



Staff Report PRC2025-04

Committee 2025-06-23

Council 2025-07-14

Amendments ☐

Submitted To: Committee of the Whole | Council

Submitted By: Karen Cubitt, Director, Parks, Recreation & Culture
Sonya Skinner, CAO

Prepared By: Karen Cubitt, Director, Parks, Recreation & Culture
Sonya Skinner, CAO

Subject: Arts Centre Proposal Next Steps

Recommendation

THAT Staff Report PRC2025-04, Arts Centre Proposal Next Steps, be received;

AND THAT Council endorses the Arts Centre project scope and location as recommended by Colliers Business Leaders and directs staff to advance the project to a state of grant-readiness as described in Option 1 of this report, to an upset limit of \$5.0M to be drawn from the Arts Centre Legacy Reserve and future operating budgets.

OR

AND THAT Council endorses the Arts Centre project scope and location as recommended by Colliers Business Leaders and defers further decisions regarding next steps until completion of the Long Term Strategic Financial Plan.

AND THAT Council direct that a Downtown Parking Study be completed in 2026 and provide reasonable parking options with preliminary costing, in support of the Strategic Plan and Downtown Visions, and in alignment with community growth principles set out in the Official Plan.

Amendments

None

1. Executive Summary

This report follows the delivery of the Collingwood Arts Centre Feasibility Study Phase 3 Updated Business Case by Colliers Business Leaders, presented at Committee of the Whole on June 9, 2025, and attached as **Appendix A**. The objective of the Updated Business Case is to provide Council and the community with high quality information including a finalized design option based on previous feasibility studies, financial projections, and a recommended site to support Council in their decision-making regarding the development of a new arts and culture centre. The Updated Business Case was completed by industry experts Colliers Business Leaders, Diamond Schmitt Architects, and RLB, and builds on the results of the Phase 1 and 2 research conducted by Nordicity, and substantial community engagement throughout all phases.

Staff have highlighted the key outcomes of the Business Case and provide additional analysis and comments with respect to scope and design; site; financial considerations; Town recreation subsidy comparators, statistically significant community survey outcomes, parking, and economic impacts. These comments also seek to address questions of clarity received from Council and the community following the June 9th meeting.

Staff have laid out several options for next step consideration ranging from ‘no nothing’ to immediate movement into grant-readiness phase. Based on the Business Case data and additional analysis conducted, Staff have put forward two recommended options. These are:

Endorse Project Scope and Location and Move into Grant-Readiness Phase

OR

Endorse Project Scope and Location but Postpone Further Steps until Completion of the Long Term Strategic Financial Plan (LTSFP).

Essentially, Staff recommend endorsing the project scope and location and moving into a state of grant-readiness, either immediately or following the delivery of the LTSFP.

This approach completes the task of determining the most feasible size, scale, and location of arts centre and demonstrates a commitment to moving the project forward, so long as grant opportunities and fundraising goals materialize.

Regardless of the decisions made, Staff are confident that the arts centre feasibility study has amassed the data required to allow Council to make an informed decision judged to be best for the community.

2. Analysis

Background

In 2019, Council approved a 2020 budget expenditure to begin an Arts Centre Feasibility Study (CACF). Delayed by Covid, this project launched in February 2021 and has since been completed in three phases as outlined below.

Phase 1 Objectives

Conducted by Nordicity Group Ltd in partnership with Giaimo Architects, the purpose of this phase was to evaluate the needs of the arts and cultural sectors in the community, and to determine if and to what degree an arts and cultural centre would be feasible in Collingwood.

Phase 1 Scope of Work

The process included a market and audience assessment, stakeholder and public consultation, a design and location analysis, and finally, recommendations on financing and governance.

Phase 1 Results

The Phase 1 final report was presented at the Strategic Initiatives Committee (SIC) meeting on October 4th, 2021, and at the Council meeting on October 18th, 2021. The results of the Phase 1 study indicated that there is indeed demand for an arts and culture centre in Collingwood and that it would be feasible, “provided certain design, development, and start-up conditions can be met and the overall implementation executed capably”. Nordicity advised that “success depends on many factors from ensuring continued community buy-in, strong leadership particularly related to market

attraction, programming and promotions, as well as a commitment from the Town towards the annual subsidy.”

Phase 2 Objectives

Conducted by Nordicity Group Ltd in partnership with Giaimo Architects, and building on the findings of Phase 1, Phase 2 had the following objectives:

- Validate the feasibility of the new arts facilities, including the market, operational, financial, economic, fundraising, and social-impact aspects that would underline a recommendation on size and seating capacity.
- Assess the feasibility of a short list of sites and recommend a single site that Council would put forth for any further consultation deemed to be required.
- Determine the target arts disciplines that would be served by the facility, which would include space for a live performance theatre/music and dance, and public galleries and exhibition space for the visual arts.

Phase 2 Scope of Work

- Interview anticipated primary user groups/disciplines to test and rationalize the operating model developed in Phase 1 to validate local market take-up assumptions.
- Research recently established and longer standing venues to test assumptions about revenues to be generated by touring acts; research included interviews of venue operators, tour promoters, and representatives of touring performers.
- Research in collaboration with Town staff on locational challenges and opportunities related to the short list of identified potential locations.
- Develop architectural rationale and spatial analysis, based on best practices for public space design.
- Research of planning, engineering, servicing, or other challenges and opportunities related to potential sites in collaboration with Town staff.
- Conduct an economic impact assessment of the value of the outside visitors attracted to Collingwood - based on the outputs generated through the TREIM modelling tool.

- Determine high level capital cost estimates for the recommended site and facility
- Develop and present a final report including the location, size, and composition of an Arts and Culture Centre in Collingwood.

Phase 2 Results

The Phase 2 report was presented to the Corporate & Community Services Standing Committee at its April 3rd, 2023, meeting and made the following recommendations regarding size, scope, and site for a potential Arts Centre in Collingwood.

The research supports an overall preference towards having a smaller ~400 seat main performance facility (versus 800 seat+). The community re-affirmed the need to have the following kinds of spaces in the facility:

- Public gathering areas
- Front-of-House
- Theatre 1 (higher capacity, fixed seating)
- Theatre 2 (smaller capacity, flexible seating)
- Administration
- Theatre support spaces (green rooms, dressing rooms, etc.)
- Studios/Classrooms
- Additional office and catering spaces
- Retails and market spaces

The six short-listed sites from Phase 1 were assessed and studied by Giaimo through a site selection evaluation framework. Based on this, the short-list was narrowed to two potential sites that both meet the needs of the size, scope, and vision for a new arts centre. These were:

- 48 Ste. Marie St – a new 45,000 square foot arts centre constructed on 35,000 square feet of parking lot in Downtown Collingwood.
- Collingwood Terminals Redevelopment – a new 45,000 square foot arts centre integrated with the larger Grain Terminal Redevelopment project currently underway by Streetcar Developments Inc. and Dream Unlimited Inc.

While the initial intention of the Phase 2 study was to recommend one final site, Giaimo determined that both sites offer feasible, non-comparable approaches, and as such

recommended that both be considered further in consultation with Streetcar, the Town, stakeholders, and the public to determine which approach is preferred. Given this, staff recommended extending the consulting contract with Nordicity & Giaimo to engage in additional site discussions with Streetcar Developments Inc. and to facilitate further public consultation with respect to the two recommended site options. This recommendation was defeated in favour of focusing solely on the 48 Ste. Marie Street site (or comparable downtown parking lot if deemed necessary) with direction for staff to report back to Council with plans for proceeding to Phase 3 of the project. Council ratified this decision at its April 17th, 2023, meeting.

Phase 3 Objectives

Conducted by Colliers Project Leaders, the purpose of this phase was to provide Council with a finalized design option based on previous feasibility studies, options, and selected site. This will support Council in their decision-making regarding the development of a new arts and culture centre.

Phase 3 Scope of Work

The process included:

- Review of Phase 1 and Phase 2 data
- Site selection
- Concept Design
- Costing
- Public Consultation
- Fundraising Framework and Viability Assessment
- Business Case Development

Phase 3 Extension

Colliers, in consultation with the Arts Centre Steering Committee, conducted the bulk of the Phase 3 scope of work to determine the ideal functional program of the proposed arts centre, validating and building upon the community consultation data from phases 1 and 2. This refined vision included a 600-seat main theatre, secondary 300-seat black-

box theatre, ample back of house and administrative space, classrooms, gallery space, an outdoor programming area, and a retail/market location. The square footage to accommodate this vision (two options presented at 107,974 square feet and 128,552 square feet, no parking included) made 101 Pine Street a better site given its larger size and the opportunity it affords to consider adding 84 Hurontario Street to the overall footprint of the centre. However, the subsequent costing of this vision proved to be substantially higher than what would be considered feasible and Colliers recommended an extension to their work which Council supported:

THAT Council approves an expenditure of \$40,000 from the Arts and Culture Legacy Fund to extend the consulting services contract with Colliers Project Leaders to complete a prioritization and scope reduction exercise with respect to the options presented in the June 2024 Collingwood Arts Centre Business Case. AND THAT the timing provide for input from the Downtown Visioning process and that an upset limit would be determined through this prioritization and scope reduction exercise.

On January 6, 2025, Council both received the draft Downtown Master Plan and provided direction on the requested upset budget limit for the arts centre scope reduction. The information provided at the time of this decision included the following tables:

Table 1

Base Town Capital Need, Given Assumptions:

Option	Total Cost (July 2024)	Cost without parking (\$18.9M)	Town Share at 33%	If Low Net Fundraising of \$5M			If High Net Fundraising of \$10M		
				Town share	*Annual Dept Payment	**Land Tax % Change to Fund Debenture	Town Share	*Annual Dept Payment	**Land Tax % Change to fund Debenture
1 (600 seats at 101 Pine)	\$90.7M	\$71.8M	\$23.7M	\$18.7M	\$1.47M	3.62%	\$13.7M	\$1.08M	2.65%
2 (600 seats at 101 Pine + 84 Hurontario)	\$107.7M	\$88.8M	\$29.3M	\$24.3M	\$1.91M	4.70%	\$19.3M	\$1.52M	3.73%

*20-year term at 4.75% interest

**\$406k equates to 1% tax increase

Potential approach to determining a financial upset limit for the capital investment – a reduction to Option 1 (net of parking) of 10%, 20%, or 30%:

Option 1 Reduction Scenarios

	10% Reduction	20% Reduction	30% Reduction
Building Capital Investment	\$64,620,000	\$57,440,000	\$50,260,000
Potential Funding 67%	\$43,295,400	\$38,484,800	\$33,674,200
Town's Share	\$21,324,600	\$18,955,200	\$16,585,800
Net Donations - \$5M	\$16,324,600	\$13,955,200	\$11,585,800
Annual Debenture Payments*	\$1,282,305	\$1,096,187	\$910,070
Tax Rate to fund Debenture**	3.16%	2.70%	2.24%
Net Donations - \$10M	\$11,324,600	\$8,955,200	\$6,585,800
Annual Debenture Payments*	\$889,553	\$703,435	\$517,318
Tax Rate to fund Debenture**	2.19%	1.73%	1.27%

*20-year term at 4.75% interest

**\$406k equates to 1% tax increase

The direction was: *THAT Council provides a budget that equates to not more than 1% tax increase (based on the 2025 tax rate), based on a 30 year amortization for the Arts Centre Feasibility Study for the prioritization and scope reduction exercise of the options*

presented in the June 2024 Collingwood Arts Centre Business Case, and it not be tied to a specific location.

Further, at its May 26, 2025, meeting, Council voted to support the Collingwood Downtown BIA's recommendation that Council consider the Collingwood Leisure Time Club property (100 Minnesota Street) to be considered as a location for the Arts Centre.

NEW INFORMATION: Phase 3 Feasibility Study Results and Further Town Staff Analysis

Scope and Design Considerations

The revised project scope, established within the Phase 3 extension period, resulted in a reduced functional program and consequent gross floor area reduction from 192,000 square feet to 48,300 square feet. The 600-seat main hall was maintained but in a hybrid theatre format to maintain versatile functionality that can support theatre, concerts, rehearsals, conferences, weddings, and myriad other activities.

The purpose-built classrooms, black box theatre, and some administrative spaces were eliminated, along with the square footage estimated for parking. A space has been allocated as the artist lounge but can be adjusted to be a multi-purpose room that can be used as a classroom, conference break-out session space, meeting room, etc. Maximizing classroom/instruction space and ensuring sinks are included in this space in detailed design phase will ensure maximum classroom flexibility.

When asked about impacts of the proposed 600-seat centre on existing facilities, Colliers notes that this size of theatre is intended to compliment local centres and fill a gap by supporting a variety of events that are not possible or are extremely limited in the local South Georgian Bay market including large conferences and graduations.

More on what is included in the updated design can be found on pages 43-49 and 162-178 in Appendix A.

Site Considerations

This reduced model renewed the viability of a smaller site location and was evaluated against 101 Pine Street, 48 Ste. Marie Street, and the Leisure Time Club property.

As noted in Appendix A, the Leisure Time Club property was reassessed and deemed not viable due to:

- The cost of moving significant underground services
- Delay of project for demolition and associated requirements
- Reduced economic activation and pedestrian connections
- Cost and complexity having to relocate and accommodate current Leisure Time Club programming

Staff also note that there is an existing lease with the Leisure Time Club, and adjustments to it should be made in joint agreement with this valued group. The Leisure Time Club Vice Chair has also written the Town indicating dissatisfaction with reconsidering this location option, including a lack of consultation with the club, site space, a lack of support from the Steering Committee and the option to combine an arts centre combined with a recreational centre outside the downtown.

Following the June 9th Committee of the Whole meeting, staff conducted a further assessment of the Leisure Time Club and adjacent Friendship Gardens property to gauge viability and if further study and community engagement would be warranted.

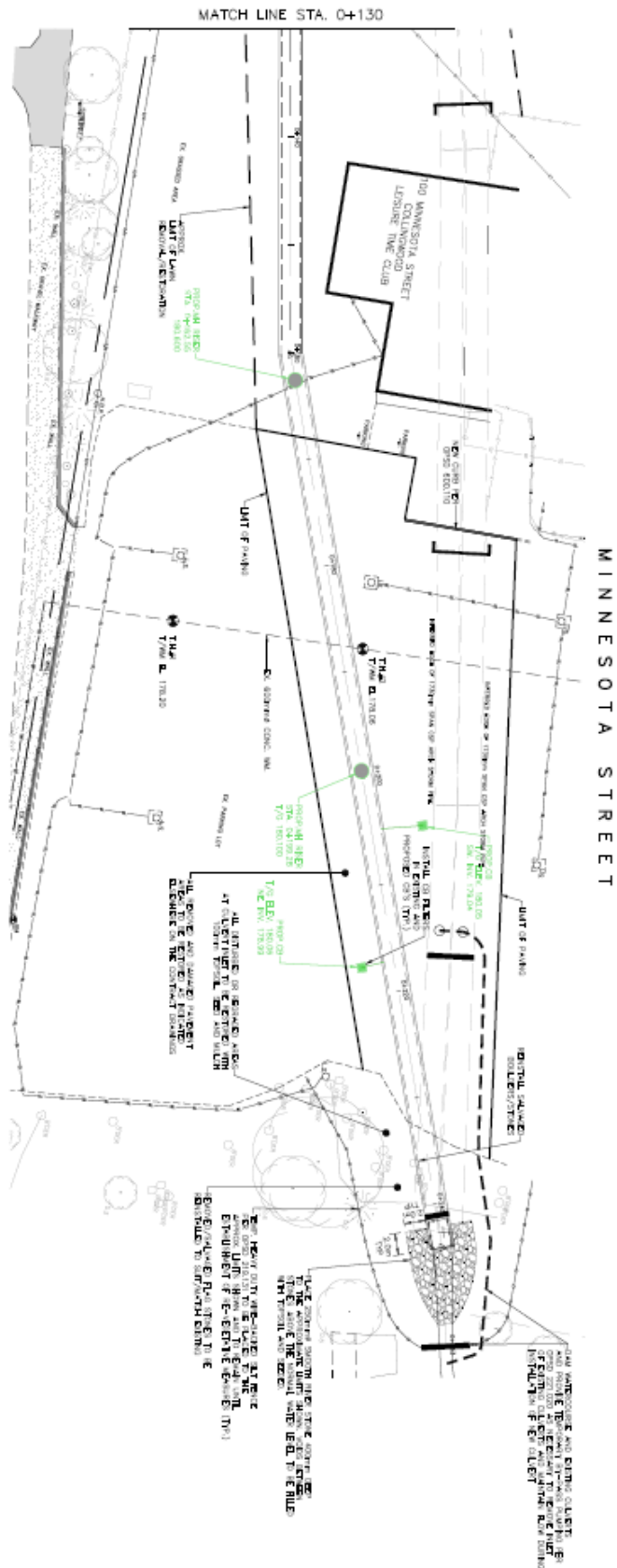
An aerial view of the greater Leisure Time Club property is provided below, showing the Friendship Gardens Park to the south (lower) portion. Two ~2m culverts, shown as brown lines, run diagonally under the parking lot although are located further west of the property as noted in the second plan image (i.e. the replacement culverts are no longer below the foundation of the LTC building). The light blue line running left to right across the parking lot is a significant water line, taking substantial flows southerly to the New Tecumseth pipeline.

Town staff analysis of this site also included that reconstruction of Minnesota Street may be required to replace sanitary sewers and watermain as part of this project (substantial additional cost, as this is not a planned Town project at this time), as:

- The Master Servicing study notes high infiltration in sanitary sewers upstream, capacity limited, but will be reduced through future Inflow & Infiltration reduction study and implementation. This site may require replacement of sanitary sewer on Minnesota Street (400mm).
- Fire flows also need to be checked, as an Arts Centre building may require a 200mm watermain on Minnesota Street.

The challenges with Friendship Gardens centre largely on the creek that traverses the site. There would be additional cost to relocate or pipe the creek and securing permissions from the NVCA to complete this work would be difficult to acquire when there are other options available. Further, there would be additional funds required to rebuild Friendship Gardens elsewhere, as decommissioning this asset honouring the Town's longstanding Sister City relationship with Katano, Japan, is not a desirable outcome.





Colliers provided a comparative assessment between 101 Pine Street and 48 Ste. Marie Street that still acknowledged several advantages with the larger Pine Street site. However, 48 Ste Marie's proximity to the Creative Simcoe Area, connections to the waterfront, and alignment with objectives in the Downtown Master Plan and Tourism Master Plan elevated this site back to the top as the most feasible and desired site. See pages 52-57 in Appendix A.

Financial Considerations

The reduced model also yielded significant cost savings in the Class D estimates with the capital costs at the Ste. Marie site totaling **\$48,017,178**. Assumptions for the capital cost estimate include a General Contractor's Overhead at 10%, General Contractor's Fees at 5%, and Bonding and Insurance at 1.5%. Further, contingencies were encapsulated in the final estimates with an Estimating and Design Contingency of 15%, Construction Contingency at 10% and Escalation Contingency to June 2026 (one year) at 4%.

As noted at the June 9th Council meeting, while this capital-specific budget is below the Council-set target, the overall project costs including consultant fees, soft costs, escalation reserves and risk allowances for Ste Marie St are an estimated **\$67,428,122**. These estimates are based on percentages of the capital cost: 14% consultant fees, 1% soft costs, 7% escalation, and 2.5% taxes for a grand total of \$67.4M.

These costs will either require an increase in the tax supported budget allowance for the project or an increase in grants and/or fundraised donations over and above the targets currently set.

Colliers also updated the operating pro forma in light of the rescoped model, projecting a reduction in both earned revenue and overhead. While the elimination of the black box theatre from the functional program can be expected to reduce overall rental revenues

(although noting the multi-functional design of the lobby to also be a rentable performance and programming space), the decrease in gross floor area also reduces estimated overhead expenses largely in administration, maintenance, and utilities.

The revenue assumptions take into consideration the number of annual events (non-profit and commercial) and fill rates determined by Nordicity in Phase 2 through community consultation. Ticketed annual programming days were increased to account for higher utilization rates of the flexible spaces, and industry comparators including Burlington Arts Centre (scaled down to account for different populations and facility sizes) aided in estimating ticket sales for conferences, lobby events, etc.

The overall result is a reduction in the anticipated annual municipal subsidy from the previously estimated **\$928,168** to **\$543,452**. This equation also takes into consideration a revised staffing model that makes greater use of volunteers for some front-of-house and technical roles, a model that is more in line with Collingwood's arts and volunteerism landscape. These calculations used average salaries and an assumption of 8 full-time employees consistent with this size of theatre, alongside volunteers in front-of-house roles based on industry research. The extent of these opportunities will be considered within the governance and operational model discussions and may help inform these decisions.

Table 2, below, calculates the estimated Total Annual Payment based on:

- Maintaining \$10M in donations
- Allowing for an increase beyond a 1% tax-supported budget to fund the debenture payments
- Operating subsidy as estimated in Appendix A
- Debenture payments
- Asset Renewal Requirements

The result is an annual payment of \$2,213,682 equating to a 5.45% tax rate increase, if all the shortfall was paid for by taxes (other non-tax options are not guaranteed, and could include partnerships, memberships, and the redirection of funding or fees and

charges from other Town services excluding water and wastewater which have separate financial buckets).

Table 3 calculates a second scenario for the estimated Total Annual Payment based on:

- Capping the tax-supported budget to fund the debenture payments at a 1% tax increase, requiring an estimated \$15M to be secured in donations or grants
- Operating subsidy as estimated in Appendix A
- Debenture payments
- Asset Renewal Requirements

The result is an annual payment of \$1,845,872 equating to a 4.55% tax rate increase (if the shortfall is all paid from taxes, per the note in the first scenario above), and the amount required from donations (or alternately from grants) must increase.

The figures in Table 2 and Table 3 are based on an assumption that the interest rate on the loan is 4.75%.

As well, these tables introduce the concept of needing asset management funding put aside annually to renew and/or replace the arts centre over time. Many analyses do not consider asset renewals, however it is best practice to do so. The Asset Management funding is the amount that prudently should be put away to do major renovations and renewals in the extended future. This amount could be phased in after an Arts Centre is operating. Asset management planning was not included in Colliers' scope and is therefore not included in the total project cost calculated by Colliers.

Table 2		Table 3	
Building Capital Investment	\$48,017,178	Building Capital Investment	\$48,017,178
Consulting Fees, Soft Costs, Escalations	\$19,382,822	Consulting Fees, Soft Costs, Escalations	\$19,382,822
Total Capital Investment	\$67,400,000	Total Capital Investment	\$67,400,000
Potential Funding 67%	\$45,158,000	Potential Funding 67%	\$45,158,000
Town's Share	\$22,242,000	Town's Share	\$22,242,000
		Donations Required	\$15,818,910
Net Donations - \$10M	\$12,242,000	Amount to Debenture	\$6,423,090
(A) Annual Debenture Payments*	\$773,810	(A) Annual Debenture Payments*	\$406,000
Tax Rate to fund Debenture**	1.91%	Tax Rate to fund Debenture**	1.00%
(B) Operating Subsidy	\$543,452	(B) Operating Subsidy	\$543,452
Tax Rate to Fund Subsidy	1.34%	Tax Rate to Fund Subsidy	1.34%
(C) Asset Renewal Requirements***	\$896,420	(C) Asset Renewal Requirements***	\$896,420
Tax Rate to Fund AMP	2.21%	Tax Rate to Fund AMP	2.21%
(A) + (B) + (C) Total Annual Payment	\$2,213,682	(A) + (B) + (C) Total Annual Payment	\$1,845,872
Tax Rate Required	5.45%	Tax Rate Required	4.55%
<i>*30-year term at 4.75% interest</i>			
<i>**\$406k equates to 1% tax increase</i>			
<i>*** Based on estimated average useful life of all component categories of 75 years - subject to change. Could be phased in.</i>			

Neither of the above scenarios consider additional offsets such as reductions in services currently budgeted or increases in revenues through increased fees and charges elsewhere in the budget.

Should direction be given to move the project forward, such as to a grant-readiness stage, a more detailed financial plan must be developed, including:

- How to increase ongoing income, through partners such as school boards or other municipalities, initiatives to engage ongoing patrons and/or members,

and/or ensuring the facility has as many community uses as is practical and in line with the vision for the facility;

- Opportunities to adjust expenditures on other municipal services, particularly those funded by taxes, or to adjust fees and charges to increase income;
- Determining the order for large Master Plan initiatives and investments (which will become more visible through the Strategic Financial Plan); and
- Consider how other projects can be optimized – for example pursuing a multi-use recreation facility (MURF) with one, or even two, municipal partners.

Town of Collingwood Recreation Subsidy Comparator

There have been references made publicly to the comparative costs of the municipality's recreational asset investments. This was out of scope for the Colliers report and therefore not included in Appendix A, but staff note the following net operating expenditures budgeted for in 2025:

- Eddie Bush Memorial Arena \$335k
- Central Park Arena \$280k
- Centennial Aquatic Centre \$410k
- Outdoor Rink \$118k
- Curling Club \$25k
- Awen' Water Play \$124k
- Recreation Services (programming within recreational facilities) \$207k
- (Simcoe Street Theatre \$93k)

Statistically Significant Community Survey

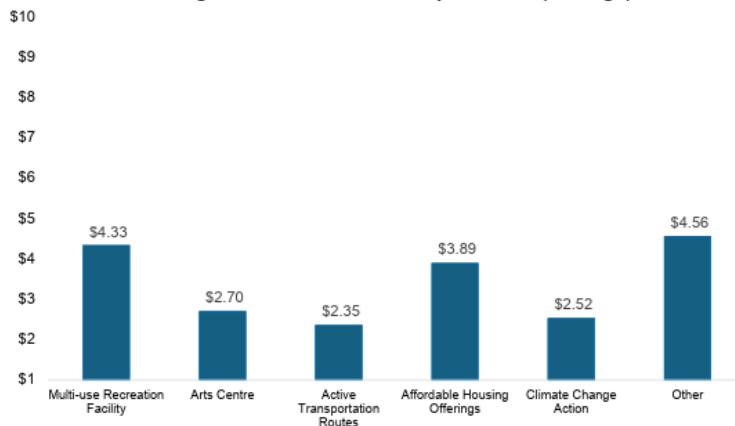
In 2024, the Town undertook a statistically significant community survey, to support the renewal of the Community-based Strategic Plan. It indicated pervasive support for an Arts Centre. In particular, the three following analysis scenarios show an Arts Centre

within the top three priorities, and for downtown (the last figure) an Arts Centre is just above yet roughly equivalent to increasing parking.

Funding Allocation of New Services and/or Facilities



Funding Allocation of Extra \$10 per month (Average)



- When asked about how would the residents distribute their extra \$10 per month among the following options, the residents showed preference for funding a multi-use recreation facility, with an average monthly allocation of \$4.33, the highest among the options presented.
- In addition to this, 5% of the residents chose the no additional dollars per month answer option.

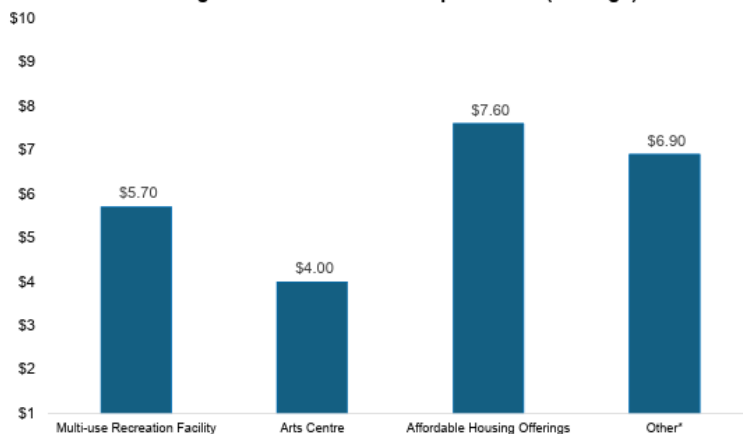
Q8. If funding new services or facilities through property tax, and you had an extra \$10 per month, how would you distribute the funds among the following options?
Sample size: n=487
Framework: All online respondents

62

Funding Allocation of New Services and/or Facilities



Funding Allocation of Extra \$10 per month (Average)



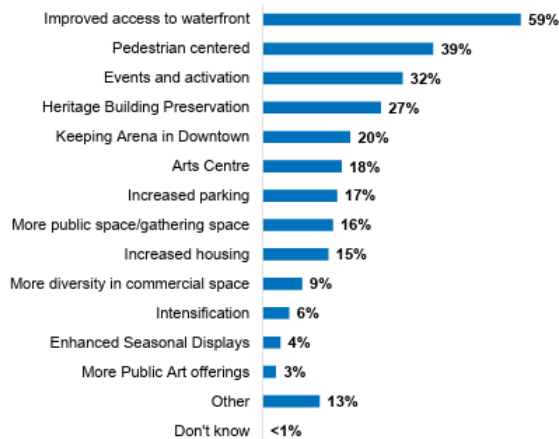
- When asked about how would the residents distribute their extra \$10 per month among the following options, the residents showed preference for funding affordable housing offerings, with an average monthly allocation of \$7.60, the highest among the options presented.
- Residents with household income of under \$90k (\$7.90-\$8.40) have a significantly higher average monthly allocation towards affordable housing offerings compared to those earning \$150k and over (\$6.30).
- In addition to this, 2% of the residents chose the no additional dollars per month answer option.

*Other include Public Infrastructure, Hospitals & Healthcare Services, and Children's Programs.

Q8. If funding new services or facilities through property tax, and you had an extra \$10 per month, how would you distribute the funds among the following 3 options? You can also choose to allocate funds to some other service or facility besides the 3 I mention. The categories are...
Sample size: n=400
Framework: All telephone respondents

31

Downtown Collingwood Priorities in the next 10 to 20 years



- Improved access to waterfront (59%) emerged as the most important priority to ensure that Downtown Collingwood remains successful and vibrant in the next 10 to 20 years.

Q11. What is important to ensure that Downtown Collingwood remains successful and vibrant in the next 10 to 20 years?
Sample size: n=487
Framework: All online respondents

65

Parking Considerations

Beyond the Colliers work, Town staff have work underway as part of the Master Mobility and Transportation Plan (MMTP) to assess the parking needs downtown. Following the general information on parking needs, a specific parking accommodation study is planned for downtown, commencing in 2025 with delivery in 2026, which will include a scenario that an arts centre is created. It is expected that this study will provide options and preliminary costing to implement parking increases in concert with the provision of an arts centre. While the costs related to parking have been separated from an arts centre decision, it is possible that one viable solution includes one or more levels of parking below an Arts Centre that is open to the community for public parking.

There are tensions inherent in the desire for more parking downtown, and in the best and highest use of downtown space in line with the Community-based Strategic Plan and DT Visions – and staff believe that some solutions likely will not involve providing more and more convenient parking downtown than exists today – however they will ensure that something near our current level of service can continue while

accommodating an arts centre and underlying population and visitor growth, with a suite of mobility options including but not limited to personal vehicles.

For comparison purposes, the chart below describes the parking treatments at six comparator theatres.

Table 4

Comparator	Parking Included
Fredericton Performing Arts Centre	No, the facility uses the existing available parking supply in the downtown. A “layby” is shared with the new Justice Building next door to allow for patrons to be dropped off at the front door.
Avenir Centre in Moncton	No, the facility uses the existing available parking supply in the downtown.
FirstOntario Performing Arts Centre	Parking: On-site parking is not available at the First Ontario PAC; however, there are more than 1000 spots available in nearby parking garages, surface lots and on city streets within a five-minute walk to the PAC.
The Burlington Performing Arts Centre	The Burlington Performing Arts Centre (BPAC) does not have parking on its premises. However, it is conveniently located next to a municipal parking garage.
The Neptune Theatre in Halifax	The Neptune Theatre in Halifax doesn't have its own parking garage, but it's located near several options. On-street parking meters are available and free after 6 pm on evenings, weekends, and holidays.
Four Seasons Centre for the Performing Arts in Toronto	The Four Seasons Centre for the Performing Arts in Toronto has an on-site parking garage.

Economic Impacts

As noted on pg. 57 in Appendix A, the question has been raised in previous phases about the negative impacts on surrounding businesses of the arts and cultural centre in the downtown core of the Town. The Town has coordinated with Tourism Simcoe County who has shared tourism data available through Environics Analytics. The information is endorsed by Regional Tourism Organization 7 and Colliers completed a brief review. Some findings are provided.

The Town already experiences an influx of tourists every year in July and August emphasizing the increased opportunity of attracting seasonal visitors for arts and cultural events. For 2019, 2022 and 2023, the Town saw between 350,000 – 400,000 in the summer months, each year. Additional insights can be found in the work that Nordicity completed in Phase 2 when they utilized Economic impact reports related to visitor spending, using the Tourism Regional Economic Impact Model (TREIM). They found that for a 400-seat main hall facility, \$1,032,184 in annual visitor spending could be brought to the Town. For a larger facility (800-seat main hall), \$3,331,541 in annual visitor spending is possible.

The Ontario Arts Council (OAC) also released a new report detailing the impact of arts and culture tourism in Ontario. Commissioned by OAC from Forum Research, the Ontario Arts and Culture Tourism Profile found that the average arts and culture trip has nearly triple the economic impact of non-arts and culture trips. Canadian arts and culture tourists to Ontario showed a strong preference for attending performances like plays or concerts and visiting museums or art galleries, each attracting 31% of visitors, with only visits to historic sites being a more popular activity, attracting 39% of visitors. Dining out (55%), sightseeing (54%), and shopping were the most common non-arts and culture activities reported by Canadian arts and culture tourists to Ontario. Attending performances like plays or concerts and visiting museums or art galleries were also among the top attractions for international visitors; combined these activities were reported on 30% of international visits.

As the Town develops/redevelops its Downtown Core, the presence of an arts and cultural centre is projected to have positive economic impacts for the surrounding businesses. It may result in direct and indirect employment opportunities (transportation, hospitality and retail), promote foot traffic in the Creative Simcoe Street area and Downtown Business Improvement Area and could even attract investment (new developments and businesses). While the construction period will have impacts such as noise, traffic congestion and potentially some reduced foot traffic, the outcome of the project will have long-term positive economic impacts, as part of the Downtown vitalization efforts.

Project Governance

If proceeding, a priority action in the next steps is the determination of the project governance approach. For example, would Town staff, including any Council-endorsed new hire(s), lead the project under the governance of Council, or would a new arms-length board be created.

There may be combinations of the above, or the Town could start with one governance model and transition to another. With an arms-length board, the scope and terms for the board and its authority would need to be developed.

Project Delivery Methodology

The following information is provided to further explain options for project delivery methodology, as well as the types of financial requirements each has in the early stages, as this influences the potential costs of the first step options provided below. The information provided in Colliers report has been augmented with information from the internet and ChatGPT and more work is required and recommended. The information in this section is a guideline.

The proposed downtown Arts Centre is an ambitious capital project. Given the significance of the investment and uncertainty regarding the timing and availability of external funding sources (such as grants and fundraising), it is critical to carefully select a project delivery method that aligns with the municipality's cash flow, limits financial exposure in early phases, and enables phased decision-making.

There are definitions for several more popular and practical delivery alternatives at the end of this section, including Design–Bid–Build (DBB), Design–Build (DB), Progressive Design–Build (PDB), Construction Management at Risk (CMAR), and Public-Private Partnership (P3).

Estimated Cost to get to Next Step (Early Phase Commitment)

These estimated costs reflect the cost to reach the point of being ready to solicit and evaluate major contracts (construction or design-build), where more information will be available to Council on whether and when to proceed, including the success of fundraising and grants:

Table 5

Delivery Model	Next Step Scope	Estimated % of Total Project Cost	Estimated Cost (on \$48M project)	Estimated Cost (Excl. PM/Advisory)
Design–Bid–Build (DBB)	Full design, tender-ready documents	8–12%	\$3,840,000 – \$5,760,000	\$3,576,000 – \$5,496,000
Design–Build (DB)	Bridging documents (performance specs, concept design)	3–6%	\$1,440,000 – \$2,880,000	\$1,176,000 – \$2,616,000

Progressive Design–Build (PDB)	30–50% design, preliminary costing, partnership planning	5–8%	\$2,400,000 – \$3,840,000	\$2,136,000 – \$3,576,000
Construction Management at Risk (CMAR)	Partial design + preconstruction input, no GMP yet	6–10%	\$2,880,000 – \$4,800,000	\$2,616,000 – \$4,536,000

Given the project's scale and the municipality's funding context, the **Progressive Design–Build** or **Construction Management at Risk** models offer a reasonable balance of:

- Early progress and design development
- Limited financial commitment in early stages
- Flexibility to pause or re-scope if funding targets are not met.

The Design-Build approach also matches a lower early cash flow.

The very initial guideline estimates above for these three options start at \$1.44M and range up to \$4.80M to get to the next step. As these costs could generally include the project manager and infrastructure advisory work, if we remove these costs, the range is about \$1.176M to \$4.536M. An estimate of \$4.5M has been brought forward in the Resolution options section below.

Definitions of Potential Project Delivery Methodologies (Table 6)

Model	Description	Pros	Cons
Design–Bid–Build (DBB)	Traditional model; design completed first, then construction is tendered	Familiar process, high design control, firm construction pricing	Longer timeline, requires full budget before construction commitment

Design–Build (DB)	One contract for design and construction	Faster delivery, single point of responsibility	Less owner control, early cost commitment
Progressive Design–Build (PDB)	DB with a phased approach: early collaboration, later cost commitment	Flexible phasing, early cost visibility, collaborative	Not lowest-bid; requires qualification-based selection
Construction Management at Risk (CMAR)	Owner retains designer; CM provides input and commits to max price later	Owner retains design control, early costing, flexible phasing	More complex to manage, not always lowest cost
Public-Private Partnership (P3)	Private sector designs, builds, finances, and may operate the facility	Reduces upfront cost, risk transfer, long-term cost predictability	Complex procurement, long lead time, best for large revenue-backed projects

Options and Next Steps

Key questions in front of Council today are:

- Do we take the next step in this project,
- What is included in that step, and
- When should it be taken?

This does not have to be an either/or decision related to other Council priorities but rather could be a both/more decision. The Community Based Strategic Plan sets out several visionary goals to achieve truly transformative results for our community. To achieve any one of the identified legacy capital projects requires substantial research, meticulous planning, and multiple funding sources. Fortunately, we know that two of

these projects – the Arts Centre and Multi-Use Recreation Facility – will not be drawing from all of the same funding sources.

As noted earlier in this report, the 2024 Market Research Survey conducted by Forum Research as part of the CBSP and Downtown Visioning Master Plan asked residents how they would distribute an extra \$10 per month among the following options: MURF, Arts Centre, Affordable Housing, and Other (including public infrastructure, hospitals & healthcare, children’s programming). Results showed an average of \$4.00/month towards an Arts Centre and \$5.70/month towards a MURF.

Strategically moving the needle on the Arts Centre to a state of grant-readiness while simultaneously conducting a feasibility study on a MURF could bring us to a positive state – where we are poised and extremely well positioned to apply for provincial and federal funding for both projects, when and as the grant opportunities arise – and there is no way of knowing which type(s) of grants or other opportunities will arise first.

With this potential state of grant readiness in mind, Staff have laid out several options for next step consideration and have identified those most highly recommended.

1. Endorse Project Scope and Location and Move into Grant-Readiness Phase – Recommended Option

This option would have Council endorse the scope and location for the arts centre as presented and direct staff to proceed to bring the project to a state of grant-readiness as recommended by Colliers (pages 57-60 in Appendix A). Implementation includes:

- Hiring a Project Manager and potentially procuring the services of an Infrastructure Advisor with expertise in theatre development to spearhead the selection of the appropriate project delivery methodology (such as design then build, a combined design/build, or another approach) and governance structure. For governance this includes whether the project will be led by the municipality, or by an arms-length entity such as a board with charitable status. The governance structure will inform the operations and management of the centre, the oversight of the capital fundraising campaign, the formation of a Project Steering Committee, etc. In order to begin a capital fundraising campaign as

expediently as possible, defining this structure is integral. Provincial and Federal Government funding opportunities will require, at minimum, that the project be Council-endorsed and have an established governance structure in place. At best, the project would be 'shovel-ready' with a fully established plan in place accompanied by detailed architectural drawings.

- Consult with the Steering Committee (extending their Terms of Reference) on their experience with various governance and project delivery methodologies, as well as fundraising procurement approaches, and proceed to engage a professional fundraising consultant to establish and implement the fundraising campaign.
- After the project delivery methodology is approved, proceed to develop the project charter and plan, and facilitate the appropriate process depending on project delivery model (RFP for architect, etc.).
- Continue to explore partnership opportunities with the regional school boards and educational institutions, as well as other local municipalities and counties.
- Determine preferred parking approach following MMTP delivery and parking study to be commenced in 2025.

Financial Impacts: Estimated costs to achieve grant-readiness are \$110k per year for an estimated 3 years for a Project Manager (from a total estimate of 1%-2% of project cost over the full duration of project implementation), \$66k-\$80k for Infrastructure Advisory Services, \$100k-\$150k plus 13% of funds raised for a fundraising professional (of which only the flat fee will be drawn from reserve), and the costs to get to the next step (architectural drawings or other contract documents to seek a proponent).

Table 7

	Estimated cost range	Total estimate	Included in total project budget
Project Manager	\$110k/year for first three years pre-construction.	\$330k	Y
Infrastructure Advisor	\$66k - \$80k	\$66k - \$80k	N
Fundraising Consultant	\$100k - \$150k plus 13% of funds raised	\$100k - \$150k (Additional 13% commission to be drawn from funds raised)	N
<u>Estimated Cost to get to Next Step</u>	\$1.85M to \$6.75M	\$4,500,000	Y
Total		\$4,996,000 - \$5,060,000	

The anticipated cost to reach grant-readiness totals **about \$5M**. The Arts & Culture Legacy Reserve has a current balance of \$1,324,676 that would fund a portion of this work anticipated to be drawn over 3-5 years, leaving about **\$3.7M unfunded** if all the Reserve is used. The additional costs would need to be included in future operating budgets as explored in Tables 2 and 3, or be a part of (unguaranteed) fundraising efforts. This funding is a part of the overall estimated project cost, not in addition to it.

If spread over three years, the annual commitment is roughly \$1.25M/year, and options to fund this including a debenture, taxes, re-allocation from other expenditures, changes to user fees and charges and pursuit of grants.

2. Endorse Project Scope and Location but Postpone Further Steps until Completion of the Long Term Strategic Financial Plan (LTSFP) – Recommended Option

Council may wish to endorse the proposed scope and location for the arts centre but defer taking additional steps until the completion of the LTSFP (anticipated in Q3 of 2025). The LTSFP is a financial roadmap that provides a decision-making framework to utilize when considering projects/services to be provided by the Town, allows scenario-based modelling, and allows for tracking of financial health over a long-term period.

Awaiting completion of this roadmap can aid Council in its decision making by laying out the strategy for sustaining the development and operations of the arts centre long term, in concurrence with other large-scale investments including the water treatment plant expansion, wastewater treatment plant expansion¹, and MURF. This option does necessitate a delay in moving the project forward which could impact our degree of grant-readiness and potential degree of grant success as funding opportunities arise, however, Council's endorsement of the general project scope would at least still permit staff to apply for available grants regardless. Fundraising efforts could also potentially be impacted by the loss of project momentum though this would be difficult to quantify. *Financial Impacts:* No immediate impacts. No additional costs incurred until the LTSFP is complete and Council approves moving forward with next steps for an arts centre.

3. Do Nothing – Not Recommended

Colliers notes that the consequences of 'no change' include missed tourism opportunities and subsequent negative economic impacts. Further, while local theatres such as Simcoe Street Theatre and the Historic Gayety Theatre are active in the community, "additional amenities are needed within a new space that can support the Town's goals in developing the local arts scene through expansion of programs, greater emphasis on local arts events, and education. Ultimately, the Town will not realize its capability of becoming a regional hub for arts and culture entertainment".

¹ The water and wastewater treatment plant expansions are funded from user fees and Development Charges, as well as grants as/if available, not land taxes.

While this option alleviates the financial concerns with pursuing a project of this scale, it rejects the demonstrated need in the community for fully accessible, appropriately sized and resourced arts and cultural programming space. No change would require a revised strategy for effectively “building capacity to support and enhance Collingwood’s lively arts and culture scene”, as directed by the Community Based Strategic Plan.

Doing nothing at this time is not a failure – it is an assessment by Council that like with previous studies investigating an arts centre in Collingwood, it is not the time to proceed, and the question can be re-commenced some years in the future when elements of the financial context change that could make the initiative more palatable to the community.

Financial Impacts: No new financial obligations and no impact to taxpayer. Costs invested to-date would be considered as what was needed to give Council the background to make an informed decision, however only small portions of the existing work could be used to inform a future re-analysis.

4. Reassess Following the Completion of the Multi-Use Recreation Feasibility Assessment (MURFA) – Not Recommended

A case could be made for awaiting the results of the MURFA to determine if an arts centre could be conceived within a MURF. The argument against this relates primarily to the desired location for the arts centre. The research and community engagement conducted throughout phases 1-3 of the arts centre feasibility study has consistently supported a strong desire for, and advantage of, locating a future arts centre in Collingwood Downtown. The study emphasizes the economic and social benefits to both the downtown business sector and to the community groups and organizations utilizing the centre, by developing the venue within the downtown core. Conversely, the types of amenities most commonly considered within a multi-use recreation centre model such as ice pads, a pool, gymnasias, and sport fields could not reasonably be accommodated in Collingwood’s downtown.

A second case could be made for awaiting the results of the MURFA to determine if there are sufficient funds to support both a MURF and an Arts Centre. While the results

of the MURFA will provide high level cost projections of a MURF, the question of affordability for the municipality would be better addressed through the Long Term Strategic Financial Plan. Both initiatives, regardless, will require substantial grants and/or fundraising, and these will not be known until the projects are at a stage where applications can be made and assessed.

Financial Impacts: No new financial obligations.

5. Defer all decisions until Completion of the Long Term Strategic Financial Plan – Not Recommended

Council could consider deferring all decision making until the completion of the LTSFP. While waiting for the Plan would aid Council in its decision making by laying out a more defined strategy for sustaining the development and operations of the arts centre long term, not first endorsing the project in principle would yield the same grant-readiness and fundraising delay risks as describe above, provide less certainty for analysis such as the parking accommodation work and would also prevent staff from pursuing grant opportunities in the interim.

Financial Impacts: No immediate impacts. No additional costs incurred until the LTSFP is complete and Council approves the project moving forward.

Conclusion

This report is the culmination of four years of study that asks the question: Is it feasible to construct and sustain an arts centre in Collingwood? Through the funding set aside by Council in the Arts and Culture Legacy Fund after the sales of the Town's utility and airport, to research, engagement, and expertise sourced from leading industry consultants, the Arts Centre Steering Committee, community stakeholders and residents, the question has been answered and qualified. There is indeed demand for an arts and culture centre in Collingwood and it can be feasible provided certain design, development, and start-up conditions can be met and the overall implementation executed capably. The Phase 3 report identifies the recommended design and development conditions and lays out a path of strategic, tactical start-up steps to bring

the project to a state of grant-readiness in the near term and to give this investment the greatest opportunity for sustained success in the long term.

Staff recommend endorsing the project scope and location and moving into a state of grant-readiness, either immediately or following the delivery of the LTSFP. This approach completes the task of determining the most feasible size, scale, and location of arts centre and demonstrates a commitment to moving the project forward, so long as grant opportunities and fundraising goals materialize.

3. Input from Other Sources

This report was discussed with Department Heads at their June 3rd, 10th and 17th, 2025, meetings.

The Arts Centre Steering Committee has been actively engaged in the development of this feasibility study and its outcomes. The Committee endorsed the recommendations of Colliers at its May 15th meeting. The Arts Centre Steering Committee consists of Erica Angus, Rob Hart, Jim Roe, Craig Ashton, Daniel Vnukowski, and (previously) Amber Ebert, and is Chaired by Mayor Hamlin.

Community and stakeholder engagement has been widely collected throughout the lifespan of the study, informing the contents of each report presented to date.

Additional consultation with the Collingwood Downtown BIA General Manager and Board Chair occurred on June 13th. Questions from the BIA regarding the assessment of the Leisure Time Club/Friendship Gardens, and regarding the inputs determining revenue assumptions, have been addressed in this report.

4. Applicable Policy or Legislation

This report addresses the key action identified in the Community Based Strategic Plan under Connected pillar and the Goal of Fostering belonging through arts, culture, and events. Key Action: Build capacity to support and enhance Collingwood's lively arts and culture scene, including potential development of an Arts Centre.

5. Considerations

2024-2028 Community Based Strategic Plan: Advances pillar(s) below:

- ☐ Sustainable ☒ Connected ☐ Vibrant ☐ Responsible
- ☐ Services adjusted if any Community Arts & Culture
- ☐ Climate Change / Sustainability: Choose an item.No net effect on climate change/sustainability
- ☒ Communication / Engagement: Choose an item.Public Engagement has occurred
- ☐ Accessibility / Equity, Diversity, Inclusion: Consistent with Multi-Year Accessibility Plan
- ☐ Registered Lobbyist(s) relating to content: [\[add content and meeting dates\]](#)
- ☐ Rights of Indigenous Peoples ([UNDRIP](#)): Future opportunities for Indigenous engagement related to design

Next steps and future action required following endorsement:

Identified above, dependent on recommendation endorsed.

6. Appendices and Other Resources

Appendix A: Arts Centre Feasibility Study - Updated Business Case

7. Approval

Prepared By:

Karen Cubitt, Director, Parks, Recreation & Culture

Sonya Skinner, CAO

Reviewed By:

Sonya Skinner, CAO

Jennifer Graham, Treasurer (Town financial calculations and components)

CAO Comments:

- ☒ Endorsed by CAO Skinner on June 19, 2025 to proceed to COW.