



STAFF REPORT INFORMATION ONLY

Status Report on the Port Lands Sports Centre Project

Date:	April 8, 2010
To:	Community Development and Recreation Committee
From:	Richard Butts, Deputy City Manager
Wards:	Ward 30
Reference Number:	P:\2010\ClusterB\wf\cd10001

SUMMARY

At its March 31/April 1, 2010 meeting, Council requested a status report on the Port Lands Sports Centre project be submitted to the April 23, 2010 Community Development and Recreation Committee. The project consists of the development of a multiple ice pad facility to be built in the Port Lands, in the area south of Commissioners Street and west of the Don Roadway on the lands known municipally as 85 and 95 Commissioners Street.

This report provides a summary of the project-related activities to date. A further report will be provided to Council in July with recommendations concerning the number of pads, total project cost, preferred financing, operations framework, construction management and timeline, and will seek required authorities.

Financial Impact

This report does not identify any new financial implications arising from the proposed Port Lands Sports Centre project.

The Deputy City Manager and Chief Financial Officer has reviewed this report and agrees with the financial impact information.

DECISION HISTORY

At its meeting on October 29 and 30, 2008, City Council approved the 2008 – 2017 Long-Term Funding Plan for the Waterfront Project with a total of \$34.0 M allocated for the construction of the Port Lands Sports Centre. This funding flows to Waterfront Toronto from its government partners as part of their overall \$1.5 billion funding commitment to Waterfront Renewal. (EX24.5)

<http://www.toronto.ca/legdocs/mmis/2008/cc/decisions/2008-10-29-cc25-dd.pdf>

At its October 26 and 27, 2009 meeting, Council approved the creation of a new project entitled “Regional Sports Complex Planning and Design” in the 2009 Capital Budget for Waterfront Renewal, with total funding of \$3.511 million for planning, architectural design, environmental work and other pre-development services. That report also directed that staff report to Council “as part of the 2010 capital budget process on total project costs, confirmed and projected revenue sources and the critical path for delivery of the facility.” (EX35.17)

<http://www.toronto.ca/legdocs/mmis/2009/cc/decisions/2009-10-26-cc41-dd.htm>

At its March 31 and April 1, 2010 meeting, Council requested that staff provide a status report on project-related activities to date. (EX41.15)

<http://www.toronto.ca/legdocs/mmis/2010/cc/decisions/2010-03-31-cc47-dd.htm>

ISSUE BACKGROUND

As highlighted in the recent debate about Ice Allocation practices in the Arena Boards, there is a growing demand for ice time particularly in the central core of the City. Many of the City’s existing arenas are single pad facilities that do not lend themselves to major competitive or tournament usage. The opportunity to develop a multi-pad facility will reduce competition for limited prime time ice and allow children and youth house leagues to continue to use local community arenas.

The Waterfront Capital Budget includes an amount of \$34.0 M for the pre-development and construction of a regional sports facility in the Port Lands, currently named the Port Lands Sports Centre. This facility, to include multiple pads of ice, is to be designed in accordance with a variety of waterfront revitalization goals including design excellence and LEED certification.

Pre-development work on this project is funded by Waterfront Toronto in accordance with its Contribution Agreement with the federal government in the amount of \$3.511 M. Waterfront Toronto, through an Eligible Recipient Agreement with the City for the same amount, has requested that the City provide pre-development services. The City has retained the Toronto Port Lands Company (TPLC) to provide planning, design, environmental risk assessment and other pre-development services.

COMMENTS

Facility planning is currently underway. TPLC, in accordance with a Letter of Agreement for Pre-development Services, has commenced geotechnical investigations, site preparation and other required pre-construction activities.

An architectural team led by rdh architects has completed a preliminary design of a four-pad, approximately 180,000 square foot facility at 85 and 95 Commissioners Street. The facility includes four NHL-sized pads, spectator seating, a restaurant/concession area, community meeting rooms, pro shop, indoor running track and associated parking. A Community Reference Group, inclusive of the local Councillor, will be formed in order to ensure that the community's needs and preferences are considered during the detailed design process.

Construction start-up is targeted for fall 2010 with completion in spring 2012, pending Council authority to proceed with the project.

A facility operations framework is currently under development. The framework envisions a City-owned facility. It is expected to be self-sustaining financially, to be operated by a private entity, and to provide a portion of ice time at lower-than-market rates to priority City user groups. Its implementation, including the issuance of a Request for Proposals for the services of a private operator, is proposed to occur during the construction phase.

Total project costs are estimated to exceed the committed \$34.0 M. A detailed costing exercise is being undertaken to determine the level of funding required to make up the shortfall.

Using the funds already allocated for pre-development work, TPLC has retained Deloitte and Touche LLP to prepare a draft business plan for the proposed facility. This business plan forecasts the net revenues that can be generated from the facility's operations. Finance staff is using this business plan to assess the extent to which the forecast net revenues can support repayment of an additional capital budget allocation (over and above the \$34.0 M already allocated) for the project. The results of this analysis will be reported to Council in July.

Conclusion

This report provides a summary of the project-related planning and other activities to date. A further report to Council in July will provide details on the confirmed scope of the facility, total project costs, preferred financing and recommendations for its implementation. It will also provide details on the proposed construction management and timeline, proposed operations framework, and other project next steps.

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SIGNATURE

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