

Staff Report

Report To: Community Services Committee
Report From: Pamela Coulter, Director of Community Services
Meeting Date: September 23, 2026
Report Code: CS-26-086
Subject: Greenwood Cemetery Chapel – Capital Project – Updated Business Plan

Recommendations:

THAT in consideration of Staff Report CS-26-086 respecting the Greenwood Cemetery Chapel Capital Project Updated Business Plan, the Community Services Committee recommends that City Council direct staff to move forward with tendering the project.

Highlights:

- The purpose of the project is to restore and adaptively reuse the 1905 Greenwood Cemetery Chapel—a City Heritage Registry building—as an indoor columbarium with space for services and quiet reflection.
- Architectural design and structural investigations are complete, producing a tender-ready package and Class D estimate.
- The total estimated project cost is \$1.384 million, including construction, contingency, niches, security/internet, completed design, and project oversight.
- The project would install approximately 452 indoor niches, projected to generate \$2.957 million in niche-sale revenue over 20 years. Required contributions to the Care and Maintenance Fund and Future Development Fund total approximately \$1.476 million; the business case remains positive and includes using

\$100,000 from the Future Development Fund to reduce initial borrowing.

- Staff recommend proceeding to tender in January 2027, with award in March 2027, construction beginning in spring 2027, and opening targeted for January 2028. Further work will confirm Ontario market pricing and obtain a construction-administration quotation.

Vision 2050 - Strategic Plan Alignment:

[Strategic Plan](#) Priority: Celebrating and Embracing Culture - Uplifting all aspects of the City's local culture, including Indigenous Peoples' cultural histories and practices, the cultural histories and practices of all residents, and formal institutional arts and culture.

Previous Report/Authority:

[Report CS-20-155](#) Re: Greenwood Cemetery Chapel – Indoor Columbarium and Renovation Business Case

Capital Detail Sheet 20D.64

Background:

Greenwood Cemetery Master Plan

Greenwood Cemetery is 43 acres and has been used as a Cemetery since 1858. In 2020, Council approved the [Greenwood Cemetery Master Plan](#).

Based on information from the Master Plan, the red brick Chapel was constructed in 1905. It is the focus of a long, uninterrupted view from what was the original main entrance off 2nd Avenue East. Like the Cemetery Office, the Chapel is situated on a slope with access to the basement level at grade from the rear, and to the upper level at grade at the front and south side of the building.

This structure is also listed in the City's Heritage Registry.

The Chapel, as its name suggests, was originally constructed to conduct funeral services indoors during inclement weather. It was equipped with an opening in the floor, which allowed lowering of caskets into the cellar which was once used for winter storage. The Chapel interior has been gutted. The Chapel basement is used for winter storage of Cemetery ground maintenance

equipment. The condition of the chapel has been deteriorating, as is common in heritage buildings that do not have a meaningful purpose.

The Master Plan noted a documented increasing demand for cremation options. This trend has continued since the approval of the Master Plan in 2020. Attachment 1 shows the interment trends at Greenwood over the last several years. In 2025, 64% of all interments were cremated remains.

The Master Plan includes 15 recommendations.

Within the building and maintenance theme, the following recommendation was approved:

4.2.13 – Develop a business case for the restoration of the chapel, Including Indoor Columbaria and Contemplative Space.

Funding for structural analysis, and concept design for a new use of the Chapel building is included in the City's 2020 Capital budget. The 2012 Greenwood Cemetery Master Plan spoke to several options for suggested uses of the building pending the results of a structural assessment, including indoor columbaria, restoration of the original design and layout of the Chapel, meeting space, or a genealogical or museum space.

Staff support a design focus that allows for indoor columbaria to line the north, west and south walls, and Chapel space for services or quiet reflection within the remaining footprint. A business case for implementation will be brought forward for consideration to Community Services Committee, with design and construction plans to follow pending a recommendation by Committee.

In 2020, a preliminary business case had supported Council's approval of a capital project for the Chapel.

In 2023, RFP 22-004 was issued for design and engineering services. The scope of work included qualified architectural and structural engineering services to repurpose the historic Greenwood Cemetery Chapel into an accessible space for indoor columbaria, and offer a space for small services. The work includes assessing and potentially modifying or removing the rear addition, repairing the historic windows and entry doors, improving accessibility and energy efficiency, upgrading electrical and HVAC systems, ensuring compliance with the Ontario Building Code, preparing construction tender documents, presenting the design to Community Services Committee,

and developing a Class C construction cost estimate. During the course of the design, additional structural engineering investigations were completed given the location of the chapel near the top of a slope and notable settling of the building.

The contract was awarded to John Rutledge Architect together with Nelson Dawley, P.Eng. The cost of the design work and structural analysis completed to date was approximately \$43,000. This work has produced a tender-ready package as well as a Class D Construction Cost Estimate.

Prior to the tender, staff wanted to update the business plan for the project and present this update to Committee.

Analysis and Options:

Attachment one to this report includes a detailed breakdown of costs and revenues to support the analysis that follows:

Projected Chapel Adaptive Reuse Expenses

Construction Estimate by Engineer	\$690,000
Contingency	\$110,000
Security and internet	\$50,000
Niches (462 niches)	\$372,000
Design (completed)	\$42,413
Project oversight	\$120,000
Total costs	\$1,384,413

Estimated revenues and Assumptions

Sales per year

The business case has estimated 23 niche sales per year. Based on this, the niches would be sold over a 20-year window (see attachment 2).

This estimate was generated assuming that 20 percent of current average annual interments in the years 2020-2025 would choose in the future an indoor niche option.

This would be the only indoor columbarium niche, and it is anticipated that there may be strong demand for niche units as soon as these are available.

Unlike the outdoor columbarium, once this is sold, there would not be another indoor option developed. Sales numbers have been modestly projected as we are trying to measure the demand for a service that does not currently exist in this market. This will be a unique option and one that is not available in this region.

Niche Sales Revenue

An estimate was received (2026) based on the floor plan, for the number of niches and niche sizes that would be installed in the chapel. It is estimated that 452 niches would be installed. The niches can have glass or solid fronts and can include lighting.

It is estimated that over a 20-year window, the following revenue would be generated from the sale of niches:

Unit	Number of Niches in various sizes	Cost of Niche	Estimated Niche Sales Revenue
12" Corner Premium	16	\$ 5,500.00	\$88,000
12" Front	260	\$ 5,000.00	\$1,300,000
14" Front	6	\$ 5,800.00	\$34,800
18" Front	54	\$ 7,500.00	\$405,000
21" Front	28	\$ 8,750.00	\$245,000
21" Corner Premium	16	\$ 9,000.00	\$144,000
24" Front	64	\$ 10,000.00	\$640,000
24" Double	8	\$ 12,500.00	\$100,000
	452		\$2,956,800

The anticipated total revenue from the sale of niches is estimated at **\$2.95 M.**

In addition to the revenue from the sale of niches, there is a chapel inurnment service cost for each time a niche is opened and closed.

With the various sizes of niches, assumptions have been made on the number of urns that would be placed inside and thereby the number of inurnment fees.

It is anticipated that the inurnment fees would be collected over a longer window as the fee is not received until time of need. The mausoleum was constructed nearly 100 years ago, and we are still collecting interment fees.

For the purpose of the business case, the fees have not been increased over the life of the project and these have not been included in the revenue toward the debenture as the interment fee is intended to cover in year operating expense for staff to undertake the work to open and close a niche.

Estimated inurnment fees:

Unit	Number of Chapel Inurnment Services based on niche size	Chapel Inurnment Service Cost	Estimated total revenue from Inurnments
12" Corner Premium (2 Urns)	32	\$350.00	\$11,200
12" Front (2 Urns)	520	\$350.00	\$182,000
14" Front (2 Urns)	12	\$350.00	\$4,200
18" Front (2 Urns)	108	\$400.00	\$43,200
21" Front (3 Urns)	84	\$400.00	\$33,600
21" Corner Premium (3 Urns)	48	\$400.00	\$19,200
24" Front (4 Urns)	256	\$500.00	\$128,000
24" Double (8 Urns)	64	\$500.00	\$32,000
	1124		\$453,400

The estimated inurnment service revenue is **\$453,400**.

Staff have not included this revenue in the business case.

Care and Maintenance Fund and Future Development Fund

The Bereavement Authority of Ontario (BAO) requires that a certain percentage of funds from the sale of niches (15%) be set aside in a Care and Maintenance Fund (C&M). These funds grow over time, and the interest from the amount generates funds to offset annual operating costs at the Cemetery. This 15% is reflected in the Fees and Charges Bylaw.

There is currently \$1.4 M in this fund.

Additionally, the City sets aside 35% of funds through the fees and Charges Bylaw from all land and niche sales into a Future Development Fund. This is not mandated by BAO; however, it does establish a reserve at the cemetery for capital projects.

The sale of the indoor niches will contribute to both of these funds. Based on current niche values, it is anticipated that the following amounts will be added to these capital reserves:

Care and Maintenance (15%)	\$442,695
Future Development (35%)	\$1,032,955
Total to Reserves	\$1,475,650

These reserves ensure funds are available in the future for both ongoing operational costs and future capital projects.

The attached business case shows these reserve amounts and deducts them from the total revenue amount available to offset the debenture.

The business case would utilize \$100,000 from the Future Development Fund to reduce the initial debenture amount. In the first 10 years of the project, the FD Fund would be used to reduce the deficit in each year. The overall 20-year contribution to the Future Development Fund will more than replace the funds used. The net increase to the fund over the 20-year time period is approximately \$432,000 (assumes no change in sale price over time).

Buildings with Cultural Heritage Value

As noted in the Cemetery Master Plan, the Cemetery has several historic buildings including the office, chapel and mausoleum. These buildings are on the City's Heritage Register, and council had requested that we explore a designation of the cemetery and its heritage assets following the completion of the chapel project.

There are costs to maintain the many buildings owned by the City and there are significant benefits to ensuring that, in particular, the heritage buildings have a meaningful use to ensure that they can continue to be used and have a positive community impact.

By ensuring a meaningful use of heritage buildings in their preservation, communities can benefit from their historical, cultural, and economic value while fostering a sense of identity and continuity.

If the building was repurposed for a different use such as storage, or it was considered for demolition, there would be costs associated with either of those options. The business case for restoring this heritage building to a use

that will generate a positive use and impact, offer a unique interment option and generate revenue that offsets costs is positive.

Next steps:

After meeting with staff in Purchasing and Corporate Facilities, the plan would be to tender the project in January of 2027 for construction commencing in the spring of 2027.

Additionally, staff will:

- Do additional research to understand the cost of other indoor niches in Ontario to ensure that the price point is appropriate; and
- Obtain a price quotation for construction administration from the architect.

Resource Alignment:

Financial Resources

There is a positive business case outlined in the report that supports moving forward to tender.

Human Resources

City staff have been supporting this project together with contracted architect and engineer.

As this is a corporate facility project, Parks & Cemetery staff will be consulted however, the construction phase of the project will be supported by one of the City's Corporate Facility Project Coordinators. Some time will also be required from the IT Division to support the installation of fiber.

Time and Scheduling

Tender: January 2027

Award: March 2027

Construction start: Spring 2027

Opening: January 2028

Technology and Infrastructure

N/A

Climate and Environmental Impacts:

The recommendation supports the City's Climate Mitigation Plan.

The adaptive re-use of heritage buildings reduces waste to landfill.

Communication and Engagement:

The adaptive reuse of the chapel was identified in the Greenwood Cemetery Master Plan, which was completed in consultation with the broad public and funeral homes in the area.

Report Developed in Consultation With:

- Kate Allan, Director of Corporate Services
- Amanda Tennant Bumstead, Cemetery Supervisor

Attachments:

1. Attachment 1 - Updated Business Case
2. Attachment 2 - Historic interment trends

Reviewed by:

Pamela Coulter, Director of Community Services

Submission approved by:

Tim Simmonds, City Manager

For more information on this report, please contact Pamela Coulter, Director of Community Services at pcoulter@owensound.ca or 519-376-4440 x. 1252.