



Working together with our community

Council-In-Committee Meeting – January 14, 2025

Subject: Future of Vittoria Old Town Hall Options Report
Report Number: OPS-25-006
Division: Operations
Department: Facilities
Ward: Ward 4
Purpose: For Decision

Recommendation(s):

That Staff Report OPS-25-006 Vittoria Old Town Hall Options Report be received as information;

AND THAT staff be directed to proceed with Option #3 of the report and to declare the lands surplus to municipal needs;

AND THAT the Mayor and Clerk be authorized to execute the Agreement of Purchase and Sale, Easement Agreement and first right of refusal and any other documents necessary to complete the transactions;

AND THAT staff be exempt from CS-02 Purchasing Policy and CS-03 Purchasing Procedures to allow for a non-standard Expression of Interest (EOI) process to be completed for Nominal Sale of Hall Parcel to local Non-Profit (Retain Parkland);

AND THAT if Option#3 is not successful, staff be directed to proceed with Option #6 of the report.

Executive Summary:

In addition to a historically low utilization rate and minimal demand for space and event space, particularly with alternative Norfolk-owned facilities in close proximity, the Vittoria Old Town Hall also requires significant capital repairs to become operational. Norfolk County staff have solicited feedback and ideas from the community and have developed six potential options for the future of the Hall and seek Council's direction.

Discussion:

Vittoria Old Town Hall Background

The original Public Hall in Vittoria was built in the late 1860s but was destroyed by fire in 1870. Vittoria Old Town Hall, as it currently exists, was re-built in 1879. The building

was designated under the Ontario Heritage Act in 1986 by the former Township of Delhi and the original researchers report has been included as Attachment A. Since Norfolk County inception in 2001, the Vittoria Old Town Hall had been operated as a rentable meeting/event space.

In 2020, Norfolk County issued a Call for Submissions (CS-CSS-20-03) to prospective proponents to submit proposals from community partners and/or operators interested in operating or supporting select community assets to reduce the taxpayer support for facilities. Norfolk County entered into a license agreement with a private operator, Ames Distilling Ltd., in December 2021. The lease agreement with Ames Distilling Ltd. ended in March 2023 and the building is currently vacant and unbookable due to public safety concerns due to structural integrity issues.

Vittoria Old Town Hall 2022 Capital Project

A capital project for the exterior restoration of the Vittoria Old Town Hall was included in the 2022 Capital Budget with a total budget of \$300,000. The scope of the restoration project included the architectural restoration of the existing wood windows, bell tower restoration, brick repointing and wood fascia and soffit restoration.

A request for proposals (RFP) was issued in February 2022 for consulting services (i.e. architectural and engineering services) for all heritage restoration projects included in the 2022 Capital Plan including the Vittoria Old Town Hall. John G. Cooke & Associates Ltd. was the successful Proponent and has successfully completed numerous similar heritage restoration projects across Ontario.

The first phase of the project design included a detailed technical review of the facility to identify existing conditions and develop a detailed restoration plan. During this detailed investigation, John G. Cooke & Associates Ltd. identified significant additional structural / foundation building deficiencies (Attachment B). The identified additional deficiencies must be remediated prior to the architectural restoration originally planned to prevent premature deterioration of the architectural restoration components.

The additional deficiencies include:

1. Additional repointing and reconstruction of the stone masonry foundation on the north side of the building as well as a detailed investigation of remaining foundation walls,
2. Additional repointing and reconstruction of the brick masonry at corners of the north side of the building to support the cupola framing and chimney masonry rehabilitation.
3. An immediate safety concern with the current state of the windows which could result in failure of window muntin bars and allow windowpanes to collapse onto facility users. Temporary plexiglass barriers have been installed on the windows to temporarily mitigate the safety hazard.

Due to the significant additional repairs identified through the detailed design phase, the total estimated project cost increased by \$525,000 to \$825,000 (not a current cost estimate due to the passage of time and inflation). As the necessary emergency structural rehabilitation work is greater than 85% of the total expected project cost, staff recommend that the entire scope of work identified be completed concurrently for cost effectiveness. It should be noted that if the project were not to be completed in 2025, additional deterioration and construction cost inflation is expected.

Table 1- Total Project Costs (rounded, incl. net HST) Timeline

	2022 Initial Budget	2022 Budget per Engineer Estimate (Attachment B)	2024 Project	2025 Project
Consulting Services (Arch./eng./surveying)	\$30,000	\$85,000	\$85,000	\$85,000
Construction	\$270,000	*\$740,000	**\$840,000	***\$915,000
Total	\$300,000	\$825,000	\$925,000	\$1,000,000

*\$655,000 per Attachment B plus 13% contingency.

**~6% inflation applied to previous estimates.

***~8% inflation applied to previous estimates.

Future Required Capital Repairs

In 2022, building condition assessments were completed at 204 Norfolk County facilities including the Vittoria Old Town Hall. The building condition assessments have assessed 21.4% of the Norfolk County facilities portfolio to have a condition of poor or critical and require significant capital investment to maintain existing asset levels over the next ten years. The results of the building condition assessment were summarized in a staff report (Attachment C).

Through the 2022 building condition assessment at the Vittoria Old Town Hall, \$245,000 in additional capital needs were identified over the next twenty years.

Major building components requiring replacement in the next twenty years include:

1. Cedar roof,
2. Interior finishes,
3. HVAC replacements
4. Water treatment system and
5. Electrical system replacements.

The 2022 assessment report has been included in Attachment D. The facility condition index (FCI) within the 2022 assessment was calculated at 20.1% of overall poor condition. When the FCI is updated to include the known detailed deficiencies identified through the 2022 capital project, the current FCI would exceed 100% or critical

condition. It should be noted that the identified current capital needs do not include any improvements to building accessibility (existing washrooms are accessible washrooms), energy efficiency or building/site security.

Vittoria Old Town Hall Property Considerations

The Vittoria Old Town Hall property consists of two parcels. Parcel 1 includes the Vittoria Old Town Hall building whereas parcel 2 is currently used as parkland (i.e. Lamport Park). A property survey has not yet been completed, but staff have determined that the septic tank is very likely to be partially on both parcels while the septic tile bed is located entirely on parcel 2 as outlined in Attachment E.

The lands are designated “Hamlet” in the Official Plan and zoned “Community Institutional Zone” in the Comprehensive Zoning Bylaw. Uses outside the permitted designation and/or zone would require some type of planning application with applicable supporting documentation in accordance with the Official Plan.

The latest property appraisal was completed in May 2024 and the combined appraised value of the two parcels is \$520,000 (parcel 1 is appraised at \$245,000). It was determined that the removal of the heritage designation would not change the appraised value of the building.

Further, it should be noted that there are existing monuments and a flagpole currently located on parcel 2. Should Council decide to sell parcel 2, staff recommend that the monuments and flagpole be moved to another park property within Vittoria. Moving costs, including installing appropriate foundations, are estimated to not exceed \$10,000.

Vittoria Old Town Hall Operational Considerations

The Vittoria Old Town Hall building has operated as a community centre / meeting room since 2001. The Vittoria & District Community Centre is located 350m from the Vittoria Old Town Hall property and offers four (4) bookable spaces.

In 2023, the main hall of the Vittoria & District Community Centre was utilized for a total of 418 hours. The Lions Meeting Room and Annex rooms were utilized for a total of 295 and 299.5 hours respectively. Overall, the utilization of the Vittoria & District Community Centre was less than 5% of available booking hours and in staff’s opinion could accommodate Vittoria Old Town Hall events.

Further, Lamport Park is currently operated as a bookable park space and events have continued to be held within the Park while the Hall has been closed. The Vittoria Thompson Memorial Park is also located within 350m from the Vittoria Old Town Hall property. In 2023, the Lamport Park was utilized for a total of eight (8) hours.

A minimum maintenance approach has been employed by County staff with respect to the Vittoria Old Town Hall since the exit of the Ames operating lease. As such, the 2024

Levy Supported Operating Budget includes a total net levy cost of \$14,600 and includes mandatory items such as: building insurance, utilities, fire monitoring, pest control, grass cutting and minimal building maintenance.

Vittoria Old Town Hall Community Engagement

Norfolk County has completed comprehensive community engagements to provide residents with transparent information related to the Vittoria Old Town Hall property and to solicit feedback and ideas for its future. An Engage Norfolk webpage has been utilized throughout the engagement as a central public resource for all information related to the Vittoria Old Town Hall property.

An initial public information meeting was held on Wednesday, November 22, 2023, at the Vittoria & District Community Centre and was held in conjunction with the public meeting related to the Norfolk County lands review project. A follow up meeting was held on March 18, 2024, within the Council Chambers at the County Administration Building. All questions received during both public meetings as well as questions asked through the Engage Norfolk page have been answered by staff and posted publicly on the Engage page.

All public feedback has been attached as Attachment F and have formed some of the future options presented below.

Vittoria Old Town Hall Future Options

Staff have developed six potential broader options for Council's consideration. Within each of the options, there exists multiple variations.

Option 1: Retain County Ownership of Hall & Park

In this option, Norfolk County would retain the Vittoria Old Town Hall building and parkland, complete the necessary building repairs and provide public use of the facilities. Further, Norfolk County Council could request fundraising support from local non-profit groups prior to repairs.

Pros:

- Ensure public access to the historically significant Vittoria Old Town Hall building

Cons:

- Budgetary pressures and 2025 Initial Cost of \$1,000,000
- Annual operating cost of \$15,000
- Potential reduction in community involvement with facility
- Loss of revenue related to a sale
- Potential negative impact to other facilities due to capital funding restrictions

Staff are not recommending this option due to budgetary pressures.

Option 2: Retain County Ownership – 3rd Party Operator

In this option, Norfolk County would retain the Vittoria Old Town Hall building and parkland and complete the necessary building repairs. When the repairs are complete, a public procurement will be issued to seek 3rd party operators of the Hall. Alternatively, Norfolk County Council could provide staff direction to enter into an agreement with local non-profit organizations for the operation of the building.

Pros:

- Ensure public access to the historically significant Vittoria Old Town Hall building
- Reduced annual operating costs and County maintenance required
- No County operations required
- Potential increase in community involvement with facility

Cons:

- Budgetary pressures and 2025 Initial Cost of \$1,000,000
- Base level of maintenance still required
- Loss of revenue related to a sale
- Potential negative impact to other facilities due to capital funding restrictions

Staff are not recommending due to budgetary pressures.

Option 3: Nominal Sale of Hall Parcel to local Non-Profit (Retain Parkland)

In this option, Norfolk County would sell the Vittoria Old Town Hall building to local non-profit organization for a nominal fee of \$1. The parkland would remain a Norfolk County parkland. An easement would be provided to the non-profit for maintenance of the septic tank and tile bed. Further, Norfolk County would include a first right of refusal within the sale agreement to ensure Norfolk has the option to re-purchase the Hall at the same consideration as initially conveyed should the non-profit wish to sell the building in the future. To incentivize organizations to take the facility, a one-time grant or ongoing operating grants could be provided by Council.

Pros:

- Ensure local access to the historically significant Vittoria Old Town Hall building
- Elimination of imminent and future capital funding requirements for County
- Minimal operating and maintenance required for the parkland property
- No County operations required
- Potential increase in community involvement with facility

Cons:

- Loss of revenue related to a sale to open market
- Limited uses of Hall due to size of parcel, parking concerns, etc.
- Continued maintenance required for parkland property

Staff recommends this option due to reduced budgetary pressures and minimal negative impacts to the local community.

Option 4: Nominal Sale of Hall and Parkland to local Non-Profit

In this option, Norfolk County would sell the Vittoria Old Town Hall building and parkland to a local non-profit organization for a nominal fee of \$1. Further, to incentivize organizations to take the facility, a one-time grant or ongoing operating grants could be provided by Council.

Pros:

- Ensure local access to the historically significant Vittoria Old Town Hall building
- Elimination of imminent and future capital funding requirements
- Elimination of County operations and maintenance expenditures
- Potential increase in community involvement with facility
- Increased potential uses of entire property vs Hall only

Cons:

- Loss of revenue related to a sale to open market
- Loss of public parkland in Vittoria
- Initial cost of \$10,000 for movement of site features to County land

Staff do not recommend this option.

Option 5: Surplus and Sale of Hall (Retain Parkland)

In this option, Norfolk County would surplus and sell the Vittoria Old Town Hall building on the open market to the highest bidder. The parkland would remain Norfolk County parkland. An easement would be provided to the new owner for maintenance of the septic tank and tile bed.

Pros:

- Potential revenue of \$245,000+ which could fund other local projects
- Elimination of imminent and future capital funding requirements related to Hall
- Elimination of County operations and maintenance expenditures
- Heritage designation will remain ensuring building façade will not be altered without Norfolk County approvals
- Potential for re-zoning of lands for residential use / housing supply

Cons:

- Loss of public facility in Vittoria
- Little County input into future use of Hall

Staff do not recommend this option due to community impacts.

Option 6: Surplus and Sale of Hall and Parkland

In this option, Norfolk County would surplus and sell the Vittoria Old Town Hall building and parkland on the open market to the highest bidder.

Pros:

- Potential revenue of \$520,000+ which could fund other local projects
- Elimination of imminent and future capital funding requirements
- Elimination of County operations and maintenance expenditures
- Heritage designation will remain ensuring building façade will not be altered without Norfolk County approvals
- Increased potential uses of entire property vs Hall only sale
- Potential for re-zoning of lands for residential / housing supply

Cons:

- Loss of public facility and parkland in Vittoria
- Initial cost of \$10,000 for movement of site features to County land
- Less County input into future use

Staff recommend that if Option #3 is not successful and there are no willing non-profit organizations willing to purchase the Hall under the conditions set by Council, that this option be selected as the most financially prudent option.

Financial Services Comments:

Project History & Budget

The Final 2024-2033 Capital Plan includes an allocation of \$1,000,000 for Project 5332338 Vittoria Old Town Hall Structural & Building Repairs, scheduled in 2025, to be funded by the issuance of debentures.

The Final 2024 Levy Supported Operating Budget includes an allocation of \$14,600 related to the Vittoria Old Town Hall, for costs such as pest control, snow clearing, water testing, and insurance.

Furthermore, based on the Building Condition Assessment completed for the Vittoria Old Town Hall in 2022, works totalling approximately \$335,000 over the 20-year forecast period, with \$245,000 meeting the County's capitalization criteria (and the remaining \$90,000 likely to be included as operating capital in future years for activities such as painting, interior lighting, and minor replacements). An oversimplified approach to asset management would suggest that if \$245,000 is required over 20 years, at least \$12,000 should be contributed to reserves on an annual basis in order to ensure there is sufficient funding available to pay for future capital works. In 2024, \$4,740,000 is being contributed to the Facilities Reserve. Contributions are not currently broken down by facility, however, staff believes these contributions are insufficient to sustain the entire scope of County facilities based on the draft non-core asset management plan.

The remaining finance comments will analyze the quantitative impact of the various options.

Option 1 – Status Quo

If the County maintains ownership of the Hall & Park, the annual budgets and capital project listed above will proceed as planned. It is anticipated additional projects would be added to future capital plans, and additional one-time items be added to the operating budget, to encompass the work in the Building Condition Assessments.

Option 2

The financial impacts of Option 2 are similar to Option 1. There might be a small savings in future operating budgets due to using a third-party operator, but these would represent less than 0.1% of the net levy requirement.

Option 3 – Staff Recommendation

If the County sells the Hall for a nominal fee and maintains the Park, the approved capital project would be cancelled as it would be the responsibility of the new owners to maintain the Hall. Benefits of cancelling the capital project would include the mitigation of debt servicing costs, and/or re-purposing of reserve funds for other facilities projects in the County's sizeable 10-Year Capital Plan. Operating savings of \$14,600 would be materialized in future operating budgets from not having to operate the Hall.

Furthermore, an estimated opportunity savings of approximately \$12,000 annually or \$245,000 over the next 20 years would arise from avoiding future capital expenditures on the Hall.

The capital, operating, and opportunity savings from this option would be reduced by the amount of any financial agreement negotiated with the local non-profit.

Option 4

The financial impacts of Option 4 are similar to Option 3. There might be a small one-time cost in a future operating budget to transition the site features to another park, but this would represent less than 0.1% of the net levy requirement.

Option 5

If the County sells the Hall to the market and maintains the Park, the approved capital project would be cancelled as it would be the responsibility of the new owners to maintain the Hall. Benefits of cancelling the capital project would include the mitigation of debt servicing costs, and/or re-purposing of reserve funds for other facilities projects in the County's sizeable 10-Year Capital Plan. Proceeds from the sale, which staff estimate could be up to \$245,000, would contribute to an operating surplus in the year of sale, or be reserved for a specific use at Council's direction.

Operating savings of \$14,600 would be materialized in future operating budgets from not having to operate the Hall. Furthermore, an estimated opportunity savings of approximately \$12,000 annually or \$245,000 over the next 20 years would arise from avoiding future capital expenditures on the Hall.

Option 6

The financial impacts of Option 6 are similar to Option 5. Staff estimate up to \$520,000 could be received as proceeds from selling the Hall & Park.

Interdepartmental Implications:

Planning

The property is designated Urban Residential in the Official Plan, which allows a range of residential and complimentary institutional, commercial and park uses. The existing zoning is Community Institutional which permits a list of health, educational, community and some residential types of uses subject to certain provisions, such as place of assembly/entertainment/recreation/ worship, community centre, library, schools and adult education, art gallery, medical offices, private club, longer term care facility, single/semi/duplex dwellings, and more along with accessory commercial uses.

The current property meets the minimum lot area and frontage provisions of the zoning bylaw. Most options would likely comply with the existing land uses; however, depending upon the ultimate use of the building and site, a review of zoning details (setbacks, parking, etc.) may be required.

Heritage & Culture

The Vittoria Town Hall, as a County-owned asset designated under the Ontario Heritage Act through By-Law 61-87, is described in its Statement of Significance as "one of three important buildings completing the courthouse square - the heart of Vittoria. It is a good example of an early, simple, functional, box-like structure built to accommodate the town's business and to house the court sessions at intervals. Its style is derived from the neo-classic building tradition and is designed with a high regard for its niceties of proportion. Historically, the building has been intimately associated with the life of the town since its erection in 1870."

The Vittoria Town Hall property meets the prescribed criteria outlined in O.Reg. 9/06 as having historical or associative value because it yields, or has the potential to yield, information that contributes to an understanding of a community or culture.

The heritage designation should be retained. Staff and the Norfolk Heritage Committee will assist and work with the stewards of the property to ensure responsible heritage conservation of this historically significant property.

Realty Services

Should Council choose to proceed with Option #3, Realty Services staff will assist in the preparation of an Agreement of Purchase and Sale for the property along with the preparation and registration of an easement agreement on title to the properties for the septic system and tile bed. Realty staff will work with external legal counsel to complete the sale and easement transactions accordingly.

Purchasing Services

Section 4.7 of CS-02 Purchasing Policy states that a Director may use an Expression of Interest (EOI) prior to a Bid Request to seek information from interested parties for an upcoming solicitation. An EOI is a process whereby the County can acquire information, and sometimes is known as a 'fishing exercise'. Such process does not lead to a contract award.

In this instance, a non-standard EOI will be developed and issued incorporating clear language to proponents on all stages of the process with negotiations and/or contract award being the potential outcome. While the proposed non-standard EOI process to be undertaken is not a procurement process and requires exemption from the Purchasing Policy by Council, the County's bids & tenders platform will be the 'vehicle' to be used for submission of proposals and will provide for a tool to communicate the opportunity providing a fair, open, and transparent process.

Purchasing staff will work together with the Operations team to develop and issue a non-standard EOI seeking proposals from local non-profit organizations for the nominal sale of hall parcel (retain parkland).

Consultation(s):

Operations staff have consulted with staff from Purchasing, Communications, Planning, Heritage & Culture, Realty Services, and Financial Services.

Strategic Plan Linkage:

This report aligns with the 2022-2026 Council Strategic Priority Serving Norfolk - Ensuring a fiscally responsible organization with engaged employees who value excellent service.

Explanation: A potential disposition of the Vittoria Old Town Hall would reduce Norfolk County taxpayer support for community halls and improve Norfolk's overall financial sustainability.

Conclusion:

Staff have identified six options for future options with the Vittoria Old Town Hall and Lamport Park and provided pros and cons of each option. Staff are recommending Option#3, the nominal sale of the Vittoria Old Town Hall building parcel to a local non-profit while retaining the Lamport Park parcel. Failing to execute Option#3 as per Council's direction to staff, staff should proceed with Option#6, without further need to come to Council for additional direction.

Attachment(s):

- Attachment A – Vittoria Town Hall Researchers Report
- Attachment B – John G. Cooke 2022 Assessment Report

- Attachment C – Staff Report OPS-23-022 Building Condition Assessment Results
- Attachment D – 2022 Building Condition Assessment Report
- Attachment E – Vittoria Old Town Hall Parcels and Septic Locations
- Attachment F – Engage Norfolk Feedback Summary

Approval:

Approved By:
Al Meneses, CAO

Reviewed By:
Bill Cridland, General Manager,
Operations

Prepared By:
Michael Simoes, Director, Facilities