



City of
Peterborough

To: Members of the Committee of the Whole

From: Ken Doherty, Director of Community Services

Meeting Date: April 20, 2015

Subject: Report CSD15-004
Arena Development Update

Purpose

A report to update Council on the new arena project and to seek further direction on its development.

Recommendations

That Council approves the recommendations outlined in Report CSD15-004 dated April 20, 2015, of the Director of Community Services, as follows:

- a) That an arena update presentation by the Manager of Facilities and Special Projects on the new facility project be received;
- b) That the replacement facility for Northcrest Arena be designed and constructed by the traditional design, bid, build procurement and operated by the municipality and not as a private-public partnership;
- c) That Morrow Park not be considered as the location of the community arena and that this site be reserved for a facility of greater scale and significance;
- d) That the locations at Fleming College North and Fleming College South and Trent University remain as potential sites for further investigation;
- e) That the OHL Facility Study, scheduled for 2018 in the Development Charges Background Study, be moved up to 2016 and that no further initiation of the Morrow Park Master Plan be undertaken until the OHL Facility Study is complete and presented to Council;

- f) That the building program be narrowed down to include a twin pad arena, an elevated running track, off-ice training centre, sport office space, administrative, multi-purpose and meeting facilities and commercial opportunities;
- g) That a small practice ice surface (e.g., 100' x 50') and a goalie/shooting ice training lane (e.g., 50' x 25') not be included in the building program;
- h) That further investigation take place into the viability of the competitive pool for Phase 1 development; and
- i) That staff report back at a later date with a recommended location, final facility plan and partners for a new community arena.

Budget and Financial Implications

The continuing cost of the development plan can be accommodated within the uncommitted balance of \$45,000 of the approved 2012 Business Evaluation—Needs Assessment Capital Budget (reference #6-4.14) and \$500,000 in the 2015 capital budget for the new arena (Project #6-6.03). The future plan will include the elements of a replacement facility for Northcrest Arena and a capital cost plan.

The capital project cost of a new arena complex was estimated at \$27,000,000 (with land provided at no cost) in the Arena Needs Analysis study. This will be funded through future development charges at \$9.9 million with the remaining \$17.1 million funded from other partners, sources of revenue and City funds.

There is \$3.15 million identified in development charges for additional growth features beyond the twin pad arena, which could finance the future growth portion of complementary features such as a competitive pool. The balance of costs, at \$10.4 million, will require further investigation in terms of partnerships, sponsorships and grants.

The arena complex and the complementary elements that may make up the replacement facility for Northcrest Arena will be a major capital expense that will have to compete with a number of other municipal capital priorities.

Background

On January 27, 2014, City Council received the Arena Needs Assessment Study that investigated the use and functionality of existing arena facilities and determined the specific needs of community ice users currently and in the next 20 years. The study established community arena requirements to move forward, should the Northcrest Arena close. This arena, which is actively used during the hockey season, is a single pad that possesses aging infrastructure throughout the building. The Needs

Assessment identified that additional ice surfaces are required above a single pad to meet the needs of hockey and other ice users today and in the future.

Previous Council Direction

Council approved staff report CSD14-020 dated September 22, 2014 with the following recommendations:

That Council approve the recommendations outlined in Report CSD12-020, dated September 22, 2014 of the Director of Community Services as follows:

- a) That a presentation from the Manager of Facilities & Special Projects on the results of the Expression of Interest for a new arena complex be received;
- b) That discussions be continued with the following public and private sector organizations:
 - i. Fleming College
 - ii. Trent University
 - iii. Buckingham Sports Properties Company
 - iv. Peterborough Sports Consortium
 - v. Canadian Hockey Enterprises
 - vi. Kawartha Trent Synchro Club
 - vii. Trent Swim Club
 - viii. The Colautti Group

to determine the specific terms of a partnership and its viability for the City of Peterborough;
- c) That in addition to a twin pad, the feasibility of the following complementary facilities as part of a new arena complex be investigated in the first phase of the project:
 - i. Small practice ice surface (e.g., 100' x 50');
 - ii. Goalie/shooting ice training lane (e.g., 50' x 25');
 - iii. Elevated running track above one ice surface;
 - iv. Off-ice training centre;
 - v. Sport office space;
 - vi. Multi-purpose and meeting facilities;
 - vii. Commercial facilities to support the operating plan, and
- d) That an analysis of a 25-metre competitive pool, in the first phase of the arena complex development, be conducted to fully determine the extent of community need and understand the impact of this feature on the capital and operating budgets for the new arena complex;

- e) That an OHL facility to replace the Memorial Centre, a gymnastics facility to replace the existing Kawartha Gymnastics Club and an indoor fieldhouse not be included at this time;
- f) That potential community arena sites to be further investigated at this time be Fleming College (two sites), Trent University and Morrow Park, and
- g) That a report with a recommended plan that identifies the partnership, location, building program, capital financing strategy and business case for the new arena complex be prepared for Council consideration in 2015.
- h) At this time, the Morrow Park option be dependent on the interpretation of the 1983 Land Transfer Agreement between the City of Peterborough and the Agricultural Society.

Since September 2014, staff met with all of the organizations listed in recommendation b). They have also completed research into how a Public Private Partnership works, the proposed elements of the facility and the potential locations. This report provides an update to Council on these discussions and research and makes some recommendations that will narrow the focus of the next steps in the process.

1. Private-Public Partnership (P3)

Three private sector firms expressed interest in a P3 initiative with the City arena project. These firms included:

1. Buckingham Sports Properties Company
2. The Colautti Group
3. The Peterborough Sports Consortium

They responded to the Request for Expression of Interest issued by the City in spring 2014 for the community arena project. These firms are interested in any element of the Design-Build-Finance-Maintain-Operate initiative for the arena project, although two firms have indicated it would be cheaper for the City to finance the arena due to the City's lower borrowing rates.

While staff appreciates the interest that these firms have in working with the City and recognize the success they have had in other communities, staff are recommending the more traditional design, bid, build, operate scenario for the community arena project rather than a P3 model. The following is a summary of the benefits of undertaking municipal infrastructure in a P3 model:

- Risk transfer when the private sector assumes the capital financing, planning, building construction risk (i.e., cost overruns and delays), and operations, depending on how the agreement is structured;
- Payments for most projects are made only when projects are substantially complete;

- Although the City can borrow at a lower cost than the private sector, properly structured, a P3 may be less expensive when the total costs (including financing, operating and capital costs) are factored in over the life of the facility;
- Innovation and diversity of public services may be realized;
- Synergies through integration of private sector commercial businesses;
- Performance targets are achieved when they are tied to performance payments.

However, in the case of Peterborough's new arena complex, some of these benefits would not be realized and there are other concerns as to how the project would be implemented if it is a P3. These considerations are as follows:

- There is significant cost and risk to a municipality to ensure the benefits listed above can be achieved such as:
 - o The municipality must clearly define the building program at the beginning of the negotiation process because changes after an agreement is in place may be significantly more costly;
 - o Pay for performance measures must be clearly defined in the agreement and the consequences must be enforceable;
 - o Utilizing consultants to assist with the process can be very costly;
 - o P3 processes are often more time consuming up front (pre-construction) to develop clear financial and legal terms to protect the City's interests.
- "Exclusivity" agreement clauses may guarantee the P3 profits at the expense of the other arena operations;
- There would be two operational models providing similar services to Peterborough residents, (i.e., City run and privately operated arenas);
- User rates could potentially be higher at the privately operated arena than at the City run arena;
- The private firm would assume all or the majority of any marketing opportunities to increase their potential for profit;
- A private firm is not interested in operating a pool therefore, if a pool is included, staff would have to operate the pool portion of the building duplicating efforts with the operations provided by the private operator;
- P3 contracts are usually very long (40-50 years) and the buy-out clauses come at a significant cost to the municipality if it does not go well.

Staff have concluded that the arena complex is not the best fit for a P3. This does not disqualify P3's on other City endeavours. Additionally, the arena complex may be suitable for smaller business initiatives that involve the private sector such as food services or pro shop activities.

Five case examples of P3 arenas are included in Appendix A of this report. Two examples have had success while three others have not worked as successfully. The following few paragraphs under this section provide further details on the research staff did in coming to this recommendation.

Infrastructure Ontario Experience with P3 Projects

City staff contacted Infrastructure Ontario (I/O), seeking their input on a P3 approach for this type of project. I/O has a municipal branch of their operations that provides support to communities considering P3. I/O advised that P3 models work best when there is critical mass (i.e., \$50 million in capital costs or greater). I/O noted success will be determined by the investment the municipality makes in an agreement that protects the community. They strongly recommended that the City should hire a P3 consultant/specialist to assist with navigating this process, determine if it is in our best interests, and what “pay for performance” metrics should be considered in negotiating with private sector firms.

I/O did not have examples of other successful arena projects and “pay for performance” measurements to share with the City. They indicated they have not worked on a similar project of this type. I/O also reported that the cost of consultant expertise will add \$1.0+ million to the project should the municipally fully commit to a P3 project. This P3 process would also take 12-18 months of time in advance of design and construction of the facility. Assuming the Northcrest Arena replacement facility would take 24 months for design and construction that would mean a new facility would not be up and running for approximately three to four years.

The Auditor General of Ontario 2014 Report – Conclusions on P3 Projects

The Auditor General of Ontario (AGO) recently released its 2014 report that contained a section on the performance of P3's in the province in the last year. A summary of the AGO investigation indicated:

1. Municipalities spent \$8 billion more to construct P3 projects than if the communities undertook the initiatives through their traditional procurement means;
2. The business cases used to justify the P3 projects were questionable because the consultants undertaking the studies were self-serving;
3. The Value for Money (VFM) assessments and P3 assumptions were not based upon empirical data;
4. The ultimate risk for the project and delivering the public services, as well as the accountability to the taxpayer always rests with the local government, even in P3 projects.

The AGO's report has highlighted the finer points and potential pitfalls of P3 projects. In the projects reviewed, even when the communities had the best intentions of saving the taxpayer money and creating efficiencies in delivering municipal infrastructure, some were not successful.

Interpretation of the P3 Project on the City's Debt Capacity

One of the advantages of a P3 project was thought to have been that it might help reduce some pressure on the capital budget because the private partner would fund the capital investment. However, staff contacted Standard & Poors (S&P) for their

interpretation of the effects of a P3 on the City's borrowing capacity. How S&P views the P3 arrangement is dependent on the amount of risk transfer to the private sector partner that is actually achieved. S&P will treat the arrangement as either a debt obligation or a contingent liability (off balance sheet).

During the construction phase, S&P would treat the arena project as contingent liability, as the private partner assumes most of the risk in asset design and construction (i.e., the City agrees to a fixed price and project completion at a certain date and the Private Partner implements this).

However, during the operating phase, it would most likely revert to a debt obligation (and be reflected in the City's tax supported debt ratios). In the scenario of the City subsidizing an hourly rate of ice time with the P3 partner (so they can secure the repayment of their capital debt), S&P has interpreted this as the City assuming/retaining the revenue risk (i.e., the City's payments going forward will be for making the facility available for use, regardless of actual usage). The capital cost of the facility is not primarily recovered from user fees. If this were the case, S&P would add the Net Present Value of the string of annual capital payments made by the City to compensate the partner for building the asset to the City's balance sheet.

If it was volume based (common scenario for a toll-road where funding primarily comes directly from user fees), then the partner assumes revenue risk and S&P would most likely continue to treat it as a contingent liability.

Two Operational Models

As stated above, a P3 project for the new community arena will see two operational models providing similar services to Peterborough residents (i.e., City run and privately operated arenas). A P3 will likely have an impact on the CUPE labour contract with the bargaining group who works at the City operated arenas with unionized and non-unionized staff models.

Should the City undertake a P3 project that is based on a revenue subsidy for a volume-based number of hours in the new arena, users of this facility will also see a rate differential for the City sponsored hours versus the P3 offered ice time. If the City subsidizes all hours of operation, it could be cost prohibitive and make the model more expensive to operate.

Potential for a pool as a complementary facility

Should the arena complex move forward as a P3, the three Proponents who have expressed interest for the project have indicated they would construct the pool as part of the complex but not operate it. This will have an impact on the operational cost of the new facility as both a P3 and directly operated service. The City would have to provide duplicated service delivery (maintenance staff, customer service staff, etc.) under one roof. Should Council decide to continue as a P3 project, this decision will have an impact on the business case of the facility if a competitive pool element is included.

Staff are recommending that the replacement facility for Northcrest Arena be designed and constructed by the more traditional design, bid, build procurement and operated by the City and not as a P3.

Alternative to Recommendation b)

Should Council wish to continue exploration of a P3 model, the next step in the process would be to acquire additional expertise to further advise Council on the viability of a P3 to reduce the risks and ensure a partnership agreement is developed that protects the City. A first phase of investigation is recommended at \$200,000. This would determine the following:

- a) Is the arena complex and any complementary facilities a viable P3 project;
- b) What considerations should the City reflect in an RFP should one be issued for the P3 partner;
- c) What “pay for performance” elements are essential to this project;
- d) What are the next steps to navigate the P3 process and their cost?

This step will not be the full cost of the investigation, if I/O is correct in terms of costs for a full analysis at \$1.0+ million. However, given the complexities of P3s and some communities’ difficult past experience, it is a necessary step to protect the municipality.

If Council wishes to pursue P3, Recommendation (b) of the staff report should be adjusted as follows:

- b) That a P3 initiative be further investigated and that \$200,000 be set aside from the 2015 approved capital budget (Project #6-6.03) for a first phase of investigation to hire a consultant to advise the City on the viability and future stages of development of the arena project as a P3;

2. Site Schematic Fit

Council approved an investigation into four potential arena sites.

The first site is Morrow Park, a municipally owned site that possesses both outdoor and indoor recreational facilities. This site also has an existing land use partner with the Peterborough Agricultural Society.

There are two sites at Fleming College identified, as Fleming North (fronting Dobbin Road) and Fleming South (in Cavan Monaghan Township).

The fourth location is at Trent University, located at Pioneer and Nassau Mills Road. It is immediately west of the existing Trent ball diamond and south of the new proposed sport fields.

A review of these sites took place. Lett Architects was engaged to provide a schematic design of an arena complex to determine “facility fit”. The schematic is not a plan for the exact building design and layout, but an illustration of fit for the elements that would be constructed on the site.

The twin pad facility and its support features would be approximately 90,000 ft² (8,360 m²). The pool facility would be 30,000 ft² (2,790 m²). The additional third ice surface and support facility is 30,000 ft² (2,790 m²). The schematic layouts represent this footprint plus 400 parking spaces.

Morrow Park

During the review process, Morrow Park appeared to be the most attractive of all the sites due to its location in the community and proximity to other facilities and commercial features. However, after a thorough review of this site, a number of challenges were raised during the investigation that led staff to recommend it not be considered for the community arena location.

Morrow Park is attractive due to its close proximity to both the Evinrude Centre and the Kinsmen Civic Centre. The site is in a commercial precinct of Lansdowne Street and George Street and is minutes from the downtown core. With the right mix, additional commercial activities included as part of the arena development would experience high traffic and likely be very successful. All of these elements would support sport tourism, particularly with the opportunity to sustain and expand the tournament offerings of the local hockey associations. Site services to support the new facility infrastructure are also readily available and the location is on public transit.

Morrow Park currently contains the Peterborough Memorial Centre, the Morrow Building, the Bicentennial Building/Kawartha Gymnastics Club, one multi-purpose lounge building (presently vacant), two barns supporting the Agricultural Society, an office building for the Peterborough Agricultural Society, and four ball diamonds. This is included on approximately 27 acres of property situated in a significant corridor of the City. There are multiple users of the facilities at Morrow Park who have a vested interest in the future development of this property.

Council direction in the resolution from Report CSD14-020 indicated that the OHL facility to replace the Memorial Centre not be included at this time. However, in reviewing the Morrow Park site, staff were mindful that the replacement OHL/Event facility should be factored into the Morrow Park site analysis. This site has been mentioned by both community and members of Council as their preferred site for a replacement OHL facility.

Staff undertook a schematic design process to further evaluate Morrow Park for both significant features (community arena and OHL/Event facility) and other amenities that could support users of the park (i.e., the Agricultural Society). Lett Architects reviewed the site and prepared a schematic design, included in Appendix B. They reviewed the site and laid out a plan that saw the following:

1. A new OHL/Event facility that is of similar size as GM Place (Oshawa), K-Rock Centre (Kingston) and Meridian Centre (St. Catharines) and removal of the existing Memorial Centre;
2. A new community arena facility that includes twin pad ice surfaces (which could be expanded with a third pad in future phase), and one other complementary feature (i.e., a competitive pool or an athletic fieldhouse);
3. Leaving the Morrow Building and two existing barns in place and adding a third barn to support the Agricultural Society;
4. Removing the Bicentennial Building, the Lounge and the four ball diamonds;
5. Additional parking for vehicles and buses.

The biggest challenge in including two major functions on the site is the capacity for parking. The features in the plan would require parking for 3,600 cars if a modified interpretation of the parking by-law is applied. The plan only includes 1,666 spaces for parking, which is less than half of that capacity. Visitors to either the OHL/Event venue or the community arena, once the primary parking lot is full, would park on area side streets to access the facilities. This would mean additional intrusion into the surrounding neighbourhoods beyond what is presently experienced in the existing situation with the Peterborough Petes home game days. Surrounding residents would not support this kind of intrusion, particularly on a regular basis with a new OHL/Event facility. Additionally, if Peterborough experiences another winter like this last one, snow containment on site would consume a number of parking spaces, further reducing the parking capacity that can fit on the schematic plan.

A parking solution could be a parking garage, at a cost of approximately \$40,000 per parking stall. This solution would be expensive and would likely make the site cost prohibitive for both the new community arena complex and an OHL facility. It may need to be considered as a parking option at the site, even if only the new OHL/Event facility were to be replaced at that site.

The schematic plan also removes all of the existing greenspace on site to support parking needs. Removal of the greenspace will prove challenging to the Agricultural Society for their annual summer exhibition. It will also prove challenging to the City as four ball diamonds, that are actively used in spring and summer months, would require relocation. Presently, the City does not possess suitable land to relocate these facilities.

City Council previously approved Phase 1 implementation of the Morrow Park Master Plan (MPMP) in Report CSAD11-011 dated December 5, 2011. Phase 1 recommendations would have seen the removal of the chain link fence around the park property (not complete) and the removal of both the Grandstand (completed in 2013) and the Morrow Lounge (not complete). Phase 1 also included work to create a linear park with a trail system and tree planting. Should Council accept the recommendation that an OHL study be expedited as a 2016 project, then Council should also direct staff to delay implementation of the recommendations contained in the MPMP. The recommendations of the OHL Study and their impact to the grounds of Morrow Park and the MPMP can be reviewed together in a future staff report to Council.

For these reasons, staff believes the community arena facility should not be located at Morrow Park.

Fleming College – North Site and South Site

These two sites are within .5 kilometer of the Lansdowne commercial corridor and 4.5 kilometers from the Evinrude Centre and the Kinsmen Civic Centre. A schematic design was created for each location, included as Appendix C and D.

Fleming North (Appendix C) is immediately west of the Peterborough Sport & Wellness Centre (PSWC), and is smaller in size than the south site at approximately 13 acres. This site is located in a recreation and sport area of the College property with connections to the PSWC, Bowers Park and the Fleming Sport Complex. The site could create parking lots that would be shared with the College. This location can be readily serviced. Investigation into Dobbin Road and whether road upgrades are required will be a factor for this site.

The schematic layout in Appendix C demonstrates that a twin pad and secondary complementary facilities can fit within the site. When adding a third ice surface, it would mean that parking options could be shared with the College. Additionally, the schematic would consume approximately 12 acres in its present layout. The College offered 13 acres in the north site which is in a slightly different shape to this schematic layout. This site would permit one expansion (e.g., to add an additional ice surface) for a facility of approximately 150,000 ft² (13,935 m²) but would not permit any other major expansion beyond that.

Staff believe this site is viable and should continue to be reviewed in the next stage of deliberations.

Fleming South (Appendix D) is the larger site of the two College sites. In the area defined by red in the Appendix D, it is shown as 15 acres and offers significant expansion opportunities in future. The College has indicated the adjacent parking lot (already constructed) to the north would be available for arena parking, which further makes the location advantageous.

The disadvantages of the site are that it is just beyond the City's limits and presently does not have City services. The site could be accessed off Dobbin Road, which is partially in the County, and the City would be required to meet with Cavan-Monaghan to determine the requirements for the road.

Both the Fleming North and Fleming South sites can take advantage of student housing in the spring and summer which would work well for special events, summer hockey camps and other specialized training, and spring and summer tournaments.

Staff recommend that both Fleming sites continue to be considered in the next phase of investigation.

Trent University

The site at Trent University has the potential to be 20 acres in size. Its location is in a visible spot off Nassau Mills and Pioneer Roads. The campus has other recreation facilities with the Trent Athletic Centre, the Justin Chiu artificial turf field, the Trent sport fields now under development (baseball and a rectangular field) as a Trent-City Partnership, and the Peterborough Rowing Club.

Presently, the City and University are reviewing options to provide expanded municipal and utility services to the Trent endowment lands, which the arena development would benefit from.

A schematic fit by Lett Architects is included in Appendix E. It demonstrates the facility and future phases can work for this site. The site, in its illustration in Appendix E, is 16.5 acres. It has potential for future phased expansion. The site has access from three roads: Nassau Mills, Pioneer and University, should it be designed as such. The schematic in Appendix E only shows access from Pioneer and University Roads.

Staff believe the site has merits for size and its adjacency to other recreational features.

3. OHL Facility Study

During the site review process for Morrow Park, staff discussed the future of the OHL facility. The Peterborough Memorial Centre has been referenced by the community and members of Council as a facility that will be replaced in the future. The recent experiences of other communities who undertook replacing their OHL/Event facility indicates a long lead time for planning and investigation is required.

Staff are recommending that the OHL facility replacement study, included in the September 22, 2014 report on Development Charges (CPFS14-027), be moved from 2018 to 2016 in the budget. This initiative requires a significant review in terms of site, financing and partners that goes beyond the work of the community arena project. The cost of this facility is estimated at \$50 - \$70 million. Staff believe the complexities of the OHL/Event facility should be thoroughly investigated. Sufficient time must be set aside to secure suitable options.

4. Facility Elements

The resolution approved in Report CSD14-020 included a series of facility elements that was recommended for further investigation. In terms of ice facilities, staff reviewed the small practice ice surface (e.g., 100' x 50') and the goalie/shooting training lane (e.g., 50' x 25'). Staff visited a similar facility to the small practice ice surface in the Toronto area (attached to a four-plex arena facility). The operator reported its use was limited

and its maintenance could be challenging. The cost of this type of surface and that of the goalie/shooting lane could be up to 60% or more of another full ice sheet, yet not have the advantages of use during games and other activities. The Toronto operator indicated that designing a sheet of ice that has flexibility to divide a full sheet ice surface in half or quarters would be more useful and multi-purpose. Staff are recommending these smaller ice surfaces not be included in the first phase of the arena development due to cost and lack of operational flexibility.

The elevated running track, the off-ice training centre, the sport office space and administrative space, and the multi-purpose and meeting facilities support the ice activities and other users of the arena complex. Staff is recommending further investigation into these options.

The competitive pool, as a feature of the arena complex, is still under investigation. The local aquatic clubs are working on a number of other opportunities that require additional time for investigation. Staff have visited other recently constructed arena complexes in Ontario (Barrie, Bradford-West Gwillimbury, Oshawa, etc.) that have included competitive pool facilities. These facilities are directly constructed and operated by their municipalities. Staff are reviewing the operating models, budgets and operating programs of these facilities and making comparisons to the Peterborough community to develop the business case of the pool.

Council's decision on whether the arena complex is a P3 project will affect the viability of the pool as a potential complementary feature. More information on this complementary element will be included in the next report on the arena complex.

5. Capital Infrastructure Funding

Staff contacted senior governments and, at this time, there are no funding initiatives that would assist with capital funding of the arena complex and complementary facilities. Staff will continue to monitor this situation in the coming months.

Summary

Due to the varied interest in this project, recommending the location, elements and construction model for a replacement facility for Northcrest Arena is a challenge. There were many variables to consider following Council's direction from the September 2014 report. A replacement facility is estimated at \$27 - \$40 million, depending on the complementary facilities included in the building program. The recommendations in this report, if approved, will assist in narrowing down the options and moving the project forward.

Submitted by,

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Attachments:

Appendix A - Five Case Examples of Private-Public Partnerships
Appendix B - Schematic Design for Morrow Park Site
Appendix C - Schematic Design for Fleming North Site
Appendix D - Schematic Design for Fleming South Site
Appendix E - Schematic Design for Trent University Site

Appendix A: Five Case Examples of Private-Public Partnerships

Private-Public Partnerships have been tried in other communities in Canada. Below is a snapshot of five case examples.

1. Cambridge, Ontario

Cambridge entered into a 50-year agreement with a private sector operator for a twin pad arena and outdoor sport fields. The operator was provided the land by the municipality to build the facilities. The municipality were provided with 20 hours per week for 30 weeks on Saturdays and Sundays and 8 hours per week on Monday evenings. The balance of ice time was sold by the P3 at premium rates over what was charged by the City. Following a number of years, the P3 operator did not maintain the facility and it fell in disrepair. The community stopped going to the arena and the P3 operator went bankrupt. The facility was sold to another P3 operator who invested significant resources into upgrading the facility and it has since reopened. Municipal staff have found the new P3 operator to be much better, they maintain the facility well and the users have come back to the facility.

2. Cranbrook, British Columbia

In Cranbrook, a P3 project saw the construction of a WHL Event Facility with single pad (comparable to an OHL facility). After a six year operation as a P3 facility, the agreement was terminated when the P3 partner underestimated its operating costs and overestimated its revenues. The P3 experiment left the City on the hook for millions and the highest debt level of any BC municipality. Taking over the facility turned out to be more difficult than expected and it took nearly three years to negotiate the termination of the contract. (From “Understanding the Challenge”, Centre for Civic Governance, Columbia Institute, Second Addition, 2009.)

3. Hamilton, Ontario

Hamilton entered into a Design-Build-Maintain-Operate agreement with a P3 operator consortium. Hamilton financed the full cost of the four-plex ice surface, restaurant and tuck shop. Two of the ice rinks are dedicated to the municipality and their users and the other two ice surfaces are rented out by the P3 operator. The revenues pay down the expenses and the debentures. The City and P3 have a profit sharing agreement. The municipality has had a good experience with this P3 operator. The City constructed two recent arena projects in Ancaster (twin pad) and Flamborough (twin pad) but did not go to a P3 operation on these other locations.

4. Ottawa, Ontario – Bell Sensplex

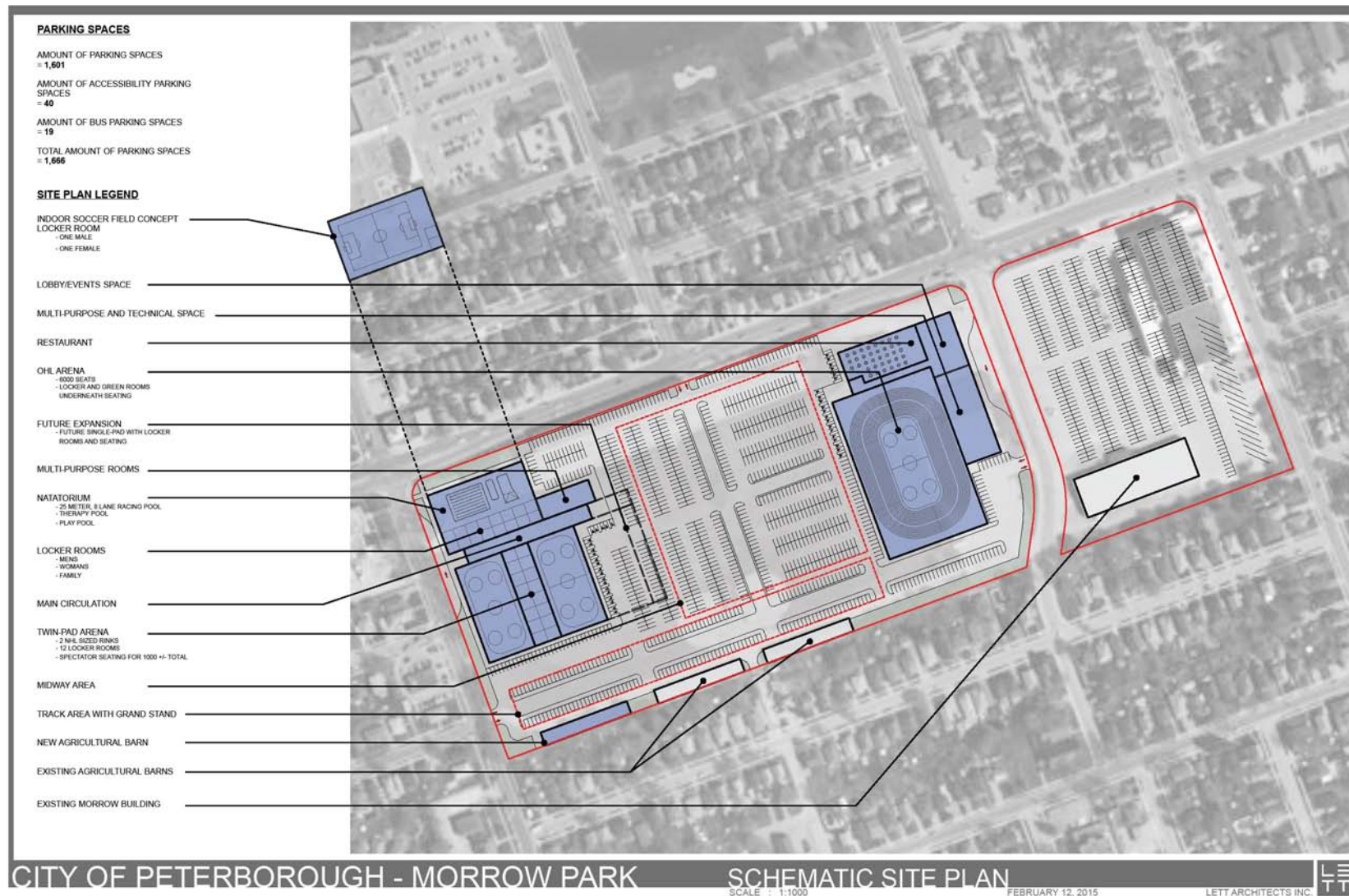
The Bell Sensplex, located in the Kanata area of Ottawa, is a four sheet ice complex and used as a practice facility for the NHL Ottawa Senators. The City was responsible for the debt and the operating deficits. Under the terms of the 30-year design-build-finance-operate agreement, the City guaranteed the debt, waived property taxes and development charges and agreed to purchase 2,400 hours of ice time annually. The

facility first started to experience problems in 2004 because of construction delays. The 2004-2005 NHL lockout added to its problems. By April 2007, the P3 had yet to break even in any year and was requesting additional funding from the City at \$400,000 a year over the next three years. (From “Understanding the Challenge”, Centre for Civic Governance, Columbia Institute, Second Addition, 2009.)

5. Ottawa, Ontario – Ray Friel Complex

Ray Friel Recreation Complex has three ice surfaces, a fitness centre, aquatic centre, multipurpose, banquet and meeting space, food services and a physiotherapy clinic. The P3 company responsible for the facility had overestimated its revenues and underestimated its operating costs. With few options available, the City took over the facility and the P3 company’s \$12-million debt. (From “Understanding the Challenge”, Centre for Civic Governance, Columbia Institute, Second Addition, 2009.)

Appendix B: Schematic Fit for Morrow Park Site



Appendix C: Schematic Fit for Fleming North Site

PARKING SPACE LEGEND

AMOUNT OF TYPICAL PARKING SPACES
= 403

AMOUNT OF ACCESSIBILITY PARKING SPACES
= 23

AMOUNT OF BUS PARKING SPACES
= 4

AMOUNT OF PARKING ALLOTTED IN THE SOUTH PARKING LOT
= 60

TOTAL AMOUNT OF PARKING SPACES
= 480

SITE PLAN LEGEND

NATATORIUM
- 25 METER, 8 LANE RACING POOL
- THERAPY POOL
- PLAY POOL

LOCKER ROOMS
- MEN
- WOMEN
- FAMILY

TURNING DATA ARENA

Appendix D: Schematic Fit for Fleming South Site

PARKING SPACE LEGEND

AMOUNT OF TYPICAL PARKING SPACES
= 388

AMOUNT OF ACCESSIBILITY PARKING SPACES
= 27

AMOUNT OF BUS PARKING SPACES
= 4

AMOUNT OF PARKING ALLOTTED IN THE NORTH PARKING LOT
= 50

TOTAL AMOUNT OF PARKING SPACES
= 469

SITE PLAN LEGEND

NATATORIUM
- 25 METRE, 8 LANE RACING POOL
- THERAPY POOL
- PLAY POOL

LOCKER ROOMS
- MEN'S
- WOMEN'S
- FAMILY

MULTI-PURPOSE ROOMS

MAIN CIRCULATION

TWIN-PAD ARENA
- 2 NHL SIZED RINKS
- 12 LOCKER ROOMS
- SPECTATOR SEATING FOR 1000 +/- TOTAL

FUTURE EXPANSION
- FUTURE SINGLE-PAD WITH LOCKER
ROOMS AND SEATING

BUILDING SERVICES

LOADING ZONE



Appendix E: Schematic Fit for Trent University Site

PARKING SPACE LEGEND

AMOUNT OF TYPICAL PARKING SPACES
= 400

AMOUNT OF ACCESSIBILITY PARKING SPACES
= 27

AMOUNT OF BUS PARKING SPACES
= 8

TOTAL AMOUNT OF PARKING SPACES
= 435

SITE PLAN LEGEND

MULTI-PURPOSE ROOMS

NATATORIUM
- 25 METER 8 LANE RACING POOL
- THERAPY POOL
- PLAY POOL

LOCKER ROOMS

- MEN
- WOMEN
- FAMILY

MAIN CIRCULATION

TWIN-PAD ARENA

- 2 NHL SIZED RINKS
- 12 LOCKER ROOMS
- SPECTATOR SEATING FOR 1000 +/- TOTAL

FUTURE EXPANSION

- FUTURE SINGLE-PAD WITH LOCKER
ROOMS AND SEATING

BUILDING SERVICES

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