



Ad-Hoc Grand Trunk Renewal Committee

Working Group:	Staff Report
Report Date:	Monday, February 4, 2025

Purpose:

To provide the Ad Hoc Grand Trunk Renewal Committee with an update, findings, analysis and recommendations regarding the development of community facility at the Grand Trunk site. This includes an overview of discussions with the YMCA, Stratford Public Library (SPL), City of Stratford Community Services and various community organizations and groups.

The analysis below comprises a portion of the upcoming management report to City Council that presents four key recommendations as considered and discussed by the Ad Hoc Committee in December 2024. These recommendations aim to advance the project by addressing interim activation, partnership development for a shared community facility, and the exploration of both residential development, and mobility and parking solutions for the site. Each recommendation is grounded in insights derived from community engagement, research, and subject matter experts. The following report addresses second recommendation, partnership development for a shared community facility.

Key Action #2: Determine the Scope, Funding, and Design for a New Community Facility

The City of Stratford has a unique opportunity to address critical community needs by advancing the development of a new community facility at the Grand Trunk site. The YMCA and the City of Stratford have an MOU to explore the potential for a new community recreation facility at the Grand Trunk site. In March 2024, the Stratford Public Library (SPL) delegated to Stratford City Council, requesting to be considered as a potential partner at the Grand Trunk site. Council referred this request to the Ad Hoc Grand Trunk Renewal Committee, which received a presentation from SPL in April 2024. Separately, SPL has completed a feasibility study articulating their need for a new, larger facility.

Over the past year, staff from the City of Stratford’s Community Services Department the YMCA, and SPL, have discussed space requirements, potential operating arrangements, municipal investment, and funding opportunities. These conversations are part of an exploratory effort to determine the feasibility and community benefits of a new shared facility. This exploration aligns with the numerous successful partnerships between YMCAs, libraries and municipalities elsewhere, highlighting the potential benefits of a collaborative approach.

Each organization brought their unique perspective and shared the variety of community space and programming needs communicated to them by community members and groups. This includes insights from the Partnership working group of the Ad Hoc Grand Trunk Renewal Committee, and the Stratford Arts and Culture Collective. The community facility would provide multi-functional spaces that supports recreation, culture, and social well-being. While no detailed space design was undertaken, based on the needs of the YMCA, Stratford Public Library, City of Stratford Community Services, and the needs articulated by various community organizations, the following potential size and amenities were identified:

- 70,000-110,000 square feet
 - o Pool
 - o Gym
 - o Walking Track
 - o Childcare
 - o Library
 - o Meeting Rooms
 - o Café
 - o Community Spaces
 - o Auditorium
 - o Communal Spaces
 - o Communal Kitchen
 - o Lounge
 - o Changerooms
 - o Washrooms

The City retained Peggy Vacalopoulos, a Social Sciences and Humanities Research Scholar and recent Masters' graduate in the Department of Recreation & Leisure Studies to investigate the potential municipal investment required for developing a new community facility of this scale. The research examines various operating models and levels of municipal investment, providing critical insights to guide decision-making on the feasibility, design, and partnership opportunities for the facility.

The research employed a case study approach, analyzing ten comparable facilities across Ontario to assess funding and operational models. Data was gathered through municipal records, government announcements, and third-party resources. Stakeholder engagement included working sessions with representatives from the YMCA, Stratford Public Library, and the City of Stratford, as well as interviews with municipal and YMCA staff in the case study communities. A Strengths/ Weaknesses/ Opportunities/ Threats (SWOT) analysis was conducted to evaluate the different models.

Key Insights from Research

Importance of Partnerships

While partnerships with community organizations to develop and operate community facilities can reduce operational burdens on municipalities and leverage external expertise and funding sources, municipal investment is essential to ensure community needs are addressed. Examples

of successful partnerships between YMCAs, public libraries and municipalities demonstrates the importance of combining municipal contributions with external funding sources (e.g., federal and provincial grants, private donations, and community sponsorships).

Three Facility Models & Ranges of Municipal Investment

From the case studies, the research identified three models for community facilities, each representing a different level of municipal involvement and financial commitment. The Third-Party Facility model involves operations managed entirely by a third-party organization, such as a YMCA or library, with the municipality playing a limited role and contributing between 3.7% and 62.2% of the total project cost. In contrast, the Shared Facility model features multiple partners, including the municipality, jointly designing, developing, and operating the facility. Here, the municipality assumes a leadership role and contributes between 65.6% and 78.7% of the total cost. The Municipally Owned and Operated Facility model places full responsibility for design, development, operations, and programming on the municipality, resulting in the highest financial contribution, ranging from 72.4% to 94.5%. The table below highlights how the level of municipal involvement increases across the models, directly correlating with a greater share of the project cost.

Model	Description	Role of Municipality	Municipal Investment as % of Total Project Cost
Third-Party Facility	Operated entirely by a third-party organization, typically a YMCA and/or a library.	Municipality plays a limited role in design, development, operations and programming.	3.7%-62.2%
Shared Facility	Multiple partners, including the municipality, jointly design, develop and deliver operations and programming.	Municipality plays a leadership role along with leaders from partner organizations in the design, development, operations and programming. Municipality may operate their own space within the facility and deliver	65.6%-78.7%

		direct programming.	
Municipally Owned and Operated Facility	Municipality owns and directly operates the facility.	Municipality is solely responsible for the design, development, operations and programming.	72.4%-94.5%

Case for a Shared Community Facility in Stratford

The shared facility model offers the best balance of financial feasibility, operational efficiency, and community impact for the YMCA, Stratford Public Library (SPL), and the City of Stratford. By co-locating services, this model reduces costs through shared investment and operations while ensuring that Stratford residents benefit from a diverse range of programs and amenities in one accessible location. This approach allows the City to retain influence over public spaces while leveraging the YMCA’s expertise in recreation, the SPL’s leadership in public programming, and the City’s Community Services Department, which delivers a range of public programs. These partners already collaborate, and this facility would build on that relationship to create a more integrated and effective service model. Successful shared facilities in other municipalities demonstrate that this approach fosters sustainable community hubs, strengthens long-term partnerships, and enhances service delivery. As Stratford continues to grow, this model provides a scalable and strategic solution that meets evolving community needs while maximizing resources.

Conceptual Costing Exercise

The research estimates that developing a 70,000 to 110,000 square-foot community recreation facility at the Grand Trunk site—including an aquatic centre, fitness facilities, childcare, library, auditorium, and community spaces—would cost \$48.5 million to \$76.5 million, based on current construction costs of \$695 per square foot.

The level of municipal investment required for a new community recreation facility depends on the operational model selected. The table below outlines the estimated range of municipal contributions under three different models: Third-Party Facility, Shared Facility, and Municipally Owned and Operated Facility. The municipal investment varies based on the extent of the City’s involvement in design, development, and operations, with greater investment providing increased control over programming and facility management. The municipal investment ranges were calculated by applying the percentage of municipal contributions observed in comparable facilities to Stratford’s estimated project cost. This approach provides a realistic projection of the financial commitment required under each model.

Model	Municipal Investment Range
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Third-Party Facility	\$1.83M - \$47.59M
Shared Facility	\$31.88M - \$60.15M
Municipally Owned and Operated Facility	\$35.08M - \$72.29M

Financial Analysis

The table below provides a simplified summary of the financial impact on the City’s tax levy under different borrowing scenarios for each facility model: Third-Party Facility, Shared Facility, and Municipally Owned and Operated Facility. The borrowing amounts reflect the range of municipal investment required for each model, based on total project cost estimates. Tax levy impacts are calculated for a 30-year repayment term at an interest rate of 6%.

The analysis highlights the third-party and shared facility models as preferred options, offering both financial feasibility and operational efficiency. Notably, the borrowing ranges for these two models overlap, providing flexibility in investment levels while maintaining fiscal sustainability. The municipally owned and operated model, while offering full control, represents the highest financial commitment and tax levy impact.

Model	Investment Range	Total Principal	Approx. Increase to Tax Levy @ 6% Interest Rate
Third-Party	Low	\$ 1,850,000	0.19%
	High	\$ 47,600,000	4.94%
Shared Facility	Low	\$ 32,000,000	3.32%
	High	\$ 60,000,000	6.22%
Municipally Owned and Operated	Low	\$ 35,000,000	3.63%
	High	\$ 72,000,000	7.47%

This information is presented as a conceptual exercise to help Council understand the potential range of financial impacts associated with each model. These scenarios aim to inform Council of the future fiscal implications of borrowing and ensure alignment between the City’s financial capacity and the vision for the Grand Trunk site.

Conclusion

The development of a new community facility at the Grand Trunk site offers Stratford an opportunity to address critical community needs while fostering partnerships with organizations such as the YMCA and Stratford Public Library (SPL). The research and conceptual exercises

conducted to date have provided a comprehensive understanding of the potential scope, financial implications, and operational models for this facility. These findings underscore the necessity of municipal investment to realize the community benefits associated with the project.

To move forward, Council's direction is required to determine whether further exploration of the shared facility model is desired. The decision to proceed will allow staff to refine the project scope, identify funding opportunities, and engage stakeholders to develop a comprehensive plan that aligns with Stratford's strategic goals.

Recognizing the overlapping financial ranges between the third-party and shared facility models highlights the potential to balance investment levels with operational efficiency and fiscal sustainability. Council's willingness to consider these models, along with their associated investment ranges and tax levy impacts, will set the stage for next steps.

Proposed Next Steps Include:

1. Refining the Project Scope: Develop detailed options for design, programming, costing and operational models.
2. Exploring Funding Opportunities: Pursue grants, private donations, and external partnerships to offset municipal contributions.
3. Engaging Stakeholders: Continue discussions with the YMCA, SPL, and other potential collaborators to clarify roles and responsibilities.
4. Reporting Back to Council: Provide a comprehensive report with refined plans, funding strategies, and projected community impacts for final consideration.

Draft Recommendation

THAT staff be directed to pursue the shared community facility option as outlined in report COU25-XXX, which includes investment from the City in addition to funding from external sources and operational partners;

AND THAT Council direct staff to proceed with the exploration of the design, development, and operations of a shared community facility, and report back with a detailed plan outlining the project scope, a range of potential costs, and funding options for Council's consideration.