54,614	\$ 57,034	\$ 56,684	\$ 65,955	\$ 75,770
Total Profit (Loss)	\$ (14,341)	\$ (23,956)	\$ (13,245)	\$ (39,800)	\$ (32,037)

* - Staff expenses include direct staffing costs and indirect staffing costs such as administration, supervisory and maintenance staff costs

CoTS Marina Operations Total Profit/Loss					
	2016	2017	2018	2019	2020
Total Profit (Loss)	\$ (16,936)	\$ (21,771)	\$ (9,403)	\$ (29,923)	\$ (42,609)
Accumulated Profit (Loss)	\$ (16,936)	\$ (38,707)	\$ (48,110)	\$ (78,033)	\$ (120,643)
Average Yearly Profit (Loss)	\$ (24,129)				

July 27, 2021

RE: New Liskeard Marina Private Sector Interest

Over the past decade there have been several businesses who have come forward to ask about the purchase and or privatization of the New Liskeard Waterfront Marina property. The property is highly valuable and could drive significant tax dollars into the municipal budget annually.

The property has not been used at or near its highest and best use for many years since the original development of the marina facility which was leased for the purpose of providing a full service marina to the residents of the community and region. The original lessee provided boat sales and service as well as parts and accessories.

For the past decade or so, the service and hours of operation of the facility have varied and the building has become less valuable to the community and its residents. This is not to say that the value to the boaters is not still there. The use of washrooms and laundry services is still appreciated.

Since there is little to no interest from the community in using the facility as a marina facility, now is the time to consider what is the highest and best use for this piece of the community's waterfront and what program or service would be of most value to the residents of Temiskaming Shores and possibly visiting tourists, while not losing the beauty of the public waterfront.

The current facility is no longer "pretty or attractive" on the waterfront, therefore a new, more modern facility would enhance the waterfront and make it more attractive to residents and tourists alike. Since we now have three private sector marina facilities in the community, there is no longer a need for the municipality to subsidize such a service.

Since the building is in need of significant repair or perhaps replacement, this is the perfect time to consider what options may be available through either a sale of the property to the private sector, or perhaps even a private public partnership (P3) where the City retains some ownership of the land, but in partnership with a private sector developer over a long-term lease.

Some members of the public may see this as giving away their waterfront, however it has been suggested that private developments can increase public use of waterfront areas. This can be seen currently through the P3 at Ontario Place that will see a mix of public and private developments to enable greater use of this public property. The ground floor space will be activities and businesses available to be used by all members of the public while upper floors will be private residential development that will create new tax revenues for the City of Toronto.

No matter what is developed on the property, the development should allow for public use of the facilities and current recreational amenities such as the boardwalk and marina slips should not be removed. Uses such as retail or marina operations should offer little to no change as the public is

seeing today. A restaurant or perhaps even a building with a restaurant on the main floor may offer more opportunities for the public to utilize that area of the community's waterfront, especially those who do not currently utilize the services of the marina building.

Those that have approached staff over the past decade have suggested various options. Two of the developers were proposing purchasing the site and replacing the current building to put up a new restaurant building to service residents and tourists in the community. Another entrepreneur proposed a P3 project including a restaurant and marina services facility. Lastly, another group proposed to further develop the site with shopping, restaurants and condominiums.

These are all viable options and either would drive new tax revenues to the City. The new facility should it be privately owned would require no further investments of tax dollars for maintenance and upgrades. Some of the developers may no longer be interested in the property as much time has passed since they expressed interest, however, there are regular requests for information about the property, so it is likely that a public proposal process would result in several proposals being presented for consideration.

The potential sale of other privately owned properties in the area may enable more than one development to be initiated at one time and spur new growth on the waterfront which in turn will often encourage further investments into other parts of the community as developers feel confident in the community's growth.

Should one or more of these options be a consideration of Council, a public awareness and consultation process should be undertaken to ensure that the public is comfortable with the proposed change of use of this waterfront land. Although there is likely to be some public concern over the change in use on the property, it is important that the community continue to grow and develop rather than getting stagnant and shrinking as we have seen other communities in the north.

James Franks
Economic Development Officer