
Saskatoon SPCA – Building Renovation and Expansion Project

Recommendation

That the Standing Policy Committee on Planning, Development and Community Services recommend to City Council:

1. That the request by the Saskatoon SPCA to renovate and expand the existing pound services building be approved, subject to Administrative conditions outlined in this report;
2. That the Saskatoon SPCA be designated as the pound service provider for an additional five years, effective January 1, 2019;
3. That the lease and pound services agreements be renewed for five years and provide for an additional four, five-year renewals, subject to the terms and conditions set out in this report, and that these agreements be combined; and
4. That the City Solicitor be requested to prepare the appropriate agreements and that His Worship the Mayor and the City Clerk be authorized to execute the appropriate agreements under the Corporate Seal.

Topic and Purpose

This report summarizes the request by the Saskatoon SPCA to renovate and expand the existing pound services building and enter into a long-term lease agreement with the City of Saskatoon.

Report Highlights

1. The Saskatoon SPCA (SPCA) is seeking approval to renovate the existing pound services building located at 5028 Clarence Avenue South.
2. The SPCA is requesting to enter into a long-term lease agreement (Lease) renewal with the City of Saskatoon (City).

Strategic Goal

This report supports the City's Strategic Goal of Quality of Life supporting community building through direct investment, community development expertise, and support to volunteers within community-based organizations; and by building capacity within the community to address a broad range of issues and build consensus around collaborative responses.

Background

In 2015, the City took ownership of the pound services building and the land from the SPCA, which are located in the Rural Municipality of Corman Park (Corman Park). The City made significant capital improvements at that time and the building continued to serve as the pound and the headquarters for the SPCA. The City then leased the pound services building back to the SPCA and in return, the SPCA continued to provide pound services for the City and continued to be a resource for animal protection services.

The City has a lease with the SPCA in which the term is tied to the provision of pound services, performance of animal protection services, and permits the SPCA to conduct its own programs. The current five-year lease expired on December 31, 2018. The SPCA pays rent of \$1,000 for each year of the term and is responsible for operations, custodial services, utilities, and taxes.

The SPCA provides a safe shelter and has been finding homes for companion animals in Saskatoon since 1968. The SPCA's mission is to promote quality of life for companion animals through responsible stewardship, successful adoptions, education, and enforcement of *The Animal Protection Act*.

Report

The City and the SPCA have had a long-standing relationship to ensure pound services are available to the citizens of Saskatoon. The SPCA is an organization that is best able to provide pound services and has a strong board and executive leadership to achieve its mission. The SPCA is also best suited to provide important animal services such as pet adoption, animal shelter, education programs, and protection services for cases of neglect.

SPCA Pound Services Building Renovation and Expansion

To support existing pound services and accommodate future programming needs, the SPCA is planning a renovation and expansion of the existing building to create a clinic space (see Attachment 1). The new clinic space would allow the SPCA to handle spaying, neutering, and other operational procedures for domestic animals. The addition of a new clinic will create:

- a separate entrance with a reception area for animal drop-off;
- a new dental/x-ray room;
- a new preparation and surgery area;
- separate cat and dog recovery areas; and
- new laundry and storage areas.

The SPCA is requesting the opportunity to invest an estimated \$659,000 to renovate and expand the existing pound services building.

When completed, the new clinic at the SPCA will have the capability to provide high volume spay and neuter services to support their programs. The SPCA is also proposing that the surgical procedure component of the City's Subsidized Spay and Neuter Program be administered at their new clinic. The Administration is in support of the proposal, as the SPCA projects that they will be able to accommodate significantly higher number of procedures with the available funding than the current model. The Administration will continue to work with the SPCA on this initiative.

The Administration has reviewed and supports the request by the SPCA to renovate and expand the existing pound services building, in principle, subject to the SPCA meeting the following conditions:

- a) submitting a detail design to the Crime Prevention through Environmental Design (CPTED);
- b) submitting a final detail design to the City for approval; and
- c) securing all compliance reports and permits as part of the construction process.

If City Council agrees with this approach, the City and the SPCA would enter into a construction and design agreement prepared by the City Solicitor, which would see the SPCA assume responsibility for all aspects of the design, procurement, insurance and construction. The agreement would require the SPCA to utilize a best value approach and provide them the option to utilize a combination of purchases, donations, and in-kind donations for this project. The work completed would be in accordance with the site plan, a copy of which is attached to this report as Attachment 1.

SPCA Lease Agreement and Pound Services Renewal

The City is responsible for the control of animals in the City of Saskatoon and has established an animal control program. The City and the SPCA have entered into a Memorandum of Agreement (Pound Services Agreement) under which the SPCA plays a role in the City's animal control program. The City owns the land and the building in Corman Park and the SPCA leases the land and building for the purposes of providing animal control program services for the City, namely pound services.

Both the Lease and the Pound Services Agreement have the same term, and are linked obligations, each one expired at the end of 2018. The Pound Services Agreement contained a provision that provided for a five-year renewal.

Given the significant capital cost that the SPCA is undertaking, and the need for the City to continue to have and maintain a pound, each are seeking a longer term commitment on the Lease and the current five-year extension that is provided for in the current Pound Services Agreement.

As well, the Administration, after consulting with the Solicitor's Office, is recommending that the Lease for the land and building, and the Pound Services Agreement be combined into one agreement.

The Administration is recommending to renew the Lease and combine it with the Pound Services Agreement that would see the SPCA continue to operate the facility and provide pound services. Subject to City Council's approval, the key terms and conditions reflect the City's standard agreement, with the following:

1. The City grants to the SPCA a lease of the building and land for the operation of a pound, the performance of animal control program services as defined in the Agreement, and its own non-profit programs.
2. The term of the new Agreement would be five years beginning in 2019, with the option to renew for four additional five-year terms, subject to both parties' reaching an agreement on any amendments.
3. The agreed-upon licence fee, payable by the SPCA to the City, will be paid annually.
4. The SPCA will be responsible to pay the utilities and property taxes for the building and land.
5. Any renovations will be made at the SPCA's expense.
6. The SPCA agrees to keep the building and land in a reasonable state of repair at all times and will also be responsible for attending to day-to-day maintenance and repair of the grounds and parking lot.
7. The City will attend to any of the deficiencies in the building that are beyond day-to-day repair and utilize the City's comprehensive building maintenance reserve for this purpose.
8. The SPCA assumes all risks associated with the building and land and will purchase and maintain a public liability insurance policy in the amount that is agreed-upon by the City.
9. The SPCA will continue to provide the City with the necessary pound services and animal protection services as part of the Agreement, and the costs of these programs will be reviewed and adjusted annually.
10. The Agreement will provide for a standard termination right if there has been an uncured breach of the Agreement.

Options to the Recommendation

City Council could choose to not approve the SPCA's request to renovate and expand the pound services building and/or the proposed key terms of the Agreement and direct Administration to work with the SPCA to identify other potential options.

Financial Implications

The SPCA have submitted a preliminary project budget of \$659,000. The SPCA will be responsible for all capital costs with the renovation and expansion of the pound services building.

The City is responsible for the contributing to the Civic Buildings Comprehensive Maintenance Reserve (Reserve) and would require an increase to the Reserve contribution in 2020 by \$7,900 to cover the additional square footage of the renovation and expansion.

The current Building Maintenance Reserve contribution for the pound services building is \$27,600. The SPCA is estimating that the renovation and expansion will cost \$659,000 which would result in an increase to the Building Maintenance Reserve contribution in 2020 to \$35,500, an increase of \$7,900 from 2019. If approved, this increase to the Building Maintenance Reserve would be included in the 2020 budget.

Safety/Crime Prevention Through Environmental Design (CPTED)

The SPCA will be responsible for submitting a detailed design to the CPTED Committee. All recommendations from the CPTED Committee will be considered and addressed prior to the renovation and expansion of the pound services building.

Other Considerations/Implications

There are no public/stakeholder involvement, policy, environmental, or privacy implications or considerations. A communication plan is not required at this time.

Due Date for Follow-up and/or Project Completion

Subject to securing all the necessary building permits, the SPCA anticipates beginning construction in summer 2019.

Public Notice

Public Notice pursuant to Section 3 of Policy No. C01-021, Public Notice Policy, is not required.

Attachment

1. Saskatoon SPCA Site Plan

Report Approval

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Approved by: Lynne Lacroix, Acting General Manager, Community Service Department