

**Report to / Rapport au:**

**OTTAWA POLICE SERVICES BOARD  
LA COMMISSION DE SERVICES POLICIERS D'OTTAWA**

**26 June 2023 / 26 juin 2023**

**Submitted by / Soumis par:**

**Chief of Police, Ottawa Police Service / Chef de police, Service de police d'Ottawa**

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**SUBJECT: SOUTH FACILITY PROJECT SCOPE ADJUSTMENT**

**OBJET: MODIFICATION DE LA PORTÉE DU PROJET D'INSTALLATION SUD  
REPORT RECOMMENDATIONS**

**That the Ottawa Police Services Board direct the Ottawa Police Service to modify the scope of the South Facility Project to include the design development of Phase B.2 for full occupancy by the Service.**

**RECOMMANDATIONS DU RAPPORT**

**Que la Commission de services policiers d'Ottawa donne la consigne au Service de police d'Ottawa de modifier la portée du projet d'Installation Sud afin d'inclure la conception et le développement de la Phase B.2 en vue d'une occupation complète par le Service.**

**BACKGROUND**

The South Facility is the foundational project in the Ottawa Police Service's (OPS) Facilities Strategic Plan (FSP). The new South building will be approximately 218,000 square feet in size, over three levels, with approximately 178,000 square feet currently designed to support OPS occupants and public services. The facility is critical to support necessary and evolving operations for the OPS, while improving service for growing communities in the south end of Ottawa.

**2018**

Design of the South facility began in 2018 with the award of contracts to the Prime Architects – joint venture with Moriyama Tashima and CS&P Architects – and Project Management support from Colliers Project Leaders.

The design was completed in mid-2020, aligned with the initial construction tender release of Phase A in December 2020. In April 2021, the Ottawa Police Services Board (Board) supported the OPS' recommendation to pause and reassess the South Facility Project (SFP). The direction at the time also included cancelling the initial construction tender of Phase A, due to impacts on the construction industry resulting from the ongoing COVID 19 pandemic. At that time, the Board also supported keeping the existing design project team engaged to advance the design of Phase B.1, leveraging existing contracts already in place.

Design of Phase B.1 was completed in February 2022, creating a shelf-ready single tender package that encompassed both Phases (A and B.1). The OPS was also directed to engage in discussions with various City services to explore synergies and gauge interest in partnering and co-locating within the same facility. While the project remained paused, the OPS pursued a refresh to the FSP that would address operational evolutions and validate the project requirements, in particular the direction of the South facility.

In January 2023, the Board approved the FSP Refresh, providing approval to the OPS to execute projects as sequenced in the plan, including the restart of the SFP. The OPS continued to discuss with City services opportunities for partnering in light of approval for the SFP to move forward. The project restart triggered an update to consultant contracts to allow for their services to continue. The OPS presented the contract adjustments which were approved by the Board in April 2023.

The SFP team immediately began to strategize avenues to advance the project schedule given the 'shelf-ready' status of the design.

### **Queensview location**

The OPS was advised in May 2023 of the City's intended development in the Queensway, Pinecrest, and Greenbank area that would likely impact the site and facility located at 2670 Queensview Drive – currently two-thirds occupied by OPS support operations, with the balance of the facility vacant and assigned to the OPS for future expansion, and awaiting the execution of the OPS project to up-fit the space. The OPS was advised by the City of the likely need for the Service to relocate functions from its Queensview facility to support city development being planned for the surrounding area,

anticipated in the coming years. The City has indicated that it anticipates annexing the Queensview location within the next five to 10 years.

In the past, the Queensview expansion project was identified as part of the 2017 FSP, providing a strategic solution to the Board's direction to find cost savings when delivering the FSP, by means of occupying City-owned buildings. As such, the City and the OPS entered into an agreement for the OPS to remain at Queensview long-term.

This expansion project was intended to be initiated before the end of this year as part of advancing the disposal of aging or leased facilities. The project was also timed to ensure the start of interior construction was aligned to the completion of LRT work currently in progress along the north side of Highway 417, where the contractor is making use of the Queensview parking lot to access the construction site.

## **DISCUSSION**

The purpose of this report is to review the implications of the removal of the Queensview facility from the OPS portfolio to the City and how that impacts the SFP.

Given the potential impact on the Queensview facility where the OPS may no longer be able to occupy this site, it is unwise for the OPS to execute any significant Capital projects at this location. The removal of the Queensview facility from the portfolio also leaves the OPS with a significant space deficiency and a need to quickly strategize relocation options for the units that had been intended to move to Queensview as part of the FSP expansion project.

In April 2023, the OPS informed the Board that City services had opted to not co-locate at the South facility (Phase B.2) at that time, but discussions would continue as the SFP progressed and moved closer to construction to allow for potential opportunities for the City to re-consider. Given the estimated space deficiency with the loss of the Queensview location, it is imperative that the entirety of the South facility be retained for OPS operations; the OPS would now occupy 100 percent of the building.

Presently, the OPS project team is preparing contract documents to support the tender release for construction of Phase A and B.1. This presents an opportunity for the SFP to review and advance the design development of Phase B.2 for OPS occupancy, and possibly integrate the interior construction into the general contractors scope of work. The Phase B.2 fit-up will comprise of standard office space and further details of this plan will be outlined in an update report in the fall.

By delivering this report, the OPS is seeking Board approval to amend the current scope of the SFP to include design and construction of Phase B.2 for OPS operations.

## **CONSULTATION**

Consultations with the public were not required. However, activities noted below have been completed as part of the re-start of the SFP and in consideration of the potential scope adjustment to advance Phase B.2.

### **City Councillor and City Real Estate Office**

In May 2023, Councillor Theresa Kavanagh (Ward 7 Bay) met with the Chief of Police to share the potential City development in the Queensview area. In June, the OPS engaged in discussions with the City Real Estate Office (CREO) to understand the anticipated direction and timing for the Queensview site (in consideration of facility requirements for both entities). Discussions with CREO will be ongoing and may be independent of the SFP.

### **City Services Partnership at South**

In late 2022 and early 2023, the OPS continued discussions with various representatives from the City to explore opportunities for strategic alignment between the groups at the South facility.

In March 2023, the CAO and the OPS project team met with the City Manager and other representatives to continue discussions. At that time, the City opted not to co-locate at the new facility, but agreed to continue discussions as the project progresses.

In June 2023, the OPS SFP team once again connected with the City to discuss the impacts a space deficiency would have on the OPS, due to potentially cancelling the Queensview expansion project and removing that facility from the OPS portfolio. As such, the OPS indicated its desire to pursue the development of the undesigned space at the South facility for sole OPS use.

## **FINANCIAL IMPLICATIONS**

The City has indicated that it anticipates annexing the Queensview location within the next five to 10 years. This presents the OPS with a challenge to find space for displaced sections. The current project schedule presents an opportunity for the SFP to integrate the design and construction of Phase B.2 into the current program. This scope addition will increase the overall project value. The OPS is preparing estimates to determine costs associated with design, construction, and tenant fit-up to move impacted units to South Phase B.2. Early indicators identify a forecast to complete Phase B.2 at approximately \$16M.

As estimates continue to be refined, the OPS is investigating funding sources to support the increased cost of the SFP. With the OPS vacating the Queensview location, budget

allocations provided to fit up the vacant portion of the Queensview facility will no longer be required for that purpose. The OPS recommends re-directing the budget base from the Queensview project to the SFP to address some of the new financial pressures. The OPS is requesting that budget of \$7.046M be reassigned from Queensview to the SFP.

The approximate \$8.95M balance still required to fully fund Phase B.2 exists within Capital funds that support the FSP. The OPS is reviewing this funding strategy and will return to the Board in September with its recommended solution and to seek approval on the final financial strategy.

## **FINANCIAL STATEMENT**

Project Budget	\$172,000,000	South Facility 903447
Budget Re-assigned	\$ 7,046,192	Queensview 908707
Revised Project Budget	\$179,046,192	
Funding still required	\$ 8,950,000 (est)	

## **CONCLUSION**

With the Board's approval of the FSP Refresh in January 2023, the OPS immediately began the re-start and execution of the SFP as a foundational piece of the FSP portfolio strategy. With all design work completed for Phase A and B.1, the OPS is well positioned to release to tender in the coming months.

This report identifies the potential issue of the Queensview facility being removed from the OPS portfolio within the next five to 10 years. As such, it is not wise for the OPS to pursue the Queensview expansion project as identified in the FSP Refresh. Instead, the OPS is requesting approval from the Board to re-adjust the scope of the SFP to include the development of Phase B.2 for OPS operations and occupancy.

The current schedule of the SFP presents an opportunity for the Phase B.2 development to be immediately integrated into the project, taking advantage of the upcoming main construction tender release to indicate the intention to execute full interior construction of the South facility for OPS occupancy. However, an increase in the project budget is required to support this direction. The cancellation of the FSP's Queensview expansion project and re-assigning the funding base to the SFP partially address the anticipated increase in value needed.

The OPS intends to return to the Board in the fall to advise on the tender of the main construction package and present strategies to address the anticipated funding shortfall.