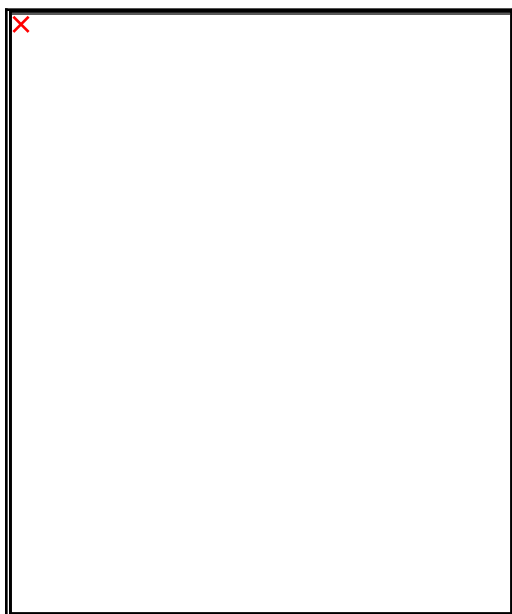


Vision: *The City of Greater Sudbury is a growing, world-class community bringing talent, technology and a great northern lifestyle together.*



Agenda

Community Services Committee

meeting to be held

Monday, January 21st, 2013

at 6:00 pm

Tom Davies Square

COMMUNITY SERVICES COMMITTEE AGENDA

Community Services Committee Meeting
Monday, January 21, 2013
Tom Davies Square

6:00 p.m. or 30 minutes
after the conclusion of the
Operations Committee Meeting,
whichever is earlier.

COMMUNITY SERVICES COMMITTEE MEETING
COMMITTEE ROOM C-11

Council and Committee Meetings are accessible. For more information regarding accessibility,
please call 3-1-1 or email clerks@greatersudbury.ca.

DECLARATIONS OF PECUNIARY INTEREST AND THE GENERAL NATURE THEREOF

APPOINTMENT OF CHAIR AND VICE-CHAIR

1. Report dated December 24, 2012 from the Executive Director, Administrative
Services/City Clerk regarding Appointment of Chair and Vice-Chair -
Community Services Committee.
(RECOMMENDATION PREPARED)

6 - 10

(Deputy City Clerk, Brigitte Sobush will call the meeting to order and preside until the
Community Services Committee Chair and Vice Chair have been appointed, at which
time the newly appointed Chair will preside over the balance of the meeting.)

PRESENTATIONS

2. Report dated January 9, 2013 from the General Manager of Community Development regarding JCDC Implications for Closure. **11 - 16**

(ELECTRONIC PRESENTATION) (FOR INFORMATION ONLY)

- Ron Henderson, Director of Citizen Services
- Tyler Campbell, Manager of Children Services

(This report is a follow up to the initial JCDC Service Delivery Options report from the December 2012 Community Services Committee. The Committee requested further information on possible closure options. This report details those implications.)

3. Report dated January 16, 2013 from the General Manager of Community Development regarding Arena Renewal Strategy. **17 - 84**

(ELECTRONIC PRESENTATION) (FOR INFORMATION ONLY)

- Réal Carré, Director of Leisure Services
- Ray Mensour, Manager of Arenas

(This report provides findings of the Arena Renewal Strategy analysis.)

4. Report dated January 9, 2013 from the General Manager of Community Development regarding Street Sign Toppers. **85 - 89**

(ELECTRONIC PRESENTATION) (RECOMMENDATION PREPARED)

- Renée Germain, Community Development Coordinator
- Richard Munn, Chair, Uptown Community Action Network

(This report outlines a street sign topper signage program proposed by the Uptown Community Action Network. A draft Street Sign Topper policy is attached for the Community Services Committee and Council's approval.)

CONSENT AGENDA

(For the purpose of convenience and for expediting meetings, matters of business of repetitive or routine nature are included in the Consent Agenda, and all such matters of business contained in the Consent Agenda are voted on collectively.

A particular matter of business may be singled out from the Consent Agenda for debate or for a separate vote upon the request of any Councillor. In the case of a separate vote, the excluded matter of business is severed from the Consent Agenda, and only the remaining matters of business contained in the Consent Agenda are voted on collectively.

Each and every matter of business contained in the Consent Agenda is recorded separately in the minutes of the meeting.)

CORRESPONDENCE FOR INFORMATION ONLY

- C-1. Report dated January 8, 2013 from the General Manager of Community Development regarding Grace Hartman Amphitheatre Business Plan Review Update. **90 - 91**
(FOR INFORMATION ONLY)

(Staff have cancelled Contract CDD12-10 with Schick Shiner & Associates for the review of the Grace Hartman Amphitheatre Business Plan as the proponent has failed to fulfill the terms of the contract. This report provides the Community Services Committee a review of the original RFP process and planned steps for having a Business Plan review conducted.)

REGULAR AGENDA

REFERRED & DEFERRED MATTERS

- R-1. Report dated January 9, 2013 from the Chief of Emergency Services regarding Emergency Services Department Strategic Direction and 'Suggested Going Forward Work Plan' Status Update. **92 - 99**
(RECOMMENDATION PREPARED)

(This report provides an update for the Community Services Committee on the status of the Emergency Services Department strategic direction. At its meeting of December 11, 2012, City Council deferred this report back to the Community Services Committee.)

MANAGERS' REPORTS

- R-2. Report dated January 8, 2013 from the General Manager of Community Development regarding Concession Operations at Arenas. **100 - 101**
(RECOMMENDATION PREPARED)

(This report provides background information on the Municipal Arena concessions along with a recommendation on re-issuing an RFP to privately operate the Municipal Arena concession as the current operator contract expires in July 2013.)

ADDENDUM

CIVIC PETITIONS

QUESTION PERIOD AND ANNOUNCEMENTS

NOTICES OF MOTION

ADJOURNMENT

BRIGITTE SOBUSH, DEPUTY CITY CLERK

FRANCA BORTOLUSSI, COUNCIL ASSISTANT

Request for Decision

Appointment of Chair and Vice-Chair - Community Services Committee

Presented To:	Community Services Committee
Presented:	Monday, Jan 21, 2013
Report Date	Monday, Dec 24, 2012
Type:	Appointment of Chair and Vice-Chair

Recommendation

That Councillor _____ be appointed Chair and Councillor _____ be appointed Vice-Chair of the Community Services Committee for the term ending December 31, 2013.

Background

This report sets out the procedure for the election by the Committee of the Chair and Vice-Chair of the Community Services Committee for the term ending December 31, 2013.

The Procedure By-law provides that a Member of the Committee shall be appointed annually by the Committee to serve as Chair of the Community Services Committee. As well, a Vice-Chair is appointed annually.

The above appointments need only be confirmed by resolution.

Remuneration

The Chair of the Community Services Committee is paid \$1,941.14 per annum.

Selection

The selection of the Chair and Vice-Chair is to be conducted in accordance with Article 45 of the Procedure By-law (copy attached).

Council's procedure requires that in the event more than one (1) candidate is nominated for either the Chair or Vice-Chair's position, a simultaneous recorded vote shall be used to select the Chair and Vice-Chair.

It is always in order for a Member of Council to nominate themselves and to vote for themselves.

Signed By

Report Prepared By

Brigitte Sobush
Deputy City Clerk
Digitally Signed Dec 24, 12

Recommended by the Department

Caroline Hallsworth
Executive Director, Administrative Services/City Clerk
Digitally Signed Jan 16, 13

Recommended by the C.A.O.

Doug Nadorozny
Chief Administrative Officer
Digitally Signed Jan 16, 13

Under *Robert's Rules of Order* a nomination does not need a second.

Once the successful candidates have been selected, a resolution will be introduced confirming the appointment of the successful candidates.

ARTICLE 45. NOMINATING COMMITTEE**45.01 Mandate**

The Nominating Committee shall meet, as needed by Council, for the purpose of considering and recommending to Council citizen appointments to agencies, boards, advisory panels, and other bodies as required.

45.02 Primary Objectives

In making such appointments, the Nominating Committee shall take into consideration a balanced representation from communities of interest so as to be reflective of the geographical and demographic composition of the community.

45.03 Membership

The Nominating Committee shall be composed of all Members of Council and chaired by a Deputy Mayor.

45.04 Term

The term of the Nominating Committee shall coincide with the term of Council.

45.05 Procedure

In making such appointments, the procedure set out in this Article shall apply unless otherwise provided in a shareholders' declaration.

45.06 Number of Applicants Matches Positions - Motion

Where the number of applicants matches the positions to be filled, a motion to appoint the applicant(s) to the position(s) in question shall be presented and voted upon.

45.07 Simultaneous Recorded Vote

A simultaneous recorded vote shall be used to select the applicants to fill each position available, in accordance with Article 33.05, except that:

- (1) the Clerk need not read each ballot aloud nor record each individual vote; and
- (2) the ballots shall be retained as part of the minutes.

45.08 Number of Applicants Exceeds Positions - Simultaneous Recorded Vote

Where the number of applicants exceeds the number of positions available, a simultaneous recorded vote shall be conducted in accordance with Article 37.09.

45.09 Term of Appointment – Local Boards

The term of office of each citizen appointed to a Local Board shall be set out in the body's terms of reference and shall not exceed the term of Council, unless otherwise specified by statute. However for purposes of continuity, such citizen appointments shall remain in effect following a municipal election until their successors are appointed by the incoming Council.

45.10 Term of Appointment – Staff

Except where prohibited by statute, the Nominating Committee may recommend the appointment of a member of staff to a board or agency within its mandate in the place of a Member when no other Members are available to be appointed.

ARTICLE 39. COMMUNITY SERVICES COMMITTEE**39.01 Mandate**

The Community Services Committee shall hear presentations and receive correspondence and reports from the Community Development Department and from the Emergency Services Department, and shall make recommendations to Council on these matters.

39.02 Primary Objectives

The Community Services Committee shall be responsible for the following objectives:

- (1) To hear community delegations on topics related to the provision of services by the Community Development Department and by the Emergency Services Department.
- (2) To review proposals for new policies and for amendments to existing policies that pertain to either the Community Development Department or to the Emergency Services Department.
- (3) To conduct service level reviews, including proposed changes to existing service levels, or the introduction of new services or programs delivered by either the Community Development Department or the Emergency Services Department.
- (4) To study topics or issues referred to the Committee by Council resolution.

39.03 Matters Outside Jurisdiction

Notwithstanding that the Greater Sudbury Public Library and Pioneer Manor are divisions within the Community Development Department, matters which are the jurisdiction of those bodies are outside the scope and jurisdiction of this Committee, unless a matter is specifically referred to the Community Development Committee by way of a resolution.

For Information Only

JCDC Implications for Closure

Presented To:	Community Services Committee
Presented:	Monday, Jan 21, 2013
Report Date	Wednesday, Jan 09, 2013
Type:	Presentations

Recommendation

For Information Only

Background

This report is a follow up that was requested by Community Services at the December 2012 meeting and details further information regarding possible closure of Junior Citizens Daycare.

Overview

As discussed in the December meeting, the Community Services Standing Committee has asked for further information regarding the implications of closing JCDC in line with the YMCA lease expiry on July 31st, 2015. There are two options that Council can consider in moving forward with a possible closure.

Discontinue New Enrollments Starting In March 2013

Discontinuing new enrollments to JCDC will mean that some children will naturally age out of the program and others would progressively move through the program until 2015. This option provides some benefits to the challenges that were raised in the previous report regarding daycare space capacity in the core of the City along with human resources implications. This option would have a limited impact on existing families in that as long as they kept their space at JCDC they could take an appropriate amount of time to look for another service provider. This means that families would have to maintain enrollment in order to stay in the program. Families sometimes take a "break in service" due to a variety of reasons and under this scenario could not re-enroll if this occurred. This option would also allow for existing spaces to become available in the core of the City for the families that wish to transition before 2015. Furthermore, Children Services staff would be able to plan for a small expansion of new spaces within the community to allow for the accommodation of JCDC parents by 2015.

As the centre reduces in size towards the 2015 closing date, staffing would also be reduced in line with daycare ratios as shown in the chart below. The chart assumes a 20% natural turnover rate in enrollment to account for parents that decide to leave before the 2015 deadline. The managed reduction in staff would allow for a smoother transition over the next 2.5 years as some natural attrition would take place along with giving staff more options to bid into other City jobs or exercising their rights under the collective bargaining agreement.

Signed By

Report Prepared By

Tyler Campbell
Manager of Children Services
Digitally Signed Jan 9, 13

Division Review

Tyler Campbell
Manager of Children Services
Digitally Signed Jan 9, 13

Recommended by the Department

Catherine Matheson
General Manager of Community Development
Digitally Signed Jan 9, 13

Recommended by the C.A.O.

Doug Nadorozny
Chief Administrative Officer
Digitally Signed Jan 14, 13

Age Grouping	December 2012 Enrollment	December 2013 Projected Enrollment	December 2014 Projected Enrollment	June 2015 Projected Enrollment
Toddlers (1 staff to 5 children)	18	0	0	0
Pre-School (1 staff to 8 children)	31	25	4	0
JK/SK (1 staff to 12 children)	26	24	28	15
School Age (1 staff to 15 children)	38	42	36	36
Total Enrollment	113	90	68	51

** 20% turnover rate incorporated above

Maintain Enrollment until 2015

This option would be slightly less disruptive to families in the short term as it would afford them the flexibility of leaving and then re-enrolling during a break in service. Furthermore, families with siblings would also benefit under this option as they could enroll a younger sibling in the program, resulting in not having to split children between two different child care providers. This option has the potential for problems for families in 2015 if they have not made plans far enough in advance of the closing date to find a daycare space in the downtown core of the City in the latter half of 2015. Furthermore, from a staffing perspective, it could mean that there are more difficulties in placing staff through a bumping process at the date of closure if enrollment numbers remain high into 2015. On the other hand this scenario could present an opposite problem if staff bid out to other jobs over the next 2.5 years and JCDC has to fill vacancies with temporary positions. Early Childhood Educators are now registered with a Provincial College and need to hold qualifications in order to work in the daycare field therefore creating potential workforce problems with trying to recruit qualified staff for temporary positions.

Evening Program

In both options, staff would start the negotiating process with child care providers in the downtown area regarding the start of an evening program. As with most start up situations in daycare, the city provides a start up grant to operators in order for them to enroll children to full capacity at the beginning of a new program. Staff is proposing using an evening program enhancement grant in this case which would be funded from provincial dollars in order to subsidize the cost of starting evening programming at a centre or centres. This grant would take into account the size of the group that is licensed and the corresponding staffing ratio along with a top up for meals. It is anticipated that there will be a transition period at some point over the next 2 years wherein a new centre would start to operate an evening program in order to transition children over to the new program. A natural start date in the first option would be April 2013 and September 2014 in the second option to coincide with the start of the school year. It would take time to integrate children from JCDC into an existing program due to the fact that the evening children can take up a "day" spot depending on when the parent needs the care. Therefore city staff would recommend that the enhanced program grants be paid to the provider(s) over a maximum of two years. After the two year period, staff would look at viability along with the subsidy that is paid to the provider. Based on the hours of care that is currently provided at JCDC the maximum grant provided would be approximately \$30,000 per year. While there are providers that have shown an interest in evening care, staff cannot guarantee a final agreement to replace the programming, even with an enhanced grant. Furthermore, staff cannot guarantee that an evening program will run indefinitely even if it is started. In the end parental demand needs to be sufficient to cover operating costs of running an evening program.

Home Child Care Option

The other option for parents that require evening care is to look at a licensed home child care provider. Currently, Jubilee Heritage Family Resources manages the licensed homes in the area and parents are eligible for child care subsidies in the same way that they would a centre based daycare. Although this program provides parents with flexibility, there are two drawbacks for parents with

this type of service in that there are a limited number of spaces available at this time and there is an ongoing problem with recruitment and retention of providers.

Licensed home child care has limits as to who is placed in care. Currently, a licensed home daycare can only have a maximum of five children at any given time including the children of the provider. Furthermore they are only allowed a maximum of two children under the age of two.

Conclusion

This report is provided for Council's information and staff seeks direction on next steps.

Request for Decision

Junior Citizens Daycare - Service Delivery Options

Presented To:	Community Services Committee
Presented:	Monday, Dec 03, 2012
Report Date	Monday, Nov 26, 2012
Type:	Presentations

Recommendation

For Information Only

Background

This report has been provided to Council as per the direction from the 2013 Budget Planning Session. Staff at that time was asked to prepare a report to look at Municipal Service Delivery options for the Municipal daycare – Junior Citizens.

A Brief History of Junior Citizens Daycare (JCDC)

Junior Citizens Daycare has recently celebrated its 40th anniversary after opening in 1972. The centre has evolved from providing services to special needs children to becoming a full service childcare centre. In 1977, La Garderie Regionale Francophone was opened as a French language option and the two co-existed until they were moved under one roof during the construction of the new YMCA building in 2000. At that time, a lease agreement was entered into by the Regional Municipality and the YMCA to lease approximately 6,000 sq feet for JCDC usage. The lease agreement contains a provision for the total payment of this unit by July 2015 at which time it would be owned by the City. Additional space is also leased at 152 Durham st, which is located in the building beside the YMCA.

Currently, JCDC offers programming from toddler to school age with a total license of 120 spaces and offers evening care up until midnight five days a week. The centre does provide a niche in this area as it is the only operator in the City providing late night care.

JCDC Financial Overview

JCDC currently operates with a mix of funding sources that is flowed through the Ministry of Education and the City. The funding for childcare is complex in that the Province flows both 100% provincial dollars for some programming and 80% dollars for other programming which is topped up by the Municipality for the other 20%. Generally, subsidy for children up to and including the age of five are paid for under Best Start 100% dollars and six to twelve year olds are paid from 80/20 dollars.

JCDC is funded by charging parents a fee or recovering a per diem rate for subsidized parents from the two funding pots. The amount between what is charged to parents less the actual cost of running the operation is the amount that is funded directly by the City. Over the past five years the Municipality has contributed to the operation of the centre as show in the financial overview below:

Signed By

Report Prepared By

Tyler Campbell
Manager of Children Services
Digitally Signed Nov 26, 12

Recommended by the Department

Catherine Matheson
General Manager of Community Development
Digitally Signed Nov 26, 12

Recommended by the C.A.O.

Doug Nadorozny
Chief Administrative Officer
Digitally Signed Nov 28, 12

	2007	2008	2009	2010	2011	Projected 2012
Actual Municipal Levy Impact	127,954	86,998	124,585	119,540	124,278	129,119

Added Costs of Delivering Child Care through the Municipality

There are added costs for the provision of child care operated through the Municipality. The largest cost driver in a child care setting is salary and benefits which tend to be proportionately higher in a municipal operation versus a commercial or nonprofit centre. Every year the Children Services Section conducts a salary survey and the most recent survey supports this trend. The Registered Educator (RECE) job class has an average wage in the community of \$16.47 and a starting rate of \$24.95 at the Municipality.

The Ministry of Education provides grants to help with the cost of wages, however the City receives less than what a community centre would receive from the Municipality.

The other large cost of operating JCDC is due to the lease agreement with the YMCA. Currently, JCDC pays an annual amount of \$16,400 to the YMCA as part of the lease agreement which will be relieved from the budget in 2015 when the unit is paid in full. JCDC also pays its proportional share of condominium operation costs of \$63,800 per annum (\$10.63 per sq ft). The City also leases additional space at 152 Durham St, at an annual cost of \$18,000 per annum (\$9 per sq ft). The majority of commercial and non-profit providers in the City pay much less in occupancy costs as there has been a provincial directive to move childcare centres into schools. This results in overhead lease costs well under ten dollars per sq foot.

Environmental Scan

Direct delivery has been a recent topic of discussion among municipalities as the discussion around non-core services continues across the province. Most recently, The Region of Peel conducted a review of all of its municipally run centres and came to the following conclusions:

- Phased withdrawal of the Region from direct delivery of child care by September 2014
- Enhance funding for fee subsidy, wage subsidy, special needs supports, quality assurance initiatives and other service priorities and enhancements.

**Early Learning and Child Care Task Force Recommendations – Aug 27, 2012*

As well, the City of Toronto conducted a core service review of its municipal services and decided to move forward with an efficiency review of its City owned daycares which is currently underway.

Locally, Cambrian College decided in 2010 to close its college run childcare centre which produced reported savings of \$250,000 per year. The College was a direct operator of childcare as well and was subject to many of the same cost pressures that the City faces in regards to staffing costs and occupancy costs.

Junior Citizen's Service Delivery

Reflecting on the discussion that took place at the 2013 budget planning session, there remains only two options for service delivery. The municipality can directly deliver the service or JCDC's 120 spaces can be redistributed to other community child care providers. One of the implications of closing JCDC is the ability for the child care system to absorb all of the 120 spaces at one time. School amalgamations in recent years have meant that there is limited space in central area schools in Greater Sudbury to add new spaces at this time. The majority of users of JCDC are from the central area and therefore re-distribution of spaces would be difficult to achieve immediately but could be accommodated over time.

JCDC is the only provider that is open until midnight, a service that is important to families that work shift work. In the event of a withdrawal of service, it is anticipated that a community provider would take on evening services with some type of financial incentive in place. Further negotiations with a provider would need to take place in order to finalize an agreement once direction is provided to staff.

There is a current staffing complement at JCDC of 12 full time and 10 part time and casual staff. Upon

closure of the Centre, collective agreement rights would trigger a lengthy bumping process by which staff could potentially be displaced throughout the corporation until lower seniority staff is laid off. There would also be a surplus of one non-union employee at that time.

The final consideration for Council would be the future use of space at the YMCA. The commercial condominium unit will be paid for in 2015; however the City would still have to pay for the unit until that time. Options for its use include possible sale, or moving another City service or department into the unit. Both of these options would require further investigation due to policies surrounding surplus space, and the costs associated with possible renovations of the space. A report from the Real Estate section could be brought forward to further discuss implications of the lease agreement and options available to council. As mentioned the current annual amount of \$16,400 would be relieved from the budget in 2015.

One method to reduce the implications stemming from an immediate closure is to look at a phased withdrawal based on the natural progression of children aging out of the program along with not accepting new enrollment. This approach would result in annual savings over the next several years with the eventual closure of the daycare. This approach would help to mitigate the following factors:

- Existing families would not be disrupted through this process, and they would have the option to begin to look for other care options if so desired.
- Human Resources implications would be reduced due to natural attrition and the fact that employees would have the option to bid into other jobs over time.
- It would allow for enough time to plan and absorb the child care spaces into other community centres.

Conclusion

This report is provided for Council's information and staff seeks direction on next steps.

For Information Only

Arena Renewal Strategy

Presented To:	Community Services Committee
Presented:	Monday, Jan 21, 2013
Report Date	Wednesday, Jan 16, 2013
Type:	Presentations

Recommendation

For Information Only

Background

Please see attached report.

Signed By

Report Prepared By

Rob Blackwell
Manager, Quality, Administrative and
Financial Services
Digitally Signed Jan 16, 13

Division Review

Real Carre
Director of Leisure Services
Digitally Signed Jan 16, 13

Recommended by the Department

Catherine Matheson
General Manager of Community
Development
Digitally Signed Jan 16, 13

Recommended by the C.A.O.

Doug Nadorozny
Chief Administrative Officer
Digitally Signed Jan 16, 13

Executive Summary

The Arena Renewal Strategy was requested by Council in the spring of 2010. The original report that included the resolution containing the request was presented to City Council on April 14, 2010, and was included as part of the overall decision that provided approval for the construction of the second ice pad at the Countryside Sports Complex and the capital investment at the Cambrian Arena.

The strategy included the following deliverables, as identified by Council on April 14, 2010:

- 1. A review of physical and functional condition of existing arenas*
- 2. A review of demand for ice time*
- 3. Community input/consultation*
- 4. Recommendations on the closure of existing arena(s) if appropriate*
- 5. Recommendations on if and where new arena(s) should be constructed*
- 6. Explore capital sources of revenue for 2012 budget deliberations*

The report contains an exhaustive analysis of the City of Greater Sudbury's arena facilities, including

- A summary of the recent life cycle analysis
- Cost recovery data
- Demand and ice usage for City facilities
- General demographic data regarding population and trends in ice usage
- A summary of the community consultations
- Other considerations and some replacement vs. repair scenarios

The findings of the analysis generally suggest that Greater Sudbury will experience little or no growth in the number of ice users, based on current trends. The city has 16 ice pads, which, based on the geography of Greater Sudbury, is a reasonable inventory to meet current demand. As the population ages, there may be a need to decrease the inventory, unless alternate programming is introduced. Information regarding specific facilities suggest that arenas in the farthest reaches of Greater Sudbury are used the least, and in fact, I.J. Coady Arena in Levack is facing serious challenges in terms of lack of usage.

As of 2013, the analysis comparing ongoing annual levy impact with the estimated cost of internally debt financing a new facility (as illustrated in the scenarios for various geographical hubs) would suggest that Council consider repairing the city's current inventory of ice facilities. The exception, as suggested by Scenario B, would be for consideration of planning for a twin pad facility in the Chelmsford area that would replace the I.J. Coady, Chelmsford and Edgar Leclair Arenas. This would effectively reduce the arena inventory by one ice pad, but would "right-size" the inventory for projected future demand.

Background

Chronology

The Arena Renewal Strategy was requested by Council in the spring of 2010. The original report that included the resolution containing the request was presented to City Council on April 14, 2010, and was included as part of the overall decision that provided approval for the construction of the second ice pad at the Countryside Sports Complex and the capital investment at the Cambrian Arena.

The following resolution was carried at the April 14, 2010 meeting:

Resolution 2010-133:

WHEREAS Cambrian Arena is closed and needs to be replaced;

AND WHEREAS Council provided direction for staff to cost out options for arena renewal;

AND WHEREAS the two options were identified as: an additional ice pad at Countryside Arena or a new two pad facility at Lorraine Street;

AND WHEREAS Council requested a financial plan for these options;

AND WHEREAS the primary shortage of ice is in the city core, as identified in the Parks, Open Spaces and Leisure Master Plan which is compounded by the closure of Cambrian Arena;

THEREFORE BE IT RESOLVED THAT plans for construction of a second ice pad at Countryside Arena commence effective May 2010 as outlined in the report dated April 9, 2010 from the General Manager of Community Development;

AND THAT the Community Development Department undertake a detailed Arena Renewal Strategy for a multi-pad arena opportunity consistent with the principles of the Constellation Report for equitable placement of facilities across the City of Greater Sudbury;

AND THAT the strategy considers recommendations from the Parks Open Space and Leisure Master Plan, advice gathered from community consultation for the multi use recreational complex along with additional broad based community consultation regarding future multi pad opportunities;

AND THAT the Arena Renewal Strategy be completed in advance of Budget 2012;

AND THAT staff be directed to notify Greater Sudbury Utilities Inc. regarding Council's intent to redeem the preferred shares;

AND THAT any operating budget savings from the closure of the Cambrian Arena for 2010 and 2011 be transferred to the Capital fund

The deliverables were identified by Council on April 14, 2010 as:

1. *A review of physical and functional condition of existing arenas*
2. *A review of demand for ice time*
3. *Community input/consultation*
4. *Recommendations on the closure of existing arena(s) if appropriate*
5. *Recommendations on if and where new arena(s) should be constructed*
6. *Explore capital sources of revenue for 2012 budget deliberations*

On June 15th, 2011, Council was presented with a report that provided an introduction to the Arena Renewal Strategy, including: the terms of reference, timelines, principles and deliverables that would be produced by the initiative.

In December 2011, an information report was presented to Council to provide a summary of the results of community consultations that were held during the fall of 2011.

In order to provide relevant, subjective data for the Arena Renewal Strategy analysis, Monteith Brown Planning Consultants (MBPC) (see Appendix A) was engaged to provide:

- Identification of current trends in ice participation, arena demand, and arena provision across Ontario and the country;
- A cursory assessment of the City's arena needs (in terms of quantity) based on utilization and provision targets;
- Discussion of the types of public-private partnerships that may be available to the City for the construction and/or operation of community arenas, and
- A high level examination of the costs to build an OHL-size arena (the home of the Sudbury Wolves – the Sudbury Arena – was built in 1951 and there is a need to begin the planning for its potential renewal or replacement) and the types of partnership arrangements that might be considered¹

1. A Review of Physical and Functional Condition of Existing Arenas

Life Cycle / Building Condition Assessment

The average age of the ice facilities in the CGS is 40 years old and the Sudbury Community Arena is 61 years old. There has been significant investment in maintaining and repairing

¹ Monteith Brown Planning Consultants, Analysis Informing the City's Arena Renewal Strategy, December 2012

the existing facilities, but, a substantial level of capital funding will be required to maintain the current inventory of arenas.

Certainly, the current physical state of the arena infrastructure requires extensive analysis. As an example of the capital costs involved with repairing arenas, the recent activity in the City of Greater Sudbury suggests that the cost of repairing Cambrian Arena was \$1.2M. The scope of the renovation included: replacement of the rink slab with a new sub-surface heating system, roof repair/replacement and the purchase and installation of rink boards and condenser unit. The capital renewal of Cambrian Arena was necessitated by a floor failure and a need to complete emergency repairs. The capital project is expected to have extended the life of the facility by a minimum of 10 years. The cost of construction a new ice pad at Countryside was approximately \$10.2M. For the purposes of this report, the cost of a new twin pad arena is estimated to be \$22M, the estimated cost that was presented to Council in April 2010 for a proposed two pad ice facility on Lorraine St. in Greater Sudbury.

Building condition assessments have been completed by Construction Control Incorporated, using the standard guidelines of ASTM E-2018-08, *Standard Guide for Property Condition Assessments*, to properly identify and prioritize capital requirements and risks with the existing facility inventory. The study has provided a detailed analysis of the capital needs of the facilities along with cost estimates for immediate needs (1 – 5 years) and future needs (6 – 10 years).

The following table provides a summary of the “opinion of probable costs” provided by the consultant regarding the building conditions of municipal facilities. Detailed data regarding the type of capital investment required is contained in Appendix B. The complete set of reports is available on the CGS website.

Table 1: Capital Estimates - Opinion of Probable Costs, Life Cycle Analysis/Building Conditions Report

Facility	Immediate Need (1 to 5 Years)	Long Term Needs (6 to 10 years)	Total
Sudbury Community Arena	\$2,375,000	\$1,450,000	\$3,825,000
Capreol (both pads)	\$2,015,000	\$1,037,000	\$3,052,000
Chelmsford	\$1,760,000	\$1,057,000	\$2,817,000
Edgar Leclair	\$751,000	\$1,173,000	\$1,924,000
Carmichael	\$921,000	\$756,000	\$1,677,000
Cambrian	\$895,000	\$687,000	\$1,582,000
Centennial	\$637,000	\$911,000	\$1,548,000
I.J. Coady	\$682,000	\$795,000	\$1,477,000
Ray Plourde	\$764,000	\$602,000	\$1,366,000
Tom Davies	\$563,000	\$737,000	\$1,300,000
Toe Blake	\$785,000	\$382,000	\$1,167,000
McClelland	\$533,000	\$602,000	\$1,135,000

Garson	\$420,000	\$462,000	\$882,000
Gerry McCrory Countryside	\$137,000	\$275,000	\$412,000
	\$13,238,000	\$10,926,000	\$24,164,000

Data from "Building Condition Assessments", Construction Control Incorporated, November 2012

Cost Recovery

Historically, municipal arenas are operated on a partial cost recovery basis, therefore, there is some reliance on the tax levy to fund the operations of arenas. As illustrated in the Table 2, the total revenue generated by an arena is able to fund, on average, 64% of the total **direct operating costs** for each arena. Data is sourced from the 2011 cost centres for each facility, using the actual for 2011. 2011 data was utilized as it provides a full budget year of actual revenues and expenditures.

Table 2: Direct Operating Cost Recovery 2011

	Expense Total	Revenue Total	Cost Recovery
Gerry McCrory Countryside (both pads)*	\$582,018	\$476,139	*82%
Sudbury Arena	\$1,472,387	\$1,150,131	78%
TM Davies	\$599,234	\$452,901	76%
Raymond Plourde	\$452,987	\$338,901	75%
Garson	\$421,559	\$284,048	67%
Carmichael	\$432,420	\$281,527	65%
Capreol (both pads)	\$461,788	\$297,752	64%
Chelmsford	\$451,218	\$283,436	63%
Dr. Edgar Leclair	\$426,692	\$263,495	62%
Cambrian	\$309,328	\$188,889	**61%
McClelland	\$538,828	\$314,717	58%
Centennial	\$384,890	\$219,369	57%
Toe Blake (Coniston)	\$424,474	\$228,033	54%
I.J. Coady	\$276,823	\$102,252	37%

*Gerry McCrory Countryside Sports Complex is projected to have 100% direct operational cost recovery for 2012, the first full year of operation for the twin pad facility.

**Cambrian Arena is projected to have 100% cost recovery for 2012, which includes additional revenue from all municipal arenas to offset direct operating costs of Cambrian Arena

Table 3 provides an estimated cost recovery if total costs are considered, **direct operating and annual estimated capital costs**. For the purpose of this analysis, the "opinion of probable cost", as reported in the building conditions analysis for immediate needs (1 – 5 years) was divided by five (5) to generate an estimated annual capital cost for each arena for years 1 – 5. An average for years 6 – 10 was then obtained using the same method.

These averages were then averaged (summed and divided by 2) to obtain an estimate for the 10 year annual average for capital expenses. The table also details the net levy cost of each facility and the cost recovery, including estimated capital costs.

Table 3: Total Cost Recovery (capital 2012 estimates and 2011 operating costs/revenues)

	<i>Direct Operating Expense</i>	<i>Average Annual Capital Expense (unfunded)</i>	<i>Total Expense (Op + Cap)</i>	<i>Revenue Total</i>	<i>Annual Net Impact on Levy</i>	<i>Cost Recovery</i>
Gerry McCrory Countryside	\$582,018	\$41,200	\$623,218	\$476,139	(\$147,079)	76.4%
TM Davies	\$599,234	\$129,800	\$729,034	\$452,901	(\$276,133)	62.1%
Sudbury Arena	\$1,472,387	\$382,500	\$1,854,887	\$1,150,131	(\$704,756)	62.0%
Garson	\$421,559	\$88,200	\$509,759	\$284,048	(\$225,711)	55.7%
Raymond Plourde	\$452,987	\$136,600	\$589,587	\$338,901	(\$250,686)	57.5%
McClelland	\$538,828	\$113,200	\$652,028	\$314,717	(\$337,311)	48.3%
Dr. Edgar Leclair	\$426,692	\$192,400	\$619,092	\$263,495	(\$355,597)	42.6%
Carmichael	\$432,420	\$167,700	\$600,120	\$281,527	(\$318,593)	46.9%
Centennial	\$384,890	\$154,800	\$539,690	\$219,369	(\$320,321)	40.6%
Toe Blake (Coniston)	\$424,474	\$116,700	\$541,174	\$228,033	(\$313,141)	42.1%
Cambrian	\$309,328	\$158,200	\$467,528	\$188,889	(\$278,639)	40.4%
Chelmsford	\$451,218	\$281,700	\$732,918	\$283,436	(\$449,482)	38.7%
Capreol (both pads)	\$461,788	\$305,200	\$766,988	\$297,752	(\$469,236)	38.8%
I.J. Coady	\$276,823	\$147,700	\$424,523	\$102,252	(\$322,271)	24.1%

Annual Capital estimate derived from an average of the 1-5 year average and the 6 -10 year average from the Building Conditions Report - Opinions of Probable Costs

***Cost recovery is projected to be significantly higher for Countryside and Cambrian for 2012 as both facilities are projected to recover 100% of operating expenses.*

The following table provides a comparison of the cost recovery percentages for direct operating cost and total cost (direct operating and capital) for 2011 . Again, the total costs are calculated from the 2011 cost centres and capital estimates are for a 10 year average based on the information contained in the building condition reports obtained from Construction Control Incorporated.

Table 4: Comparison of Direct and Total Cost Recovery Rates

	<i>without capital</i>	<i>with capital</i>
<i>Gerry McCrory Countryside</i>	82%	76%
<i>TM Davies</i>	76%	62%
<i>Sudbury Arena</i>	78%	62%
<i>Garson</i>	67%	56%
<i>Raymond Plourde</i>	75%	57%
<i>McClelland</i>	58%	48%
<i>Dr. Edgar Leclair</i>	62%	43%
<i>Carmichael</i>	65%	47%
<i>Centennial</i>	57%	41%
<i>Toe Blake (Coniston)</i>	54%	42%
<i>Cambrian</i>	61%	40%
<i>Chelmsford</i>	63%	39%
<i>Capreol (both pads)</i>	64%	39%
<i>I.J. Coady</i>	37%	24%

2. A Review of Demand for Ice Time

The current inventory of ice pads in the City of Greater Sudbury is at an all time high, with 16 pads in 14 facilities operating since the commencement of the 2011-2012 ice season. After one full ice season of operation with the current capacity, and the recent ice allocations for the 2012-2013 season having been completed, the City has been able to generate statistics regarding demand and ice requirements.

The ice usage statistics for Greater Sudbury arena facilities for the 2012-2013 ice season remain consistent with historical usage trends. As illustrated in the Table 5 below, the ice usage, particularly for minor prime hours, remains very high, with 5 of the ice pads reporting 100% usage available minor prime hours. Minor prime hours are defined as prime time ice hours for minor associations (figure skating clubs, hockey associations, speed skating, etc.). Minor Prime hours are Monday to Friday, from 5pm to 10pm and Saturday and Sunday, from 7am-10pm. Shoulder hours are defined as each week, Monday to Sunday from 10pm to 12am.

Table 6 presents the information regarding ice usage during the shoulder times and suggests a downward trend in all facilities except the Gerry McCrory Countryside Sports Complex. The data presented was collected from the “Daily Logs” which are established after ice allocation meetings have occurred with the community and was contained in the Monteith Brown Planning Consultants (MBPC) report, *Analysis Informing the City’s Arena Renewal Strategy*, December 2012.

Table 5: Minor Prime Time Ice Usage by Arena (Winter Season) (MBPC)

	2008/09	2009/10	2010/11	2011/12	2012/13	Change (total hours)
Cambrian	100%	Not in Service		98%	98%	-2%
Capreol #1	95%	92%	90%	73%	86%	-9%
Capreol #2	95%	93%	96%	94%	90%	-6%
Carmichael	100%	100%	100%	100%	100%	0%
Centennial	98%	98%	92%	96%	97%	-1%
Chelmsford	100%	97%	95%	97%	98%	-2%
Dr. Ed Leclair	98%	100%	100%	100%	100%	-2%
Garson	100%	100%	99%	97%	100%	0%
Countryside #1	100%	100%	100%	100%	98%	-2%
Countryside #2	Not Yet Constructed			98%	96%	n/a
I.J. Coady	83%	79%	67%	74%	58%	-30%
McClelland	Not in Service	100%	100%	100%	100%	0%
Raymond Plourde	96%	97%	95%	94%	96%	0%
T.M. Davies	100%	100%	100%	100%	100%	0%
Toe Blake Memorial	100%	100%	100%	95%	97%	-3%
Sudbury	100%	98%	98%	98%	95%	-5%
CITY WIDE	98%	97%	95%	95%	94%	--

Table 6: Shoulder Time Ice Usage by Arena (Winter Season) (MBPC)

	2008/09	2009/10	2010/11	2011/12	2012/13	Change (total hours)
Cambrian	75%	Not in Service		58%	47%	-14%
Capreol #1	43%	43%	21%	32%	29%	-33%
Capreol #2	39%	43%	43%	21%	25%	-36%
Carmichael	79%	57%	57%	71%	50%	-36%
Centennial	71%	68%	57%	46%	46%	-35%
Chelmsford	64%	39%	36%	54%	50%	-22%
Dr. Ed Leclair	61%	57%	57%	61%	50%	-18%
Garson	89%	79%	75%	61%	61%	-32%
Countryside #1	82%	71%	71%	46%	54%	-35%
Countryside #2	Not Yet Constructed			46%	50%	n/a
IJ Coady	14%	14%	7%	7%	7%	-50%
McClelland	Not in Service	68%	54%	46%	39%	-42%
Raymond Plourde	54%	54%	43%	36%	32%	-40%
TM Davies	79%	54%	61%	46%	43%	-45%
Toe Blake Memorial	71%	86%	86%	68%	68%	-5%
Sudbury	86%	82%	71%	79%	71%	-17%
CITY WIDE	65%	58%	53%	50%	46%	-

For Tables 5 and 6 - Utilization rates based on 55 prime hours being available each week (M-F 5pm-10pm, S-S 7am-10pm) and 14 shoulder hours each week (M-S 10pm to 12am).

How much ice do we need?

The City's 2004 *Parks, Open Space & Leisure Master Plan* established a provision standard of 1 ice pad per 12,000 population for the City of Greater Sudbury (the existing service level translates into 1 ice pad per 10,017 residents). However, in order to more accurately reflect the factors that affect ice usage, and the demand considerations (such as changing participation rates, an aging population, geographic inequities, etc.) in the City of Greater Sudbury, a target based on number of participants per ice pad was developed by MBPC.

The target used in this report reflects the differences between utilization rates in urban and rural arenas. For example, in urban rinks, utilization can approach 100% in many instances because excess demand can easily be shifted to a nearby rink; in rural areas, a certain amount of excess capacity – particularly for youth – is more common due to smaller populations and challenges in travelling to more distant rinks.

The MBPC report states, *"to help establish a reasonable provision target that is reflective of Greater Sudbury's unique circumstances, it is helpful to consider current utilization as an indicator of demand. Most notably, the number of available prime time hours City-wide has increased every year between 2008/09 and 2012/13, from 18 hours to 48 hours per week. This unused ice equates to the equivalent of 0.9 surplus ice pads (based on 55 hours per week per rink) at present. There is no apparent latent demand (given the availability of prime ice in both the former City and broader community), thereby reinforcing the validity of this finding. With a current supply of 16 pads, demand for 15.1 pads, and youth registration of 6,139, the average provision level is approximately 405 youth registrants per ice pad. This provision level represents the equilibrium where arena demand equals supply in the City of Greater Sudbury."*

As recommended in the MBPC report, a target of 1 ice pad per 405 youth registrants will be utilized for assessing City-wide arena needs. This target:

- Assumes that youth will use the large majority of minor prime time hours
- Allows for occasional usage from a broader market of users (e.g., tournaments and competitions).
- Is meant to be applied across the entire system and not to specific arenas as usage profiles will be different at each facility.

Based on this "benchmark", the City had some pressure for expanding the ice supply, particularly in the downtown/Sudbury area (6,320 youth registrants and 14 rinks available in the 2008/09 season, this average was 451 per ice pad). This demand appears to have peaked in 2011/12 and was alleviated with the construction of the new ice pad at the Gerry McCrory Countryside Sports Complex. Recent data would suggest that registrations have declined and, based on available demographic data, this trend is projected to continue, potentially creating additional capacity within the system.

The following provides a projection of trends and the resulting number of ice pads required, based on a target of 1 ice pad per 405 youth participants. The projections assume

that the existing rate of participation is maintained (i.e., at 23.5%) and children and youth market segment (ages 5-19) will decline at the forecasted rate. It is expected that demand will decline over the next fifteen years as the primary arena market declines (i.e., children and youth). The analysis suggests that future population growth may eventually offset this, with the City returning to current demand levels by about 2031.

Table 7: Projection of Ice Pad Needs, City of Greater Sudbury (2011 to 2026) (MBPC Report)

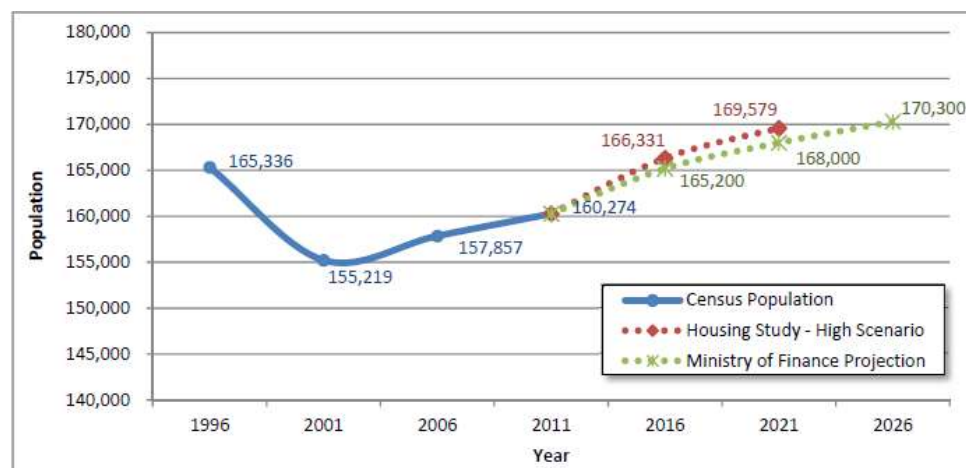
	2012	2016	2021	2026
Forecasted Number of Youth Registrants (based on a 23.5% participation rate for youth ages 5 to 19)	6,139	5,918	5,836	6,008
Number of Ice Pads Required (based on 16 pads at present and a provision target of 1 ice pad per 405 youth registrants)	15.1	14.6	14.4	14.8
Surplus Ice Pads	0.9	1.4	1.6	1.2

Forecasts based on current youth participation rates applied against Ontario Ministry of Finance Projections (Ontario Population Projections Update, 2011–2036)

Demographics

Recent census data and population studies completed by the Ministry of Finance, as illustrated in Figure 1, suggest that Greater Sudbury's population will grow at a consistent rate of approximately 5%. The primary users of arenas in the City of Greater Sudbury are minor sports participants under the age of 18. With this in mind, population data detailing the under 18 cohort has been presented in Table 8. The census information from Statistics Canada suggests that there has been a slight decrease in both males (5%) and females (6%) under 18 from Census 2006 to Census 2011. Projections to 2021 suggest that proportion of "children" (0 -9 years old) in the population will remain at approximately 10%, but the "youth" cohort (10 -19 years old) will decrease by approximately 2%.

Figure 1: Population Projections for the City of Greater Sudbury (MBPC Report)



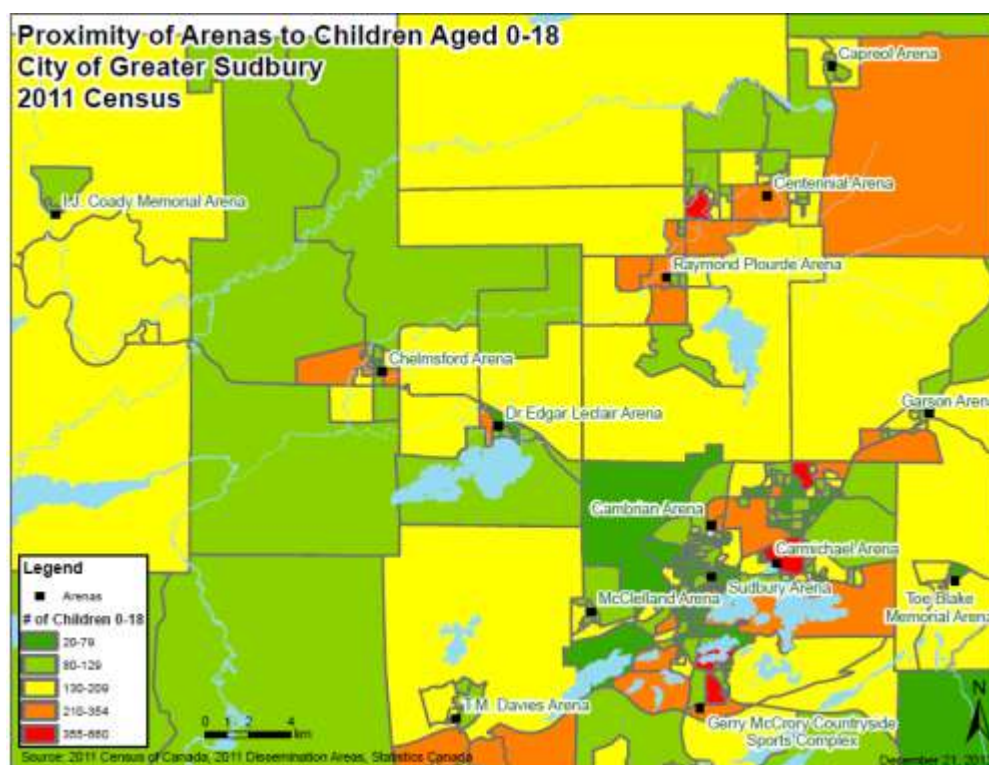
Note: Housing Study forecast was prepared to the year 2021

Source: Statistics Canada Census, 1996-2011; Housing Background Study, 2005; Ministry of Finance, 2012.

Table 8: Total Males and Females <18 (Statistics Canada – Census Data)

<i>Year</i>	<i>Male</i>	<i>Female</i>	<i>Total</i>
2006	16,875	16,290	33,175
2011	16,005	15,260	31,270
variance	-870	-1,030	-1,905
% change	-5.16%	-6.32%	-5.74%

Using GIS technology and 2011 Census information from Statistics Canada, the following map was created to provide a visual representation of the geographical location of Greater Sudbury residents that are under 18 years old. As suggested in Figure 2, there are heavier concentrations of youth in specific areas of Greater Sudbury. Specifically, the areas indicated in orange and red are neighbourhoods/communities that have more dense populations of children/youth. For ease of reference, locations of Greater Sudbury arenas have also been included on the map. As illustrated in the map, the areas in which there are more dense populations of children include Valley East, New Sudbury, Minnow Lake and the south end of the former City of Sudbury. It is also noted that the Onaping Falls, Levack area has little population density of children aged 0 -18.

Figure 2: Map of under 18 population and location of arenas

Participation Statistics

Table 9: # of Participants by Association

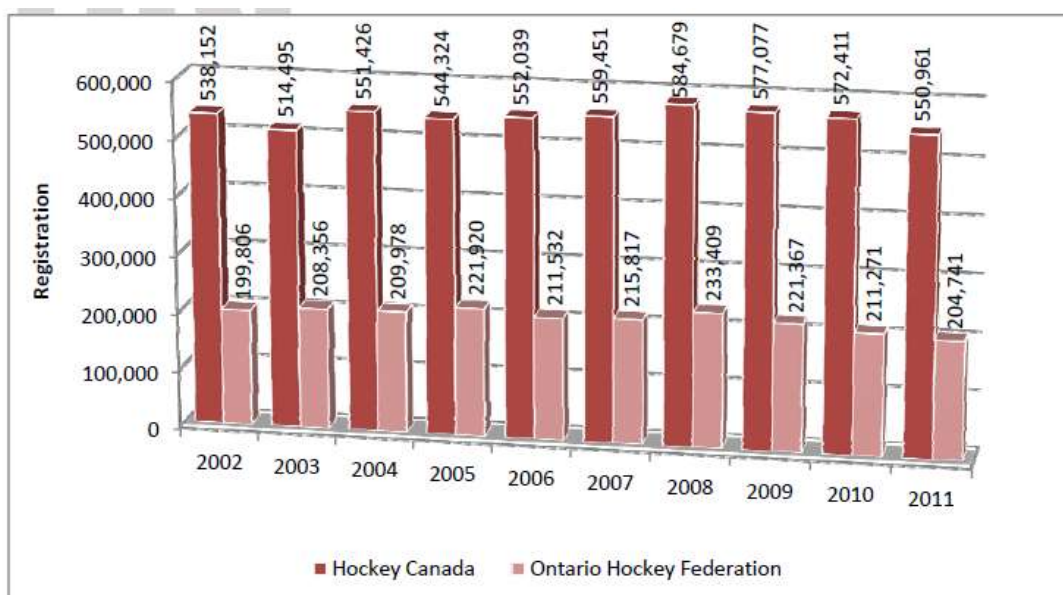
	2009-2010	2010-2011	2011-2012	2012-2013	% Change from 2009 to 2012
Association					
Minor Hockey Associations					
Capreol Minor Hockey	88	92	109	101	12.9%
Coniston Minor Hockey	97	106	101	100	3.0%
Copper Cliff Minor Hockey	550	522	540	516	-6.6%
Nickel Centre Minor Hockey	323	361	214	253	-27.7%
Nickel City Hockey Club			472	479	100.0%
Onaping Falls Minor Hockey	124	139	107	101	-22.8%
Rayside Balfour Minor Hockey	367	365	299	303	-21.1%
Sudbury Girl's Hockey	543	626	658	660	17.7%
Sudbury Minor Hockey	680	716	695	650	-4.6%
Sudbury Playground	573	550	538	489	-17.2%
Valley East Minor Hockey	635	682	716	741	14.3%
Valley East Progressive	128	128			
Walden Minor Hockey	351	347	249	286	-22.7%
Total Minor Hockey	4459	4634	4698	4679	4.7%
Figure Skating Clubs					
Chelmsford Figure Skating	129	105	126	118	-9.3%
Copper Cliff Figure Skating	244	256	310	257	5.1%
Nickel Blades Figure Skating	346	305	313	201	-72.1%
Sudbury Skating Club	201	166	255	267	24.7%
Valley East Figure Skating	297	235	259	207	-43.5%
Walden Figure Skating	137	147	127	103	-33.0%
Total Figure Skating	1354	1214	1390	1153	-17.4%
Ringette Associations					
Sudbury Ringette	75	84	96	103	27.2%
Valley East Ringette	152	130	149	119	-27.7%
Walden Ringette	104	125	126	85	-22.4%
Total Ringette	331	339	371	307	-7.8%

Note: Nickel City Hockey Club came into being in 2011-2012, at this time Walden, Rayside Balfour, Nickel Centre, Onaping Falls and Valley East Associations merged their "rep" hockey programs under the Nickel City Hockey Club governance model

Table 9 compares registrations for minor sports teams/associations that utilize arena facilities in Greater Sudbury, for the 2009-2010 through to the 2012-2013 ice seasons. A comparison over time indicates an increase in demand for minor hockey ice users, with a decrease in demand for figure skating and ringette. It is possible that the increase in hockey and decrease in figure skating and ringette is a result of the corresponding growth of girl's hockey in Greater Sudbury during this period.

Information from Hockey Canada and the Ontario Hockey Federation suggest that there has been an overall decrease in participation in organized sports, including hockey, nationally and provincially. Figure 3 presents national and provincial hockey registration information for the period 2002- 2011

Figure 3: National and Provincial Hockey Registration (youth and adult*), 2002-2011(MBPC)



Source: Hockey Canada, 2012

* For the purposes of consistency, 2011 registration data has been adjusted to remove participants registered in the new joint venture between Hockey Canada and Canlan Ice Sports (this adult recreation league data was first recorded in 2011).

3. Community Input/Consultations

In order to provide the citizens of Greater Sudbury an opportunity to provide input and feedback regarding the state of arenas in the city, seven (7) consultations were conducted throughout the month of September 2011, in several communities in Greater Sudbury. The consultations were designed as a drop-in and open house experience for citizens, with various fact and figures regarding arenas and arena usage posted on “story boards” with staff present to answer questions and provide additional information. Surveys were available to citizens to complete in order to provide more feedback and opinions regarding the direction that could be considered for the renewal strategy. The surveys were also available on-line. The City of Greater Sudbury’s website was utilized to provide information regarding the consultations, as were various social media applications (i.e. Facebook).

The results of the Arena Renewal survey and comments from the community consultations suggest that community arenas are still very important to residents. Although there was no overwhelming consensus on which direction the City of Greater Sudbury should pursue regarding arena renewal, it was clear from the responses that from the perspective of the citizens that participated in the consultations, existing facilities within communities should be maintained. This was suggested in the survey responses where respondents were asked to rank the ***importance of the potential actions*** (“1” being most important and “10” being least important). The lowest average ranking score, which would represent the most important action, was refurbishing current arenas (1.77).

The respondents appeared split in their opinion regarding whether the CGS should build new facilities or invest in repairing existing facilities. The survey asked about the current state of arenas and the respondents’ opinion regarding what the CGS should do, 45.8% indicated that they thought repairs were required and 42.6% indicated that the City should build new arenas. During the consultations, anecdotal comments often contained reference to multi-use facilities and the multi-pad facilities in Southern Ontario communities.

4. Considerations and Scenarios

The Arena Renewal Strategy has gathered and examined the data and provided quantitative facts associated with the operations of the existing arena facilities in the City of Greater Sudbury. Several significant issues and challenges are presented to Council for consideration.

Renewal vs. Replacement - Examples

Analysis of the Building Conditions report which provides the estimated capital costs for the next 10 years and the usage and demand statistics derived from historical data, suggests that in certain scenarios, replacement of arenas might present the best business case in terms of impact to the municipal levy, over time.

The following scenarios are examples of potential actions with suggested geographical clusters of current ice facilities that Council could consider regarding arena renewal or replacement. For the purpose of these scenarios, the estimated average net impact on the levy from Table 3 (page 5 of this report) is used in the calculations. The estimate for the annual cost of new facilities is based on debt financing calculated at 3.7% interest, over a 25 year amortization period.

Scenario A(i) provides an estimate for the replacement of the Sudbury Community Arena and Carmicheal Arena with a twin pad facility that could also host an OHL franchise. The estimate is based on a cost of \$70 million and assumes that if new facilities are built, they should consist of multi-pads to take advantage of operational efficiencies. **Scenario A(ii)** provides an estimate of replacing only the Sudbury Arena at an estimated cost of \$66M. Based on the capital needs of these facilities, it would appear that repair and ongoing capital maintenance would have a lesser impact on the levy than would replacement, though there has been some discussion regarding the need to replace the Sudbury Community Arena. There may be some interest in a public-private-partnership (P3) for the replacement of the Sudbury Community Arena, which would have an impact on the cost estimates.

Scenario B suggests the costs to continue to operate I.J. Coady, Chelmsford and Edgar Leclair arenas are slightly more than the costs to internally debt finance the construction of a new twin pad facility. This scenario assumes that, as has been the case with the Gerry McCory Countryside Sports Complex, the direct operating costs would be recovered through revenue from the operations of the facility. Usage data suggests that a twin pad would have the capacity to meet the ice demand of these three existing facilities. In this scenario, because the replacement and repair costs are relatively similar, and because the Chelmsford Arena has historically had issues with the arena floor, consideration could be given to new construction.

The Valley East and Capreol communities currently have 4 ice pads located in 3 facilities. These facilities report consistent usage, and therefore, **Scenario C** suggests that a four pad facility could be considered to replace the existing arenas. However, given the estimated annual cost of debt financing such a facility, at the present time, consideration could be given to repairing and maintaining the existing arenas in that area.

There is also evidence to suggest that in some cases, the repairing of existing facilities that are well used would present the best business case. In **Scenarios D** and **E**, the Toe Blake (Coniston) Arena and the Garson Arena, along with the TM Davies Arena and McClelland Arena have the same assumptions applied. The usage at these arenas is very high and therefore, in each scenario, a twin pad would be required to replace both facilities if the same level of service was desired. Clearly, the cost of the capital investment to repair these facilities provides the most advantageous option.

A further assumption considered for replacement vs. renewal is the logic of building multi-pad facilities that offer operational efficiencies, allowing the facility to operate at 100% cost recovery. Also, the scenarios are based on current projections and cost estimates for repair and replacement, as well as the current trends for ice usage.

Table 10: Scenarios for Replacement vs. Repair (based on current estimates and projections)

Scenario A(i)	Estimated annual net impact on levy (operating + capital)
Sudbury Arena	\$704,756
Carmichael Arena	\$318,593
Total estimated annual impact on levy	\$1,023,349 ¹
Estimated annual cost of OHL facility (twin pad)	\$4,339,884 ²

Scenario A(ii)	Estimated annual net impact on levy (operating + capital)
Sudbury Arena	\$704,756
Total estimated annual impact on levy	\$704,756 ¹
Estimated annual cost of OHL facility single pad	\$4,091,890 ³

Scenario B	Estimated annual net impact on levy (operating + capital)
I.J. Coady	\$322,271
Chelmsford	\$449,482
Dr. Edgar Leclair	\$355,597
Total estimated annual impact on levy	\$1,127,350 ¹
Estimated annual cost of twin pad	\$1,363,963 ⁴

Scenario C	Estimated annual net impact on levy (operating + capital)
Capreol (both pads)	\$469,236
Centennial	\$320,321
Ray Plourde	\$250,686
Total estimated annual impact on levy	\$1,040,243 ¹

Estimated annual cost of quad pad **\$2,169,941** ⁵

Scenario D	Estimated annual net impact on levy (operating + capital)
Coniston (Toe Blake)	\$313,141
Garson	\$225,711
Total estimated annual impact on levy	\$538,852 ¹
Estimated annual cost of twin pad	\$1,363,983 ³

Scenario E	Estimated annual net impact on levy (operating + capital)
TM Davies	\$276,133
McClelland	\$337,311
Total estimated annual impact on levy	\$613,444 ¹
Estimated annual cost of twin pad	\$1,363,983 ³

¹ average of annual estimate for 10 years (avg for yr 1 to yr 5 + avg for yr 6 to yr 10)/2

² \$70M financed for 25 yrs @ 3.7%*, assumes operational costs are fully recovered

³ \$66M financed for 25 yrs @ 3.7%*, assumes operational costs are fully recovered

⁴ \$22M financed for 25 yrs @ 3.7%*, assumes operational costs are fully recovered

⁵ \$35M financed for 25 yrs @ 3.7%*, assumes operational costs are fully recovered

* 3.7% is the current OSIFA lending rate from Infrastructure Ontario as per Finance Section

For comparison purposes, annual impact to the levy is derived from a 10 year estimate, it is assumed that these annual estimates would continue on an annual basis for the useful life of the respective facility. Costs after 10 years would most likely increase due to the age of the facilities (ie. average of 50 years old) and have not been quantified. As a result, this may decrease the gap for comparison purposes.

Emerging Issues

Replacement of the Sudbury Community Arena

Another consideration for Council is the replacement of the Sudbury Community Arena. Already over 60 years old, the arena has surpassed its useful life. However, there has been considerable capital investment in the existing facility (a total of \$4.2M over the past 14 years) and the facility does have some historical value for many Greater Sudbury residents. The desire for a new building to house a Sudbury Ontario Hockey League (OHL) franchise has surfaced recently, with the advantages of a newer, efficient facility with a greater seating capacity to allow for the hosting of larger, more prestigious events. The estimated cost for an OHL facility is in the range of \$30 – 60M, depending on seating capacity, location and amenities. According to data obtained by MBPC, a conservative estimate for the development of an OHL facility would be approximately \$11,000 per permanent seat. The

current seating capacity of the Sudbury Arena is approximately 4662 (including suite seating). A new facility with approximately 6000 seats would be optimal.

The following table from the MBPC report provides a summary of OHL cities and the facilities that have been built in the past 17 years.

As illustrated in the table, replacement of the Sudbury Community Arena would require significant capital investment, and in many cases across Ontario, the municipality assumes/absorbs the risk of the facility, though several new facilities are operated by private sector contract managers. Greater Sudbury would need to carefully evaluate and analyze options for management partnerships.

Table 11: Summary of OHL facilities (MBPC)

Location	Opened	# Seats	Delivery Model	Cost	Risk Allocation
Barrie	1996	4,200	Design-build	NA	City absorbs all risk
Sarnia	1998	5,000	P3	\$18.5M	Shared risk formula
Brampton	1998	5,000	P3	\$24.5M	City absorbs operating risk
Mississauga	1998	5,400	Design-build	\$22M	City absorbs all risk
Guelph	2000	5,100	P3	\$21.5M	Shared risk formula
London	2002	9,100	P3	\$47M	Shared risk formula
Sault Ste. Marie	2005	5,000	Design-build	\$25M	City absorbs all risk
Oshawa	2006	5,400	Design-build	\$45M	City absorbs all risk
Kingston	2008	5,200	Design-build	\$46.5	City absorbs all risk
Windsor	2008	6,500	Design-build	\$40M	City absorbs all risk

Source: Spectator Facility Feasibility Study, City of St. Catharines, Deloitte, 2011

Laurentian University

Laurentian University has confirmed that they will be developing men's and women's varsity hockey teams, as well as intra-mural hockey programs. They have expressed their intent to have these teams ready as early as the 2013-2014 hockey season.

Regarding future plans, the following resolution was passed by the Laurentian University Board of Governors, June 22, 2012:

WHEREAS the Board of Governors approved in February 2010 a Multi-purpose athletics facility (Phase I – hockey arena), funded by the private sector as a long-term capital strategic direction;

AND WHEREAS the Strategic Plan 2012 – 2017 includes an outcome to reintroduce men's varsity hockey, and introduce women's varsity hockey;

AND WHEREAS facilities for varsity hockey practice and competition will be rented until a campus arena is available;

AND WHEREAS the 2012-2013 Operating Budget and multi-year forecast allow for the launch of varsity hockey teams in September 2013, without being contingent on the availability of a campus arena;

BE IT RESOLVED,

THAT the Board of Governors approve the Sudbury Campus Arena Project Proposal, as recommended by the Property Development and Planning Committee at its meeting of June 12, 2012.

BE IT FURTHER RESOLVED THAT the Administrative Project Proposal Committee be structured to:

Pursue discussions with the City of Greater Sudbury regarding ice time availability;

Explore with the City of Greater Sudbury its interest in, and need for, additional ice; and

Investigate models of, and opportunities for, public-private partnerships (P3's) for an arena development.

As of the date of this report, the ice requirements for Laurentian's hockey programs will be accommodated at the Gerry McCrory Countryside Sports Complex.

Municipal Partnerships and Public-Private Partnerships

In their recent report, *Analysis Informing the City's Arena Renewal Strategy*, MBPC have provided detailed information regarding partnerships, their benefits and the differences in types of partnerships. In general, municipalities have entered into partnerships with the private sector as a means of transferring risk and attracting private capital.



City of Greater Sudbury

Analysis Informing the City's Arena Renewal Strategy

January 2, 2013

Prepared by:



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1.0 Introduction

Overview

Under the purview of its Leisure Services Department, the City of Greater Sudbury owns and operates fourteen arenas that contain a total of sixteen ice pads among them. The majority of the City's arenas and ice pads were constructed between 1950 and 1978, with the exceptions being the Countryside Arena (1993 and 2011 expansion) and the recently refurbished Cambrian Arena (2010-2011). Substantial renovations were also made to McClelland Arena in 2008/09 following extensive fire and smoke damage.

With an aging arena infrastructure, many facilities and their associated components are approaching the end of their useful life despite prudent capital reinvestment and maintenance activities undertaken by the City. As a result, the City of Greater Sudbury is currently developing an Arena Renewal Strategy to ensure resources are being used in an efficient and fiscally responsible manner. To assist in the development of the Arena Renewal Strategy, the Consulting Team of Monteith Brown Planning Consultants and the JF Group were retained to explore four specific items:

- 1) Identification of current trends in ice participation, arena demand, and arena provision across Ontario and the country;
- 2) A cursory assessment of the City's arena needs (in terms of quantity) based on utilization and provision targets;
- 3) Discussion of the types of public-private partnerships that may be available to the City for the construction and/or operation of community arenas; and
- 4) A high level examination of the costs to build an OHL-size arena (the home of the Sudbury Wolves – Sudbury Arena – was built in 1951 and there is a need to begin planning for its potential renewal or replacement) and the types of partnership arrangements that might be considered.

The consulting team's assessments contained herein have been conducted without the benefit of public or user group consultations. We understand that City staff has conducted public information sessions and an online survey through the Arena Renewal Strategy process.

Arena & Ice Pad Supply

The City of Greater Sudbury operates a total of sixteen (16) ice pads across fourteen (14) municipal arenas. Only two of the municipal arenas are twin pad facilities while the rest consist of single pad venues that were constructed prior to the amalgamation of the City.

Arena	Ice Pads	Year Built
Cambrian	1	2010-11 (<i>repairs</i>)
Capreol	2	1954, 1972
Carmichael	1	1972
Centennial	1	1969
Chelmsford	1	1969
Dr. Edgar Leclair	1	1970
Garson	1	1972

Arena	Ice Pads	Year Built
Gerry McCrory Countryside	2	1993, 2011
I.J. Coady Memorial	1	1976
McClelland	1	1978
Raymond Plourde	1	1974
Sudbury	1	1951
T.M. Davies	1	1974
Toe Blake Memorial (Coniston)	1	1970

There are no institutional (e.g., post-secondary) arenas in Greater Sudbury, but in 2010, the City's first (and currently only) private facility opened – the RHP Training Centre; this facility houses a small ice rink that is used for training and 3-on-3 hockey, as well as dryland training spaces. This facility does not compete directly with the City's facilities, but rather serves as a complement to local players who are looking to improve their skills.

Population Profile

The community profile of Greater Sudbury is an important foundational element in assessing the need for arenas. Considerations pertaining to population growth (e.g., size of the market) and composition (e.g., characteristics of people within the market) should be factored into analyses of arena needs.

Population Growth

The 2011 Census records the population for the City of Greater Sudbury at 160,274, representing an increase of 1.5% from the 2006 Census year. The City's population declined by nearly 7% between 1996 and 2001¹, but has since been increasing at a rate of about 1.5% every five years (about 0.3% annually).

As part of its five-year Official Plan Review, the City of Greater Sudbury is preparing a "Population, Housing and Employment Projections and Land Needs Background Study". This document and its findings have not yet been released; a draft is expected to be available in early 2013. Once available, the City should review the updated projections and consider revisions to the assessments contained herein. In the absence of new population forecasts, two alternative projections have been reviewed.

The first projection is from the 2005 Housing Background Study² for the current Official Plan. This report articulated three forecasts to the year 2021: out-migration (low) scenario whose population declines by 12.8%; a natural increase (medium) scenario where the population drops more modestly by 3.8%; and an in-migration (high) scenario where the population grows by 9.2%. Based on previous two Census periods, the in-migration scenario most closely reflects the five year historical growth.

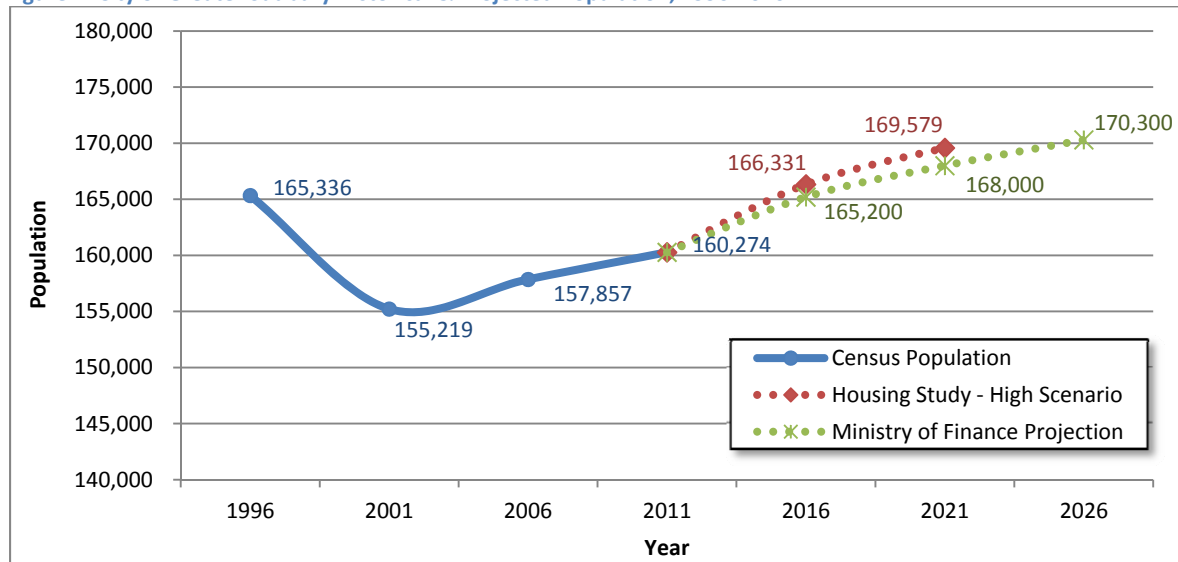
The second projection is from a Ministry of Finance report³ that forecasts about 5% growth by the year 2021. Given that the Ministry of Finance report uses a more recent dataset than the Housing Study forecast (the latter of which was generated using 2001 Census information), ***the Ministry's projections have been utilized as the basis for needs assessments contained herein.***

¹ The pre-amalgamation 1996 figure reflects the population within the current City of Greater Sudbury geographic boundaries.

² City of Greater Sudbury. Housing Background Study: Final Report. April 2005. SHS Inc.

³ Ministry of Finance. Ontario Population Projections Update: 2011-2036 – Ontario and its 49 Census Divisions. Spring 2012.

Figure 1: City of Greater Sudbury Historical & Projected Population, 1996-2026



Note: Housing Study forecast was prepared to the year 2021

Source: Statistics Canada Census, 1996-2011; Housing Background Study, 2005; Ministry of Finance, 2012.

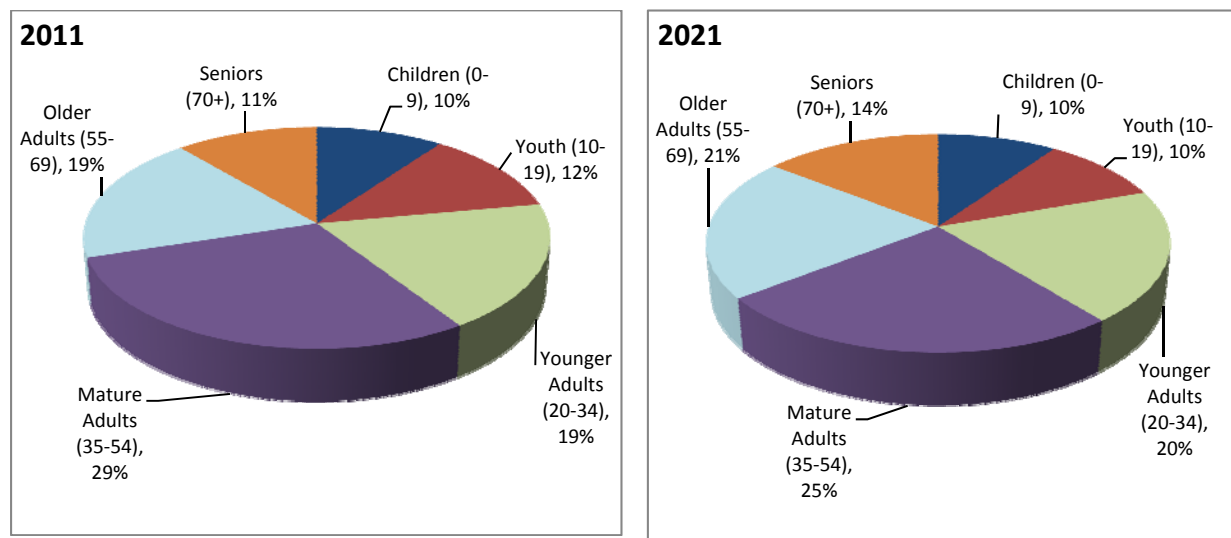
Age Structure

The median age of residents in Greater Sudbury was recorded at 42.3 years through the 2011 Census, placing it about two years above the provincial median of 40.4 years. The City's population is following national aging trends as the median age has increased by about 3.5 years over the past ten years. This aging trend is expected to continue based on both the Ministry of Finance and Housing Background Study projections.

As shown in the following charts, there are some notable implications for local arena demand between 2011 and 2021:

- The proportion of children, as a percentage of the population, is expected to remain consistent at 10% of the population although the actual number is forecasted to increase by about 160. This suggests that arena demand from this major market segment will be largely unchanged, barring any changes in participation rates.
- The proportion of youth is expected to decline to 10% of the population, translating into about 2,750 fewer individuals in this highly important market segment, suggesting membership levels in minor sports could be adversely affected unless participation rates dramatically increase.
- The proportion of younger adults is likely to remain relatively consistent, which bodes well for arena usage given an expected increase of about 3,100 more residents.
- The proportion of older adults and seniors is expected to increase to 35% of the population, or nearly 12,000 more individuals, and may create additional demands on ice time for the older adult market.

Figure 2: City of Greater Sudbury Current & Forecasted Age Structure, 2011 and 2021



Sources: Statistics Canada Census, 2011; Ministry of Finance, 2012

2.0 Arena Trends & Best Practices

Based on our experience doing similar studies throughout Ontario, this section provides a brief overview of some of the key trends and best practices pertaining to arena-related participation, design and operations.

Barriers to Participation

Research across Ontario shows that a lack of free time is the primary barrier to participation in recreation for youth and adults, driven by busy lifestyles at home, work and school. This lack of time issue has greatly impacted arena sports given that it is increasingly difficult to accommodate structured regimens throughout the week. For arena sports such as hockey, there can be significant time commitments associated with weekly practices and games, tournaments, and travel required.

Level of income can also be a significant barrier to participation in recreation, particularly in higher cost sports, as studies have correlated higher household income to higher participation rates due to a greater ability to pay. For hockey, costs can be intensive particularly for rep level play where household expenditures on registration fees, equipment, and travel are much higher than at the house league level; travel costs (as well as time spent) are exacerbated in rural regions such as Greater Sudbury where large distances must be covered for league play. According to an article published by CBC Sports, cost could be the most pressing problem facing hockey at the grassroots level, with a senior Hockey Canada official stating that cost plays a significant role in the stagnant or declining registration numbers faced by many minor hockey associations.⁴

In addition, there are growing concerns over player safety (e.g., concussions) and arena sports also face heavy competition from other leisure-time activities. For example, the popularity and lower cost of indoor soccer has drawn some participants away from local arenas while other individuals may seek non-recreational forms of activity altogether. The latter issue is becoming problematic as physical activity is being replaced with sedentary forms of leisure (e.g., watching television), leading to increasing rates of obesity and inactivity; in fact, the proportion of obese children increased threefold between 1981 and 2006⁵ while less than half of all Canadian children are active enough to achieve optimal growth and development (adults have similar percentages). Participation in physical activity (including skating, hockey, and drop-in and organized activities offered at local arenas) can assist in addressing this issue.

⁴ Rutherford K. Is the cost keeping kids out of minor hockey? Absolutely, players and parents say. CBC Sports. Available online at www.cbc.ca/sports/hockey/ourgame/story/2009/01/16/hockey-costs-too-much.html

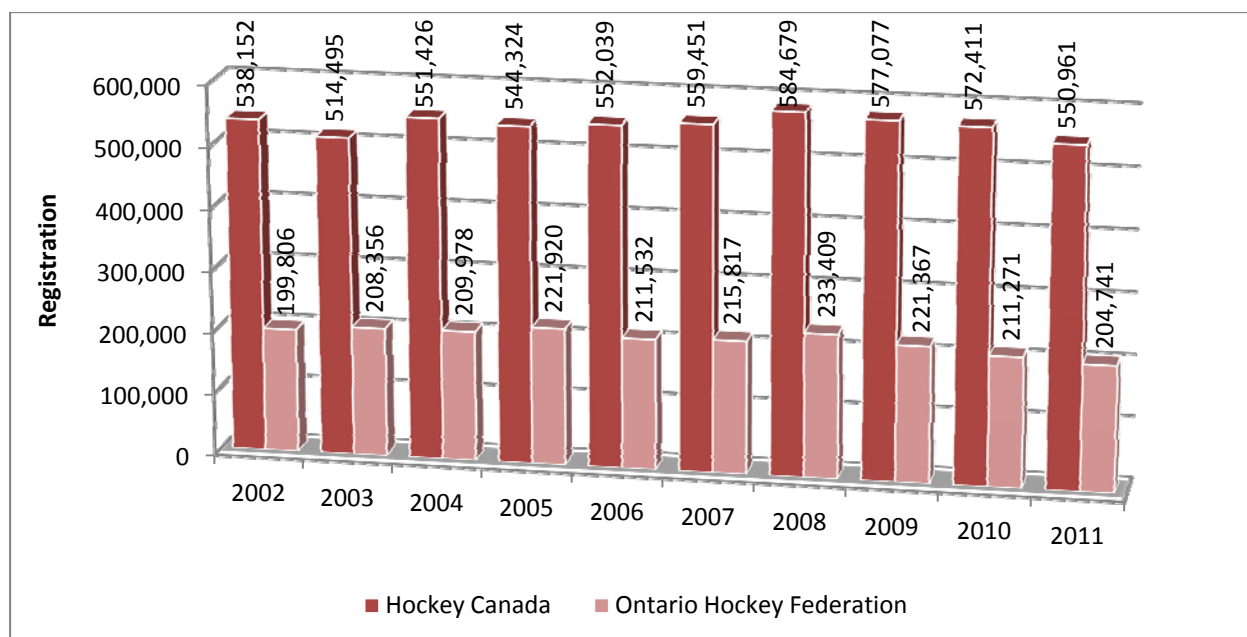
⁵ Health Canada and the Public Health Agency of Canada. (2006). It's Your Health.

Decrease in Organized Sports such as Hockey

Over the course of the last few decades, several organized sports have witnessed declines in participation, largely due to time and cost constraints faced by participants along with competition from new sports and unorganized/self-scheduled activities. Furthermore, participation in many sports is being impacted by immigration – many new Canadians are coming from countries from which hockey is not often played, thus affecting participation rates at the minor level. All of this has affected hockey in the following ways:

- 9% of Canadian children and youth play hockey, half the percentage that played 20 years ago.⁶
- Hockey Canada and the Ontario Hockey Federation experienced a peak in registration for the 2008-2009 season at 584,679 players.⁷

Figure 3: National and Provincial Hockey Registration (youth and adult*), 2002-2011



Source: Hockey Canada, 2012

* For the purposes of consistency, 2011 registration data has been adjusted to remove participants registered in the new joint venture between Hockey Canada and Canlan Ice Sports (this adult recreation league data was first recorded in 2011).

Interestingly, data from the City indicates that there are about 200 more minor hockey players in Greater Sudbury since 2008, although ringette and figure skating have both experienced declines since that time (although registration was up in 2010 and 2011 before declining for this current season).

As mentioned earlier, there is a growing emphasis on spontaneous, non-programmed activities that can easily be scheduled at the last minute. Provision of more self-scheduled/drop-in activities, extending hours of operation, and concentrating multi-generational, multi-interest activities at single locations is becoming more common. Greater Sudbury offers drop-in skating through its shinny and public skate programs at its arenas to encourage spontaneous participation.

⁶ Health Canada and the Public Health Agency of Canada. (2006). *It's Your Health*.

⁷ Kaufman, B. (2011). *Hockey Losing Numbers Game: Minor ranks don't do enough to appeal to new Canadians*. London Free Press. Available online at www.lfpress.com/sports/hockey/2011/10/31/18902646.html

Growth in Female Participation in Hockey

Across the nation, the most recent gains in hockey participation have largely been a result of girls' hockey (played in co-ed or girls'-only leagues). Hockey Canada reports that nationwide female participation has increased by over 50% in the past ten years ago, although growth has been stagnant the past four years, suggesting that the market has reached equilibrium. Female participation has certainly helped to sustain growth in Greater Sudbury, as the increase in 200 minor players over the past four years is largely attributable to girl's hockey. As will be discussed in the next section, however, it would appear that there is no longer any latent demand for girls/women's hockey as some prime time hours remain available within the City's arena system.

Increasing participation among females is also impacting facility designs. Older single pad arena templates were usually designed with four change rooms (two for teams on the ice and two for teams waiting for the next time slot). However, with increasing female participation there is a need for additional dressing rooms to ensure privacy. Through its most recent arena project, the City installed eight dressing rooms to service the second rink at Gerry McCrory Countryside Arena.

High Demand for Desirable Ice Times, Softening Demand for Other Times

Despite declining registration levels and ice rentals, the most desirable prime times consistently remain in high demand in most municipalities; these times are usually between 5pm and 10pm on weekdays (depending on child versus adult users) and weekends. With more households facing time constraints, there is evidence of a shrinking "window" of desirable ice times and more competition for prime time rental slots. As discussed in the subsequent arena assessment, utilization rates of City of Greater Sudbury arenas during prime time (5pm to 10pm on weekdays, 7am to 10pm on weekends) has slipped from a high of 98% in 2008 to 94% in 2012, which is indicative of this downward trend. Furthermore, in the City and elsewhere, weekday morning ice times – which were once the norm – are seldom rented.

Where declining registrations have most adversely affected bookings is during "shoulder" hours that fall just outside of the prime times. During the week, shoulder hour utilization (i.e., between 10pm to 12am) in the City has decreased from 70% to 52% over the past four years; even weekend prime hours have declined from 97% to 92%, whereas it has stayed around 97% during weekday prime hours. Softening demand during shoulder hours and weekends is perhaps indicative that people are less willing to inconvenience themselves to use arenas during perceived inopportune times, particularly when there may be other leisure time activities that are more appealing due to cost, time, etc.

The Impact of an Aging Population

Across Canada, the average age of the population is becoming older as the populous 'Baby Boom' generation moves through their lifecycle. Between 2006 and 2026, the number of Canadian seniors is expected to increase from 4.3 million to 9.8 million.⁸ As mentioned in the population profile, Greater Sudbury is expected to have nearly 12,000 more older adults and seniors by the year 2021 (a 25% increase over 2011).

⁸ CBC News. (2007). Boomers to reshape what it means to be a senior. Available online at www.cbc.ca

The implications of an aging population on arena utilization is potentially significant. On one hand, there may be new opportunities to book ice in non-prime times due to the growing market of older adults who are increasingly making use of daytime ice for dedicated skating times and hockey leagues. On the other hand, an aging population also means that the child and youth market, who are the most common users of arenas, is shrinking (in terms of proportion and number), which in turn may reduce the number of arena users in total.

Implications of Aging Infrastructure

Most of Ontario's recreational infrastructure was built in the 1960s and 1970s, and arenas in Sudbury are no exception – thirteen of the sixteen ice pads are over 35 years old (predating 1978). There are a number of challenges with older arenas, including (but not limited to) the following – older arenas:

- were designed to different construction and design standards and may have antiquated facility components (structural or mechanical);
- lack modern amenities, such as larger change rooms, heated viewing areas, and multi-use designs;
- have smaller ice pads, which creates safety and quality of play concerns with bigger, faster players having less space to skate;
- are single pad designs that cannot offer the convenience and cost savings of multi-pad arenas;
- may not be barrier-free for persons with disabilities; and
- are not energy efficient and thus have higher operating costs.

Recognizing this, recent Federal and Provincial funding programs contributed millions of dollars toward the renewal and construction of recreational infrastructure. Greater Sudbury has invested in the refurbishment of Cambrian Arena and constructed a new ice pad at the Gerry McCrory Countryside Sports Complex; however, renewal of the City's arena stock remains a very real and necessary priority for Greater Sudbury.

Certain municipalities have also explored adaptive re-use of their redundant arena facilities for purposes such as community centre space (e.g., Kingsdale Community Centre in Kitchener), indoor soccer (e.g., Syl Apps Community Centre in Paris, Ontario), indoor playgrounds (Vancouver), commercial or institutional usage (e.g., the former Maple Leaf Gardens in Toronto), and storage for public works or other operations equipment. Re-purposing can extend the life of an existing facility, but is often just as costly as building new given the need to refurbish the building components; as a result, the most common response is to decommission and demolish surplus arenas.

The Move Towards Multi-Pad Arenas & Multi-Purpose Facilities

In this era of user convenience and cost recovery, more often municipalities are centralizing multiple recreational facilities on individual sites. Experience in hundreds of communities across Canada supports the finding that multi-use recreation facilities can provide a great number of benefits. While the specific nature and degree of these benefits will depend on local circumstances, facility design/operation, and a host of other factors, there is no denying that multi-use recreation facilities have the potential generate substantial economic, social, and environmental gains for local municipalities. These benefits are most notable in those municipalities that view sport infrastructure as an investment in the community, not simply an expenditure.

The vast majority of recent arena construction has been in the form of multi-pad venues. Some of the notable benefits of multi-pad arenas and multi-purpose facilities include:

- **One-Stop Shopping:** The creation of a destination where residents can conveniently access recreation and/or other civic and social services (e.g., libraries, aquatic centres, older adult services, municipal information, etc.), making it particularly attractive for time-pressed individuals and multi-generational households.
- **Sport Development and Tourism:** Arena users may benefit from co-located spaces that allow for dry-land training (e.g., fitness spaces or gymnasiums), tournaments or banquets (e.g., multiple ice pads, community halls).
- **Operational Efficiency:** Multi-purpose facilities allow for efficient use of resources for facility operation through the economies of scale that are generated by sharing overhead costs such as staffing, utilities, maintenance, etc. These facilities are also well suited for public-private partnerships, as discussed later in this report.

To build upon the last point, the operational savings of moving from a single pad to a twin pad arena are significant due largely to the reduced per pad staffing complement (labour is the predominant cost factor in arena operating) and other economies of scale. In fact, the net operating deficit for a twin pad arena is typically the same as that for a single pad arena despite offering twice as much ice. Depending on the market and operating profile, additional savings can be achieved with a twin pad such that it runs at or close to break-even. With each single pad arena requiring a subsidy of \$150,000 to \$200,000 per year (an average in rural/urban Ontario), any opportunity to reduce this cost deserves consideration.

Single-purpose facilities, such as single pad arenas, are no longer preferred unless justified by need (or lack thereof). In the case of Greater Sudbury, the existing stock of single pad arenas assists in addressing distributional gaps resulting from the City's expansive territory, although it is accepted that this level of decentralization comes at a cost.

Cost Recovery

As operational costs rise, more municipalities are establishing cost recovery ratios to justify rental fees. Traditionally, municipalities have relied on historical precedent and regional benchmarking, but this is gradually being eschewed in favour of policy-driven pricing strategies.

Financial performance targets based on annual operating expenses are the most common approach (generally ranging from 50% to 95% recovery, depending on the user type), but there are some municipalities that include small capital reserve contributions in their pricing strategies. For example, some municipalities contribute to an annual repair and maintenance fund that is considered as part of the operating budget; the pricing policy is then based on the per hour operating cost (including the reserve contribution), discounted by user type.

The matter of capital reserves is often addressed more directly through an hourly ice fee surcharge. Surcharges are commonly applied for a pre-determined number of years at a consistent rate. Typically, municipalities consider surcharges when there is an identified project on the horizon, which makes it more likely for users to support this form of capital fundraising. Depending on the charge, it may take several years for the contributions to accumulate, which is why alternate forms of funding and/or financing are required for major capital projects.

3.0 Arena Needs Assessment

The following assessment evaluates the overall arena supply in the City of Greater Sudbury based upon an analysis of utilization rates and participation rates over the past five years, consideration of trends and best practices, and application of a market-driven service standard. This analysis does not consider the geographic location / distribution or physical condition of the City's arenas and no recommendations are made regarding specific arena improvements or closures.

The assessment largely focuses on arena utilization during 'prime' and 'shoulder' periods;⁹ it is recognized that certain arenas are also used sporadically throughout the daytime, though there are no organized group rentals during weekday mornings, something that is contrary to historical norms across the province. Further, the needs assessment considers usage during the winter arena season, although it is understood that some arenas are used during the summer (for ice and/or floor rentals).

Utilization Rates

The City of Greater Sudbury's *'Fall & Winter ice Allocation Rules'* (last updated in September 2012) guide ice allocation practices using a progressive formula to determine how ice is allotted to various user groups over the course of the season. The formula is supplemented by a number of rules stipulating the provision of registration data, turning back ice, cancellations, payments, etc.

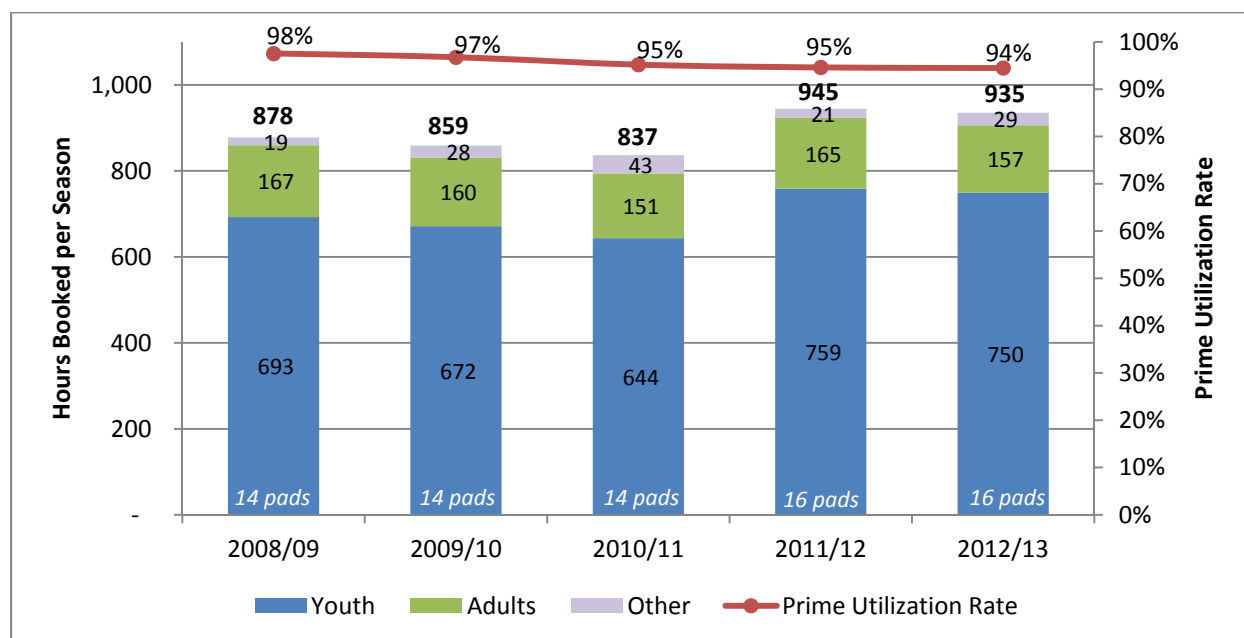
In general, City arenas are well used, with a 94% system-wide prime time utilization rate for the current season (as identified through the master arena schedules and shown in the figure on the following page). While this represents a good level of utilization, the prime utilization rate has steadily declined from its five-year high of 98% during the 2008/09 season. Examination of the number of hours booked during shoulder and prime hours reveals a similar downward trend, recognizing three key factors:

- a) McClelland Arena was not in service for the 2008/09 season for refurbishment due to extensive fire and smoke damage;
- b) Cambrian Arena was not in service during the 2009/10 and 2010/11 seasons due to refurbishment and resulted in fewer hours being available for booking; and
- c) Gerry McCrory Countryside #2 rink was constructed and opened in 2011/12, resulting in additional hours being available for rental.

Accordingly, the City's arena supply was 14 ice pads during the 2008/09, 2009/10, and 2010/11 seasons. Beginning in the 2011/12 season, a total of 16 municipal ice pads were available.

⁹ Prime time hours, for the purposes of this assessment, are considered to be from 5pm to 10 pm on weekdays and 7am to 10pm on weekends. Shoulder hours are considered to be from 10pm to 12am on weekdays and weekends. This definition is considered to represent functional prime hours and is different from the City's definition of prime time (contained in its Ice Allocation Rules) which are largely derived from revenue and pricing considerations.

Figure 4: Weekly Prime & Shoulder Hour Utilization (combined) at all City Arenas, 2008/09 to 2012/13



Notes: Data reflects hours booked only in prime and shoulder times. McClelland Arena was not in service for the 2008/09 season for refurbishment. Cambrian Arena was not in service for the 2009/10 and 2010/11 seasons due to refurbishment. In 2011/12, Gerry McCrory Countryside #2 commenced operations which added capacity for additional opportunities for ice rental.

Source: City of Sudbury Arena Logs, 2008-2012

The number of weekly prime and shoulder hours (combined) booked in 2012/13 is about 57 hours above the 2008/09 level despite the fact that there are now two more ice pads (i.e., a refurbished McClelland Arena and the new Countryside #2 rink). With an additional two pads in operation over this five year period, it is important to note that **only 41% of this additional capacity is being utilized this season** (i.e. 57 of the 138 new shoulder and prime hours per week). Subsequent analysis suggests that arena usage was re-allocated from other arenas to the new Countryside pad due to reasons such as convenience (e.g., closer proximity) or level of amenity/quality.

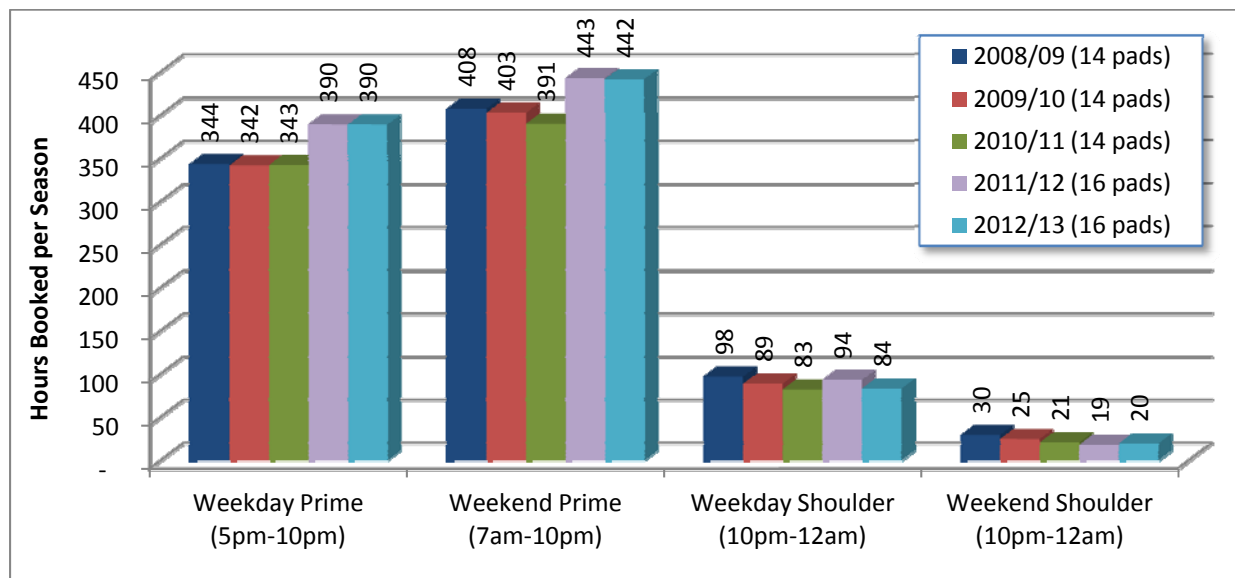
The number of hours booked by user groups has fluctuated slightly as well, though proportional allocation has remained fairly consistent. Over the past five years, youth organizations (e.g., minor hockey, figure skating and ringette) have booked between 77% and 80% of available shoulder and prime hours while the adult allocation has accounted for 17% to 19%; other non-minor users (such as high school hockey, OHL, etc.) have ranged from about 2% to 5%. It is notable that users are renting only a nominal amount of additional time despite the growth in the arena inventory.

Utilization in Prime & Shoulder Hours

Upon closer examination of hours booked, the most desirable time slots (i.e., prime time) continue to be in greatest demand. Interestingly, there appears to be softening demand in the shoulder hours, which explains the modest increase in the total number of hours booked and the declining utilization rate – there are 24 more hours per week available in shoulder periods now compared to five years prior (despite the two additional rinks). While arena users continue to book the most desirable slots, fewer are willing to rent time outside of the prime times; this is consistent with observations from many other communities.

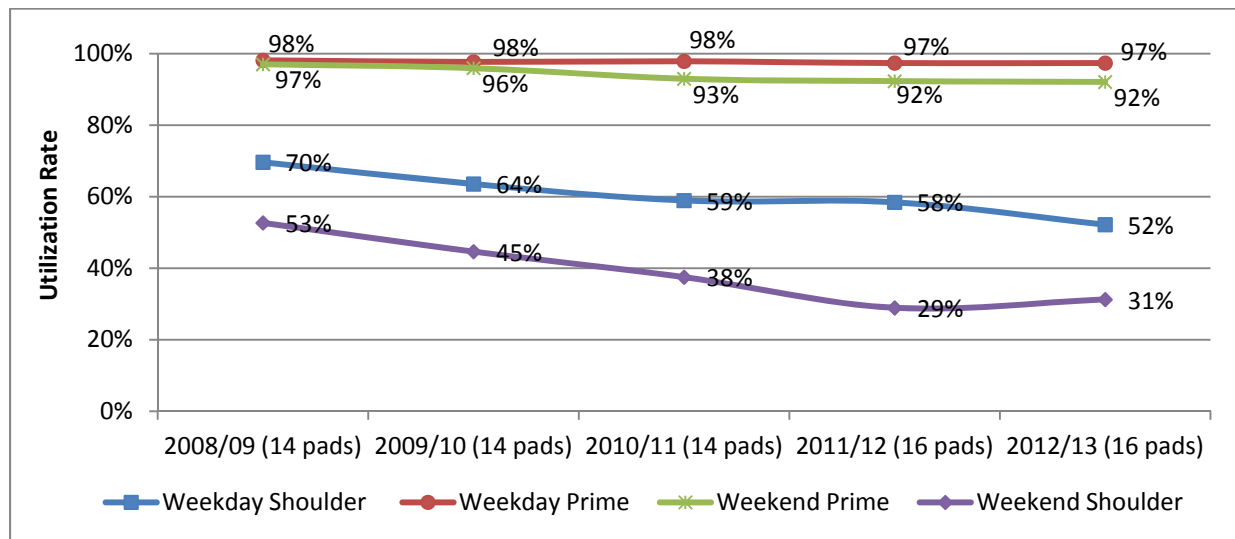
The eroding demand for shoulder hours is further demonstrated by the fact that utilization rates during weekday shoulder periods has decreased from 70% to 52% over the past five seasons, while weekend shoulder rentals have decreased from 53% to 31% utilization. Conversely, prime utilization rates during weekdays has remained fairly consistent, although prime weekend utilization rates are starting to experience a modest decline.

Figure 5: Weekly Hours Scheduled per Winter Season by Time of Use, 2008/09-2012/13



Notes: McClelland Arena was not in service for the 2008/09 season for refurbishment. Cambrian Arena was not in service for the 2009/10 and 2010/11 seasons due to refurbishment. In 2011/12, Gerry McCrory Countryside #2 commenced operations which added capacity for additional opportunities for ice rental.

Figure 6: Utilization Rate per Winter Season, 2008/09-2012/13



The following tables illustrate the prime and shoulder utilization rate for each arena over time. For the most part, prime utilization rates have remained stable with the notable exception of I.J. Coady in Levack. Examination into the shoulder hours, however, yields a very different result with all arenas experiencing declining utilization with the exception of the new Countryside #2 rink.

Table 1: Prime Time Utilization Rate by Arena (Winter Season), 2008/09-2012/13

	2008/09	2009/10	2010/11	2011/12	2012/13	Change (total hours)
Cambrian	100%	<i>Not in Service</i>		98%	98%	-2%
Capreol #1	95%	92%	90%	73%	86%	-9%
Capreol #2	95%	93%	96%	94%	90%	-6%
Carmichael	100%	100%	100%	100%	100%	0%
Centennial	98%	98%	92%	96%	97%	-1%
Chelmsford	100%	97%	95%	97%	98%	-2%
Dr. Ed Leclair	98%	100%	100%	100%	100%	-2%
Garson	100%	100%	99%	97%	100%	0%
Countryside #1	100%	100%	100%	100%	98%	-2%
Countryside #2	<i>Not Yet Constructed</i>			98%	96%	n/a
I.J. Coady	83%	79%	67%	74%	58%	-30%
McClelland	<i>Not in Service</i>	100%	100%	100%	100%	0%
Raymond Plourde	96%	97%	95%	94%	96%	0%
T.M. Davies	100%	100%	100%	100%	100%	0%
Toe Blake Memorial	100%	100%	100%	95%	97%	-3%
Sudbury	100%	98%	98%	98%	95%	-5%
CITY WIDE	98%	97%	95%	95%	94%	--

Table 2: Shoulder Time Utilization Rate by Arena (Winter Season), 2008/09-2012/13

	2008/09	2009/10	2010/11	2011/12	2012/13	Change (total hours)
Cambrian	75%	<i>Not in Service</i>		58%	47%	-14%
Capreol #1	43%	43%	21%	32%	29%	-33%
Capreol #2	39%	43%	43%	21%	25%	-36%
Carmichael	79%	57%	57%	71%	50%	-36%
Centennial	71%	68%	57%	46%	46%	-35%
Chelmsford	64%	39%	36%	54%	50%	-22%
Dr. Ed Leclair	61%	57%	57%	61%	50%	-18%
Garson	89%	79%	75%	61%	61%	-32%
Countryside #1	82%	71%	71%	46%	54%	-35%
Countryside #2	<i>Not Yet Constructed</i>			46%	50%	n/a
IJ Coady	14%	14%	7%	7%	7%	-50%
McClelland	<i>Not in Service</i>	68%	54%	46%	39%	-42%
Raymond Plourde	54%	54%	43%	36%	32%	-40%
TM Davies	79%	54%	61%	46%	43%	-45%
Toe Blake Memorial	71%	86%	86%	68%	68%	-5%
Sudbury	86%	82%	71%	79%	71%	-17%
CITY WIDE	65%	58%	53%	50%	46%	--

Notes: Utilization rates based on 55 prime hours being available each week (M-F 5pm-10pm, S-S 7am-10pm) and 14 shoulder hours each week (M-S 10pm to 12am).

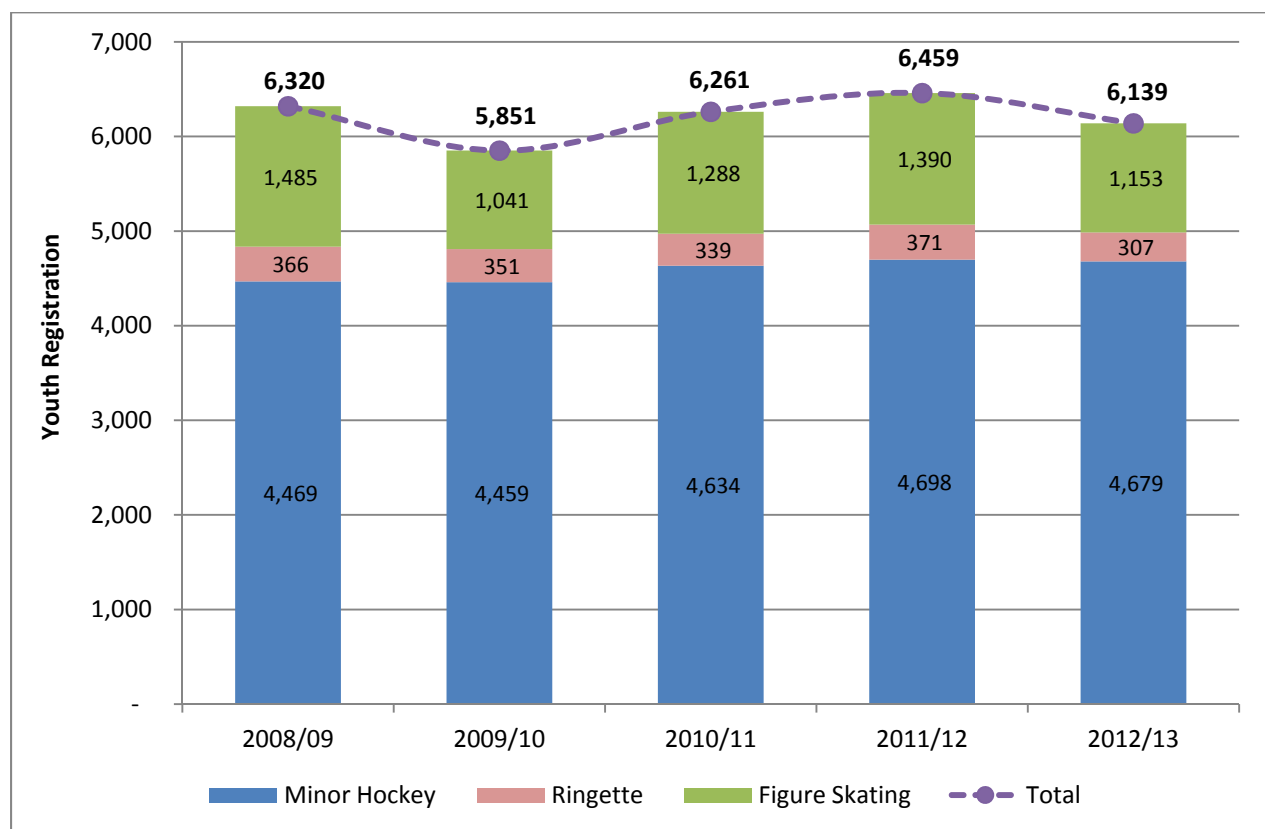
Source: City of Sudbury Arena Logs, 2008-2012

Participation Rates

In addition to hours rented, another complementary indicator of demand is the number of participants registered in arena sports. The local arena market is dominated by users associated with minor sports or figure skating clubs. Based on data provided by the City of Greater Sudbury, the total number of youth users decreased from 6,320 in the 2008/09 season to 6,139 in the 2012/13 season, with some fluctuations in between (the 2011/12 season represented a five year peak). Over the past year, participation declined by about 320.

With about 27,425 residents in Greater Sudbury's 5-19 age cohort and 6,459 registrants (all 2011 data) means that about 23.5% of children and youth participate in organized ice sports; this is in the middle of the common range observed in other communities (typically between 20% and 25%).

Figure 7: Participation in Minor Arena Sports, 2008/09-2012/13



Source: Ice Allocation Formula Summaries, 2008-2012

From the preceding chart, there are some notable trends that can be extracted.

- The total number of participants is trending downwards despite the slight increase when the second pad at Countryside was complete (this may have been impacted by the 'novelty factor' of a new facility). Furthermore, it can be inferred that:
 - the number of skaters on the ice at any one time has declined, as the number of youth registrants has declined but their rental hours have not; and/or
 - youth registrants are getting more ice time than they have in past years.

- The number of minor hockey registrants has increased by about 200 players between 2008/09 and 2012/13, nearly all of which can be attributed to Sudbury Girl's Hockey and is in line with provincial trends that point to recent growth in female hockey participation.
- With respect to figure skating, a sharp decline occurred in 2009/10 likely as a result of closure of the Cambrian Arena which accommodates a great deal of figure skating. That said, figure skating numbers rebounded in 2010/11 and 2011/12 prior to subsequently declining once again in 2012/13.
- Ringette has stayed fairly consistent in the 350 to 370 player range, however, it has declined considerably to just over 300 players for the current season.

It is notable that the population of children and youth (ages 5-19) in the City declined by 7% between the 2006 and 2011 Census periods, suggesting that the potential market for youth sports has been in decline for several years. Despite this, minor hockey in particular has witnessed modest gains – a trend that is not likely to be sustainable.

Given the forecasted contraction of the youth population over the next ten years, it is reasonable to expect that minor hockey, figure skating, and ringette will be challenged in maintaining local participation levels within the youth market, and that the future children's market will remain stable at best given the marginal growth forecasted in that age segment. All of this suggests that there will be fewer children and youth participating in arena sports despite an overall growth projected in the City's population (if the population does in fact grow); new population forecasts are currently being developed based on recent Census data.

While children and youth constitute the primary users of arena time in Greater Sudbury, the adult market must not be overlooked. The City does not collect registration data for adult users and thus an examination into how many hours are booked for adult play has been undertaken. As illustrated in Figure 4, adults rented 167 shoulder and prime hours per week in the 2008/09 season. By comparison, 157 shoulder and prime hours per week were rented by adult users in 2012/13 – a decrease of 6%. The number of prime and shoulder hours booked by adults has decreased over the past five years, although it is recognized that adult groups, like other users, may also rent ice during non-prime hours.

In other municipalities we have analyzed, the allocation of youth versus adult bookings is generally about an 80/20 split, noting that adults typically require less ice time (e.g., no practices) so they can accommodate more users during their allotted hours; provincial norms suggest that about 4% of adults ages 19 to 54 are involved in ice sports. Adult participation in Greater Sudbury appears to generally follow these findings, suggesting that there is nothing unique about adult demand in the City and that adult participation should fluctuate at a rate similar for population growth in this age cohort, all other factors being equal.

Assessment of Need

The City's 2004 *Parks, Open Space & Leisure Master Plan* established a provision standard of 1 ice pad per 12,000 population for the City of Greater Sudbury (the existing service level translates into 1 ice pad per 10,017 residents). The population-based standard, however, does not necessarily capture market-based demand considerations (such as changing participation rates, an aging population, geographic inequities, etc.) and, therefore, a different approach was used in the City's 2007 *Multi-Use Recreational*

Complex Feasibility Study. The 2007 Study applied a market-specific target of 1 ice pad per 500 youth registrants at “core area” rinks only.

A market-specific target continues to be the preferred approach; however, in examining the City’s entire arena supply, a modified target is required to reflect the differences between utilization rates in urban and rural arenas. For example, in urban rinks, utilization can approach 100% in many instances because excess demand can easily be shifted to a nearby rink; in rural areas, a certain amount of excess capacity – particularly for youth – is more common due to smaller populations and challenges in travelling to more distant rinks.

To help establish a reasonable provision target that is reflective of Greater Sudbury’s unique circumstances, it is helpful to consider current utilization as an indicator of demand. Most notably, the number of available prime time hours City-wide has increased every year between 2008/09 and 2012/13, from 18 hours to 48 hours per week. This unused ice equates to the equivalent of 0.9 surplus ice pads (based on 55 hours per week per rink) at present. There is no apparent latent demand (given the availability of prime ice in both the former City and broader community), thereby reinforcing the validity of this finding. With a current supply of 16 pads, demand for 15.1 pads, and youth registration of 6,139, the average provision level is approximately 405 youth registrants per ice pad. This provision level represents the equilibrium where arena demand equals supply in the City of Greater Sudbury.

As such, it is recommended that provision target of 1 ice pad per 405 youth registrants be utilized for assessing City-wide arena needs. This target assumes that youth will use the large majority of minor prime time hours, but also allows for occasional usage from a broader market of users (e.g., tournaments and competitions). This target is meant to be applied across the entire system and not to specific arenas as usage profiles will be different at each facility.

Current youth registration levels (6,139 across 16 rinks) equate to the City providing one rink per 384 youth registrants. When the City had 6,320 youth registrants and 14 rinks available in the 2008/09 season, this average was 451 per ice pad and there was some pressure for expanding the ice supply, particularly in the downtown/Sudbury area. This demand appears to have peaked in 2011/12. The construction of Gerry McCrory Countryside #2 rink helped to alleviate this demand, however, registration has since fallen and this trend is projected to continue, creating additional capacity within the system.

The following table illustrates application of the preferred provision target, assuming the existing rate of participation is maintained (i.e., at 23.5%) and children and youth market segment (5-19) declines at the forecasted rate. Modest declines in arena demand are expected over the next fifteen years with contraction of the primary arena market (i.e., children and youth). The analysis suggests that future population growth will eventually offset this, with the City returning to current demand levels by about 2031.

Table 3: Projection of Ice Pad Needs, City of Greater Sudbury (2011 to 2026)

	2012	2016	2021	2026
Forecasted Number of Youth Registrants (based on a 23.5% participation rate for youth ages 5 to 19)	6,139	5,918	5,836	6,008
Number of Ice Pads Required (based on 16 pads at present and a provision target of 1 ice pad per 405 youth registrants)	15.1	14.6	14.4	14.8
Surplus Ice Pads	0.9	1.4	1.6	1.2

Forecasts based on current youth participation rates applied against Ontario Ministry of Finance Projections (Ontario Population Projections Update, 2011–2036)

This analysis identifies a surplus of 0.9 ice pads at present, growing to 1.6 ice pads by 2021, before population growth decreases this to 1.2 in 2026. Projections between 2026 and 2036 are not shown in the preceding table due to uncertainty in the long-term horizon, but suggest that the current surplus of one ice pad will remain through this period.

While this analysis focuses on youth prime time utilization, trends suggest that the number of hours allocated to adults is trending downward, meaning this group is unlikely to replace hours that may become available should youth demand wane. The current surplus may be impacted to a minor degree by bookings from Laurentian University who are establishing a varsity hockey program and have secured ice time at municipal arenas for the 2013/14 season. These varsity teams, however, will only require ice time over 7 to 9 weekends per year (in addition to practice ice during non-prime hours) and can largely be accommodated within the current schedule through sharing with an established ice contract.

Clearly, the City's arena surplus is impacted by its distribution across a vast geographic territory. Much of the surplus is attributed to arenas in peripheral areas, particularly the I.J. Coady Arena in Levack. Unfortunately, this level of decentralization means that the City is not able to benefit from operational and financial efficiencies that it otherwise might achieve if ice pads were centralized at fewer arena sites.

Based on current participation rates and population projections, there is justification to remove one ice pad from the City's inventory, but insufficient demand to remove two or more rinks. The I.J. Coady Arena in Levack is a likely candidate for removal due to its very low utilization levels and remote location. Longer-term demand is anticipated to remain relatively steady, such that there will continue to be sufficient demand to support a supply of 15 ice pads for the foreseeable future.

Summary of Key Findings

This analysis has been prepared to provide supporting information to the City of Greater Sudbury's Arena Renewal Strategy. Population forecasts utilized in this analysis point to a growing but aging population which has a number of implications on arena usage. Population projections currently being prepared as part of the City's Official Plan Review should be considered in subsequent assessments in order to portray arena needs with the most recent data that is available.

The following is a summary of key findings from the preceding trends analysis and arena needs assessment:

- **Aging Arena Infrastructure:** Many of Greater Sudbury's arenas are approaching or beyond their functional life cycle, based on industry standards. Older arenas do not operate or functionally serve their users as efficiently or effectively as newer facilities, particularly with respect to energy efficiency, required capital maintenance, accessibility, comfort, sport tourism opportunities, etc.
- **Declining Number of Youth:** A decline in the number of children and teens (5-19) between 2006 and 2011 has likely contributed to a 2% decline in minor ice sport registrants over the past five years. Based on the further contraction of the youth population forecasted over the next ten years, declining registrations in arena activities can be expected barring any increase in participation rates. Currently, approximately 24% of youth participate in organized ice activities in Greater Sudbury.
- **Aging Population:** The City's aging population and new varsity teams may generate modest requests for additional ice during prime and non-prime times, however, this is unlikely to have any real impact on overall rental demand.
- **Decreasing Participation in Organized Arena Activities:** In line with provincial and regional trends, Greater Sudbury is experiencing decreasing participation in organized ice sports. Recent increases in female hockey participation has helped to reduce this impact, however, trends suggest that these rates have plateaued.
- **Latent Demand Unrealized:** Any latent demand that was anticipated prior to constructing the City's sixteenth rink (Countryside #2) has not been realized. Despite about 60 more hours per week being booked now compared to five years ago, about 41% of capacity added since then (by re-opening McClelland Arena and constructing Countryside #2 rink) has been filled. This suggests that Countryside #2 is attracting usage away from the City's more remote arenas rather than accommodating "new" utilization.
- **Softening Demand:** The City's arenas continue to be well utilized during prime hours, however, booking data demonstrates a softening of demand during shoulder times (10 p.m. to 12 a.m. throughout the week). Usage during weekday shoulder periods has decreased from 70% to 52% over the past five seasons, while weekend shoulder rentals have decreased from 53% to 31% utilization.
- **Decentralized Operations:** With the twinning of the Gerry McCrory Countryside Complex, Greater Sudbury has begun to move in line with other communities that are concentrating multiple ice pads within one facility, although the City continues to provide a highly decentralized level of service with a number of single-pad arenas across its vast geographic territory.
- **Surplus of Ice:** Looking solely at City-wide supplies and allowing for some unused capacity, it is anticipated that the City will have a surplus of one ice pad beginning in the 2013/14 season. This surplus is expected to persist, such that there will continue to be sufficient demand to support a City-wide supply of 15 ice pads for the foreseeable future. As part of its Arena Renewal Strategy, the City should consider removing a single pad arena from its inventory, with the I.J. Coady Arena in Levack being the likely candidate due to its very low utilization levels and remote location.

4.0 Municipal Partnerships for Arena Facilities

The objective of this section is to provide the City of Greater Sudbury with advice and guidance about public-private partnerships or joint ventures options that could be pursued by the municipality for the development and operation of community arenas.

There is significant appeal for risk transference and attracting private capital to municipal recreation infrastructure developments. Under the right circumstances, and as demonstrated in the following examples, public-private partnerships have successfully achieved these objectives in community arena projects throughout Canada. But, the P3 model must be consistent with the needs of the project and deliver benefits to all those participating in the project. Furthermore, the municipal officials must be committed to the relationship and willing to dedicate the necessary time and effort to work with outside interests to craft a relationship that has the necessary ingredients to make it successful.

Context

Most communities across Canada are challenged to meet the funding requirements of new facilities while keeping their existing stock of assets in good repair. In fact, the *Ontario Infrastructure Inventory Study* that was undertaken by Parks and Recreation Ontario identified that there are more “centennial rinks” in the province than arenas that have been built in the past two decades. And, most municipalities are dealing with substantial levels of deferred arena maintenance which is placing undue pressure on long term capital budgets. The weight of these financial stresses has caused some municipalities to explore – and in certain cases implement – alternative facility provision strategies to advance projects that would have been impossible within a traditional municipal self-development and operate approach.

Developing a relationship with an external group is one of several capital development methods employed by municipalities. As the number of examples grow, it is becoming increasingly clear that partnerships (of any sort) involve nuances not normally found in traditional municipal facility provision models. Consequently, prudent municipalities ensure that ALL potential partnerships undergo rigorous scrutiny through the application of a screening mechanism to examine the benefits and limitations of the opportunity. Municipalities that have adopted an evaluation framework to assess and secure suitable partners have found that the process: (1) informs municipal officials of the merits and drawbacks of each partnership candidate and project; and (2) clarifies the expectations and obligations of organizations looking to partner with the municipality.

Nuances of Partnerships

While linkages between municipal governments and outside interests are not new, certain jurisdictions are contemplating relationships that are dramatic departures from traditional approaches to the delivery of services. Examples of this trend in the recreation field include partnerships through which traditional municipal leisure services are entirely delivered by a third party. For example, the YMCA is operating facilities and providing aquatic and/or community wellness programs in jurisdictions where the municipal recreation department was once the sole provider of services – London Ontario, Kelowna BC, etc. Likewise, certain municipalities have opted to align with private rink operators who help to develop, manage and program community arenas – Hamilton Ontario, Halifax Nova Scotia, etc.

There is no question that the concept of partnerships between governments and non-traditional partners is a growing trend. According to the Canadian Council of Public Private Partnerships, more P3 projects were closed in 2010 than ever before, making that year the most active on record. The CCPPP suggests that this is a testament to the commitment of the Canadian and provincial governments to use the P3 model as well as the capabilities of Canadian and international companies working in the partnership market.¹⁰ And, with national and provincial ministries dedicated specifically to the cultivation of successful partnerships (P3 Canada, Partnerships BC, Infrastructure Ontario, etc.), it is unlikely that the trend will diminish any time soon.

Not surprisingly, alternate service delivery arrangements are becoming more creative and successful as partners learn more about transition issues and the need for ongoing management of these new forms of relationships. There is no single formula that will satisfy all potential partnership situations. However, as the concept evolves, best practices and guidelines are beginning to emerge and be more widely accepted as process templates. Municipal governments are preparing to wrestle with the many facets of alternate service delivery by developing frameworks within which all potential relationships will be conceived, crafted, evaluated, and managed.

Research has found nine factors that should be in place when choosing to enter into a partnership or selecting a potential partner:

- Individual excellence – partners have something of value to contribute to the relationship.
- Importance – the contemplated alliance fits the strategic goals of each partner.
- Interdependence – the partners need each other and their complementary skills, to fulfill the goals and objectives of collaboration.
- Investment – there is tangible commitment of resources by all involved.
- Increased reach – the size of the partners' market or scope of services is expanded.
- Information – there is open communication regarding goals, conflicts, problems and changes.
- Integration – there are many connections between partners at several levels.
- Institutionalization – the alliance has a formal status in all organizations and cannot be abandoned on a whim.
- Integrity – no partner will try to undermine the alliance.

Benefits of Partnerships

Several common elements are inherent with successful municipal partnerships:

- The venture will be mutually beneficial to each partner.
- There are clearly defined roles and responsibilities.
- There is a performance evaluation methodology.
- There is a shared commitment to serve the needs of those affected by the venture.
- There is a commitment to improve.
- There is fair and honest recognition of each partner's contribution.

Relationships with outside groups will only be practical in Greater Sudbury if reasonable benefits accrue to the City and that the relationship supports municipal priorities. To this end, it is the City's responsibility to thoroughly analyze each potential relationship on its own merits.

¹⁰ 2010 CCPPP National Awards Case Study (2010)

It is important that the City's relationships with external entities are with a compatible and willing partner that shares the municipality's long-term vision for the project. Not only should the partner bring the necessary skills and resources to fulfill its project obligations, but also demonstrate a public service attitude. Recognizing that all partnerships should be developed in response to specific circumstances of a particular project, potential partners should understand the City's intent to develop an open and honest relationship where each partner's contribution is important to the success of the project. Furthermore, the partner must be dedicated to the pursuit of mutually accepted objectives and endorse a philosophy of constant improvement. Finally, there must be shared commitment to provide a quality recreation environment that is consistent with the expectations of Greater Sudbury's residents.

Partnerships for Service Delivery

Although there are numerous forms of service delivery partnership available to local governments, our research suggests that most municipal arrangements can be grouped in one of the following categories:

- Strategic Alliance – a relationship that involves two or more organizations collaborating on planning and delivering select services and programs.
- Contract Agreement – services contracted to another organization, whereby the contracting partner may assist in the development of the service but has no responsibility for managing/operating the service other than ensuring the service is delivered to specification.
- Rental Agreement – facilities rented by one partner from another, where the renter either allocates designated times to affiliated groups or directly delivers services and programs to its constituents in the rented facility.
- Service Agreement – services provided through an agreement with two or more partner organizations, where services are jointly controlled, managed and operated by the partners as specified in the agreement.

Realistic Expectations

Our review of partnership case studies suggests that the concept is a reasonable option for creating cost-effective solutions to both capital and operating challenges confronting certain recreation systems. However, partnerships are not a cure-all or a panacea for all the problems currently facing the public leisure sector. Too often, expectations are beyond the capacity of a partnership to deliver and consequently the relationship is eventually perceived as unsuccessful. Also, a partnership must be mutually beneficial and therefore there will likely be considerable give-and-take in terms of the project outputs. It is, therefore, advisable to establish clear and attainable objectives at the outset of the project and to tie the expectations of senior officials directly to the likely results of the relationship.

Myths About Partnerships

As mentioned above, most partnerships will not result in benefits that solve all the problems currently facing municipal leisure service providers. Common misconceptions include the following:

All risks will be transferred – While certain risks may be shared between the partners, the municipality will always be exposed to certain operational and commercial risks. For example,

taxpayers will always look to the municipality to resolve disputes or other operational problems even though an outside entity is responsible for service delivery. Additionally, it is impossible to transfer risk without also transferring control over the elements that will influence risk. For example, a municipal partner will not likely be successful in transferring revenue risk while retaining control over price setting. Even though a local government might decide to contract-out the delivery of certain services, it is likely the municipality will still be on the hook for any complaints or criticisms associated with service quality or interruptions in services. There have been cases in Ontario where third party providers have abandoned projects that were valued by the community forcing the municipality to step in to resurrect the service. These situations are troubling because they are often unforeseen which means municipal staff must respond in an emergency fashion. Also, municipalities have had to deal with financial issues where former third party providers have received advanced payment for services that were not delivered.

Private equity will solve capital funding problems – As mentioned in the discussion in the preceding table private sector capital is often more expensive than traditional municipal funding models. Typically the private sector anticipates returns on investment that are higher than municipal borrowing rates. Furthermore, traditional lending institutions are less likely to provide private partners with financing assistance in the absence of a municipalities covenant to backstop the loan. It is for this reason that many capital projects involving private partners have been entirely funded by local government.

Sponsorships/naming right fees will make an otherwise unviable project viable – While sponsorships, naming rights and creative marketing endeavours can produce useful streams of revenue, we are unaware of any cases where these activities have converted a loser to a winner.

Partners with similar mandates will have a solid and successful relationship – Frequently this is not the case because of conflicts in styles, branding issues or differing approaches to certain aspects of the business. For example, some municipalities that have entered into recreation facility operating agreements with not-for-profit groups have later discovered that the municipality's brand has all but disappeared from the facility. In other cases, under the operating agreement, municipal recreation clients are required to pay membership fees to access the facility or participate in its programs – a client relationship that is significantly different than traditional municipal approach. These issues have resulted in substantial reshaping of the agreement or outright cancellation.

Once the relationship is struck, the municipality has little to do – To be successful, partnerships need to be effectively managed. It is not sufficient for the municipality to nurture a relationship and then leave the partner to its own devices. It is the municipality's obligation to maintain an ongoing relationship with its partner to ensure that service standards are maintained; contractual obligations are met; required supports are provided; and potential problems are addressed through joint planning. A balance must be struck between the municipality's responsibility for audit and oversight and the partner's right to conduct business with minimal interference. Each party should appoint one person to be the main contact point on all matters relating to the administration of the agreement. They should meet on a regular basis to stay abreast of emerging issues, resolve potential problems and identify opportunities where additional resources are required to enhance the success of the relationship.

Public-Private Partnerships (P3s)

The term public-private partnership (P3) often means many different things to different people. While some do not consider a traditional design-build agreement as a partnership, others prefer to use the term for any form of public-private collaboration.¹¹ This report utilizes the following Canadian Council of Public Private Partnerships P3 definition:

“A cooperative venture between the public and private sectors, built on the expertise of each partner that best meets clearly defined public needs through the appropriate allocation of resources, risks and rewards”.¹²

Partnerships between municipalities and private interests generally involve one of the following objectives and/or outcomes:

- create/maintain public infrastructure at less cost than a municipal delivery model
- improve customer service
- reduce the cost of government procurement
- provide the municipality with greater access to new sources of capital
- optimize the use of public sector resources
- undertake major social or economic initiatives
- create public buy-in to the project by engaging the community
- gain access to systems and techniques that are beyond municipal capabilities
- gain access to experience or expertise that is outside the normal municipal approach
- achieve improved operating/financial performance beyond municipal capabilities
- transfer of certain operational risks or financial liabilities

Canadian municipalities are under increasing pressure to provide top quality leisure facilities, programs and services despite reductions or caps on both capital and operating budgets. Several municipalities have examined and ultimately implemented arrangements with private enterprise with the intention of reducing or sharing costs, minimizing capital and operating risks or realizing benefits not generally available through a traditional municipal development and management approach.

P3 Structures

Generally speaking, public-private partnerships follow three basic models.

- privatization
- concession
- operations and maintenance

Privatization involves outright ownership by the private partner for either new or existing facilities. The concession models involve a continued (yet possibly deferred) public ownership of the assets, so are readily distinguished from the privatization model. Under the operations and maintenance models, a

¹¹ The Canadian Council of Public Private Partnerships, 100 Selected Public-Private Partnerships Across Canada, 2000 - 2001

¹² ibid

private operator operates a publicly owned facility for a specified term or provides outsourced services to the public sector.¹³

There are numerous forms of partnership opportunities available to the City falling within each of these three categories.

Privatization	
Type of Partnership	Description
Build Own Operate (BOO)	The private sector finances, builds, owns and operates a facility in perpetuity. The public constraints are stated in the original transfer document and in ongoing regulatory authority.
Buy Build Operate (BBO)	Existing public facility is transferred to the private sector, which usually upgrades and owns and operates in perpetuity. Some public control is exercised through the franchise contract at the time of transfer.

Concession	
Type of Partnership	Description
Build Lease Operate Transfer (BLOT)	The private sector designs, finances and constructs a new facility on public land under a long-term lease and operates the facility during the term of the lease. The private owner transfers the new facility to the public sector at the end of the lease term.
Build Own Transfer (BOT)	A private developer receives a franchise to finance, design, build and operate a facility (and to charge user fees), for a specified period after which ownership is transferred back to the public sector.
Build Own Operate Transfer (BOOT)	Same as the BOT model except an agreement is made to transfer the facility to the public sector at some future date.
Build Transfer Operate (BTO)	A private developer designs, finances and constructs a facility, which, upon completion, is transferred to public ownership. The public sector then leases the facility back to the private sector that operates it in order to get a reasonable return for construction and operation while avoiding liability/complexity of private ownership.
Contribution Contract	The private sector agrees to contribute to the construction of a public facility in exchange for the acceleration of the project.
Design Build (DB)	The private sector designs and builds a facility to meet public sector performance specifications-often for a fixed price so risk of cost overruns is transferred to the private sector which has the ability to employ the techniques it wishes to meet the performance specifications.
Design Build Major Maintenance (DBMM)	The proposed DB facility will be the operating responsibility of the public sector, with certain maintenance responsibilities given to the private sector under contract.
Design Build Operate (DBO)	Design Build contract for construction followed up with an operating and maintenance contract. The facility remains publicly owned throughout.
Lease Develop Operate (LDO)	A private operator, under long-term lease, expands and operates an existing public facility. The expanded facility remains publicly owned or is transferred back to the public sector at the end of the lease term.

¹³ The Canadian Council of Public Private Partnerships, The Canadian Case for Hospital P3 Projects, November 2003

Operations and Maintenance	
Type of Partnership	Description
Operation and Maintenance Contract (O&M)	A private operator, under contract, operates a publicly owned facility for a specified term.
Service Contract (SC)	Similar to an operation and maintenance contract, except that any assets remain privately owned.

Examples of Partnerships for Community Facilities

Many municipalities have established relationships with external entities for the development and operations of facilities that primarily focus on satisfying community sport and recreation needs. These relationships come in many forms and are usually structured in accordance with the particulars of the project.

In the latter part of the 1990s, local governments were often reactive to proposals from private companies or not-for-profit groups that were interested in operating publicly owned assets. However, in the past decade municipalities have begun to be more proactive in the pursuit of alternate forms of facility provision and operations. This shift in thinking gave municipal decision makers opportunities to more strategically shape the nature of the arrangements and the methods through which they search for and secure an adequately equipped partner.

The following table illustrates various examples of relationships between municipalities and outside organizations. Input from municipal officials about the benefits, drawbacks and lessons learned from the projects are also presented.

Project and Location	Year	Project Description & Agreement Particulars	Project Contributions
Vaughan Sports Village Vaughan Ontario	2000	Quad-pad Arena and Outdoor Extreme Sports Park Purchase of Service Agreement between City and private arena manager - 130 prime time hours per week. City re-sells hours to user groups at a rate averaging \$30 to \$50 less than agreement price (requiring a subsidy).	City contributed land plus \$10M Private partner contributed \$250,000 equity plus \$10M project financing Facility managed by private partner
Tim Horton's Four Ice Centre Moncton New Brunswick	2002	Quad-pad Arena Complex Management contract involving a not-for-profit Trust and a private arena management company. City pre-purchases hours on behalf of ice user groups and resells hours at subsidized rates.	City provided land and guaranteed the project loan whereas the Trust secured the \$15M project financing

Project and Location	Year	Project Description & Agreement Particulars	Project Contributions
Mohawk 4 Ice Centre Hamilton, Ontario	2004	Quad-pad Arena Complex Management contract between the City and a private arena management company. City pre-purchases hours on behalf of ice user groups and resells hours at subsidized rates.	City provided land and guaranteed the project loan whereas the Trust secured the \$20M project financing
Western Fair Four Rinks London, Ontario	2001	Quad-pad Arena Complex Management contract between the City and a not-for-profit Association plus a purchase of Service Agreement – the City purchases 240 hours per week and resells time to user groups at subsidized rates.	City contributed \$5M plus \$12M loan to the project Western Fair provided the land
Oakville Soccer Centre Oakville, Ontario	2009	Indoor Soccer Facility Operating and license agreement between the Town and a not-for-profit Association.	Town contributed land \$1,075,000 plus issued a \$9.550M debenture to the project Association contributed \$300,000 towards the capital cost of the project
H2O Adventure and Fitness Centre Kelowna BC	2009	Indoor Water Park and Fitness Centre – the largest such publicly owned facility in Western Canada Management and Operating agreement with the Kelowna YMCA.	Municipality contributed land plus 100% of the \$46M capital to the project

Preferred P3 Models

If Greater Sudbury was to pursue a public-private partnership related to community recreation facilities, it is very likely that it would be a concession model. However, the most important aspect of developing a successful P3 is the identification of the risks, rewards and responsibilities of the participating partners and crafting a relationship that produces mutual benefit. The planning process should also involve determining the City's objectives, constraints and the necessary attributes of potential partners that are specifically related to the community arena under consideration. Therefore, the eventual model may become a hybrid of models, reflecting key elements of several approaches employed in other municipalities.

Private Investment

Input from representatives involved in several of the previous examples suggests that capital investment by outside interests is often beneficial to the success of the partnership. The investment not only demonstrates the partner's commitment to the undertaking, it also helps to share the risk if the project is less successful than anticipated. Furthermore, an equity stake in the development creates an

environment in which the partners can more easily agreed to profit sharing formulas and other important ingredients in a mutually beneficial relationship.

Public Asset Ownership

It is advisable that assets of a P3 project remain within public ownership. Not only would this approach be politically advantageous, but it would also produce cost advantages. Furthermore, public ownership of the project would likely spawn greater public approval of private involvement in the delivery of public leisure services.

Risk Transfer

Risk transfer is the key aspect of any P3 relationship. Depending upon the project and the partnership model, the municipality should attempt to allocate most of the commercial risk to the partner and assume risks only for elements for which there must be municipal control – such as controlling fee setting for ice rates applicable to community organizations. Valuation of risk sharing or risk avoidance should be a key aspect of a value for money analysis that would be undertaken as part of the due diligence process.

5.0 Implications Related to OHL-Size Arenas

This section examines the development and high-level operating implications of OHL-size arenas and the types of partnership arrangements that might be considered for a new stadium arena facility.

Greater Sudbury officials have expressed interest in learning more about the capital cost of constructing a new spectator arena capable of accommodating the City's OHL franchise as well as the implications of adopting a new management strategy for a redeveloped facility. In assembling relevant background material and information, the consultants reviewed pertinent previous studies that have been prepared on behalf of municipalities contemplating similar OHL facility redevelopments, examined operating agreements between municipalities and spectator facility management companies and interviewed individuals with specialized knowledge of the topic area. To an extent, the information that was obtained from certain documents and informants was provided in confidence and, therefore, the sources cannot be revealed.

The Ontario Hockey League (OHL)

With teams in Ontario and two northern US states, the OHL is central North America's Major Junior hockey league. Two other junior hockey leagues are the Western Hockey League (WHL) with teams in Manitoba, Saskatchewan, Alberta, British Columbia, Washington, and Oregon and the Quebec Major Junior Hockey League (QMJHL) with teams in Quebec, New Brunswick, Prince Edward Island, Nova Scotia, and Maine. In total, there are 54 teams affiliated with the three leagues.

There are currently 20 OHL franchises, of which seventeen operate in Ontario and three in the United States. Sudbury and Sault Ste. Marie are the two northernmost Ontario-based franchises. A team will also be relocating to the City of North Bay beginning in the 2013/14 season.

According to spectator attendance data available on various web sites, there has been a rise in OHL fan support over the past decade – seemingly as much as a 25% increase in average number of spectators per game. While per game attendance fluctuates between franchises, it seems that teams attracting the largest gates have two common traits – (1) they are successful on the ice and performing well in the standings; and (2) they are playing in new larger multi-purpose arena facilities.

New OHL Arenas

Over the past 15 years, ten new OHL arenas have been developed in Ontario and at least three other existing OHL venues have undergone renovations or revitalization. According to industry specialists, the size and design of each facility was developed to meet the needs of the incumbent OHL franchise and to accommodate non-hockey (entertainment) events that are critical to the financial success of each venue. While the hockey related elements in the new venues – ice size, players benches, dressing rooms, corporate boxes and club seating, team storage areas, etc. – reflect similar characteristics, the entertainment or event components – ticketing areas, concessions and concourse areas, lighting and sound systems, talent support amenities, etc. are quite varied. This is because the non-hockey elements must respond to local market conditions that reflect the competitive nature of the event and entertainment business. Therefore, in large part, the facilities have been designed and developed in response to local hockey and entertainment circumstances.

With the exception of the Barrie facility, all new arenas have hockey seating capacities of 5,000 or more. Event capacities are larger because of floor seating and in certain instances temporary (or overlay) seats that can be deployed on an as required basis. According to arena designers, facility owners are gaining a better grasp of the operating cost implications associated with sizeable “arena bowls” that are necessary to accommodate large numbers of permanent seats. Therefore, owners are becoming increasingly interested in new and creative ways of maximizing potential game or event attendance while containing the number of permanent seats – likely through the use of comfortable yet portable, retractable or temporary seating (such as with the proposed spectator facility in the City of St. Catharines, which is expected to have 4,500 fixed seats and an ability to expand to 5,300 seats).

Many of the new rinks also include a variety of features that have been added to either enhance the experience of arena patrons or to provide additional income streams through new areas of business (tenant rents). These types of features typically include restaurants, retail outlets, board and meeting rooms, advertising podiums, etc. Again, the addition of these features has generally been driven by local circumstances and market conditions.

Cost of Construction

The cost to design and construct a modern sports and entertainment facility has risen dramatically over the past two decades. Capital costs are driven by a number of factors including the size of the facility which is generally linked to the number of permanent seats, the quality of facility’s equipment, furniture and finishes as well as the number and variety of amenity components especially related to event capacity.

In almost every case, the spectator facilities are owned by municipalities that have lease arrangements with OHL teams. Local governments have used a variety of forms of facility development and delivery approaches including the more traditional design-build method or the relatively new P3 model. In certain instances, the OHL franchise was to a certain extent involved in arena design, development and funding process (e.g., London) while in others the design, construction and delivery of the facility was entirely the facility owner’s responsibility. We understand that a small portion of the new sport and entertainment venues have attracted private sector equity or financing assistance, however, the vast majority of the projects were entirely funded by the municipal facility owner. Furthermore, most often the operating and financial risk is completely absorbed by the municipality.

Location	Opened	# Seats	Delivery Model	Cost	Risk Allocation
Barrie	1996	4,200	Design-build	NA	City absorbs all risk
Sarnia	1998	5,000	P3	\$18.5M	Shared risk formula
Brampton	1998	5,000	P3	\$24.5M	City absorbs operating risk
Mississauga	1998	5,400	Design-build	\$22M	City absorbs all risk
Guelph	2000	5,100	P3	\$21.5M	Shared risk formula
London	2002	9,100	P3	\$47M	Shared risk formula
Sault Ste. Marie	2005	5,000	Design-build	\$25M	City absorbs all risk
Oshawa	2006	5,400	Design-build	\$45M	City absorbs all risk
Kingston	2008	5,200	Design-build	\$46.5	City absorbs all risk
Windsor	2008	6,500	Design-build	\$40M	City absorbs all risk

Source: Spectator Facility Feasibility Study, City of St. Catharines, Deloitte, 2011

As mentioned earlier, there has been a significant increase in the costs to develop a modern sport and entertainment facility. As evidenced above, capital costs range from a low of \$3,700 per permanent seat in 1998 to a high of almost \$9,000 per seat in 2008. We extrapolated the preceding capital cost information to calculate the likely development cost (per seat) in 2012 dollars. Based upon a conservative construction inflation rate of 5% per year, we estimate that a capital budget in the range of \$9,000 to \$11,000 per seat would be appropriate for the development of a new sport and entertainment facility with modern amenities and finishes inherent in recently completed OHL arena projects.

Spectator Arena Management Approaches

In Ontario, OHL arenas are either managed by the facility's municipal owner or by a private management company that is contracted to provide specified services. Municipal decision makers determine which approach is most appropriate for their facility based on a number of contributing factors:

- the municipality's experience in operating a spectator venue;
- the nature and complexity of the facility especially in terms of non ice related elements;
- the presence of community facilities adjacent to the spectator venue;
- the position of the venue within the inventory of the municipality's community facilities;
- the amount of community access expected of the spectator venue;
- the availability of municipal resources that can be deployed to manage the new facility;
- the availability of internal expertise – i.e., food and beverage, retail, advertising, etc.
- the degree of operating control that the municipality is willing to forego;
- the competitiveness of the local market – both hockey and entertainment events; and
- the availability of a capable and willing contract manager.

To the best of our knowledge, the vast majority of the new OHL arenas are operated by private sector contract managers. Several of the existing and older buildings are run by municipal staff (e.g., Owen Sound, Greater Sudbury, etc.). According to informants, the apparent trend towards contract management is because the new facilities are more sophisticated than the older buildings and the systems require levels of expertise not normally available from in-house municipal staff. Furthermore, the financial performance of a sport and entertainment facility is directly linked to its ability to secure non-OHL events such as concerts, tournaments, family days, trade shows and other community events. Professional facility managers are generally believed to have superior capabilities in promoting and securing these types of events.

The contractual relationships with professional facility managers usually involve a management fee plus incentive bonuses for achieving pre-established standards such as financial thresholds or the number of non-hockey event days. Basic management fees range from \$12,000 to \$20,000 per month and the structure of bonus packages are dependent on the size, nature and location of the facility.

There does not seem to be a discernible connection between the financial performance of the facility and the management approach selected by the municipality. We are aware of a number of privately managed facilities that require municipal subsidies that are equal to or greater than stadium facilities that are run by the municipality. But, it is impossible to draw definitive conclusions about the likely

financial consequences of management decisions because every facility is unique in terms of its size, quality and market conditions. Furthermore, municipalities have varying degrees of staff competencies and experience not to mention willingness to enter into a new line of business.

While there does not appear to be a single answer regarding the most appropriate management approach for sport and entertainment facilities, our research provides food for thought for municipalities contemplating future venue management decisions:

- Professional managers that operate a number of different spectator facilities are capable of leveraging their portfolio of contracts to the benefit of all venues. This benefit is primarily in the area of attracting entertainment events such as concerts and special performances that could visit a number of facilities managed by a common operator.
- Management companies often have access to technologies and systems that may not be readily available to municipalities – especially local governments that have little or no spectator venue operating experience. Furthermore, due to labour rate differentials, private management companies can generally provide a higher number of on-site staff that can be offered by a municipality for the same payroll budget.
- Management contracts can result in the transfer of certain operating risks to a private entity. However, this generally includes certain “municipal guarantees” that somewhat insulates the private partner from significant financial liability. For example, some deals include municipal guarantees on cash flows and or revenue contributions in the form of pre-purchased time or services. Consequently, the risk transfer is not without certain limitations.
- Operating issues sometimes arise in circumstances where professionally managed stadium arenas are adjacent to municipally operated community facilities. Generally these issues have to do with independent private sector staff working in close proximity to unionized municipal personnel. Wage rates, working flexibility, job responsibilities, work environments, etc. can create friction and become problematic if left unaddressed.
- Certain stadium arena contracts include a provision through which a certain amount of facility time – ice or otherwise – is reserved for community use. However, organizations are sometimes reluctant to utilize the reserved time because OHL games or practices and major events normally take precedence over community time. Therefore, groups have little certainty that their hours will not be “bumped” in favour of the high profile user. We are aware of one situation where the minor sports groups are using less than 20% of the 1,500 hours reserved community use.
- Contract language needs to specifically protect the municipal interests in terms of fee setting, branding, maintenance standards, the inter-relationship between the facility and municipal functions (such as attracting tourists), ownership of intellectual property, reporting structure, etc. Normally, municipalities solicit the support of contract and legal specialists with background and expertise in structuring like relationships and preparing the contract documentation.

OHL Arenas' Financial Performance

Most OHL arenas generate revenues from similar sources. However, the operating philosophy and the degree of priority placed on community use can play a significant role in the net financial performance of the facility.

In most cases, Ontario's spectator arenas were developed to accommodate OHL franchises. It is, therefore, not surprising that the lease agreement with the junior team is significant to the financial health of the facility. Typically, lease agreements involve the team's basic rent commitment to the municipality as well as a proportionate split (between the team and the facility owner) of key revenue sources including ticket sales, concession revenue, pouring rights, advertising, facility naming rights, parking revenue as well as suites and club seat revenue. We have reviewed several OHL leases and have concluded that while the sources of revenue are similar between facilities, there is very little in common between the financial arrangements between the municipalities and the franchises. The dissimilarity between deals is evidenced by the fact that the value of OHL arrangements to the facilities ranges from \$250,000 to \$500,000 per annum.

Over and above OHL revenue, facility managers typically generate revenue from non-hockey events and community use. In certain cases, the stadium arenas are adjacent to other community ice surfaces or dry land facilities that are entirely focused on meeting community user group requirements. Frequently, net revenues generated by these community facilities are used to offset subsidy requirements of the stadium arena.

As mentioned earlier, a municipality's community priorities can have a significant impact on the facility's revenue producing capacity. For example, municipally operated facilities sometimes place a higher priority on community use than commercial events. In so doing, these municipal operators forego higher potential revenue streams on the basis of guaranteed public access to the important municipal asset. This philosophy is less prevalent in stadium facilities that are operated by professional managers.

Appendix B - Detailed Breakdown of Opinion of Probable Costs (from CCI report)- by Arena

Cambrian Arena

Category	Section and Description	Immediate Needs 1 - 5 years	Future Needs 6 - 10 years
Building Envelope	Exterior Walls - restoration.	\$120,000	\$165,000
	Windows - replacement.	\$6,000	
	Doors - refurbishment and replacement.	\$25,000	
Roofing	Roofing – replacement/refurbishment of roofs	\$15,000	\$400,000
Structural	Structural Main and Secondary Framing (excluded).		
	Exterior and Interior Block Partition - repairs.	\$150,000	
	Ice Pad – replacement including apron and header.		
	Dasherboard and Shielding Systems - replacement.		
	Bleachers - refurbish.	\$10,000	
	Change Room Benching and Clothing Hooks - replace.		\$25,000
Mechanical	Elevator – (NA).		
	Ice Pad Refrigeration System – dehumidification.	\$75,000	
	Ice Pad Refrigeration System – overhaul.		\$70,000
	Sanitary and Storm Drainage - investigation and repairs.	\$30,000	
	Natural Gas – repairs.	\$3,000	
	Plumbing Fixtures & Accessories - replacement.	\$60,000	
	Domestic Hot & Cold Water Systems - backflow prevention,	\$60,000	
	Domestic Hot & Cold Water Systems - water heaters/repairs.	\$35,000	\$15,000
	Fire Detection and Suppression Systems	\$5,000	
	Fire Safety – repairs.	\$6,000	
	Heating – furnaces and heaters.	\$30,000	
	Ventilation - improvement provisions.	\$50,000	
	CO Detection – replacement.		
	Air Conditioning - localized cooling provisions.	\$15,000	
Electrical	Electrical Service (excluded).		
	Electrical Distribution (excluded).		
	Lighting – arena lighting replacement and painting.		
	Lighting - general lighting updating.	\$15,000	
	Lighting - exterior lighting updating.	\$5,000	
	Emergency Lighting and Exit Lighting – updating.	\$5,000	\$5,000
	Security – updating.		\$7,000
	Audio – updating.	\$20,000	
Interior Finishes	Finishes (excluded).		
Accessibility	Accessibility - provisions for interior and exterior.	\$155,000	
Total		\$895,000	\$687,000

Capreol Arena (both pads)

Category	Section and Description	Immediate Needs 1 - 5 years	Future Needs 6 - 10 years
Building Envelope	Exterior Walls - restoration.	\$450,000	
	Windows - replacement.		\$10,000
	Doors - refurbishment and replacement.		\$40,000
Roofing	Roofing – replacement of north roof.	\$365,000	
Structural	Structural Main and Secondary Framing (excluded).		
	Exterior and Interior Block Partition - repairs.		\$300,000
	Ice Pad – repairs.	\$15,000	
	Dasherboard and Shielding Systems - replacement.	\$275,000	\$275,000
	Bleachers - reconstruction/replacement.	\$175,000	
	Change Room Benching and Clothing Hooks - replace.	\$35,000	
Mechanical	Elevator - refurbishment.		\$35,000
	Ice Pad Refrigeration System – dehumidification/repairs.	\$10,000	\$70,000
	Ice Pad Refrigeration System – overhaul.		\$90,000
	Sanitary and Storm Drainage - investigation and repairs.	\$30,000	
	Plumbing Fixtures & Accessories - replacement.	\$85,000	
	Domestic Hot & Cold Water Systems - backflow prevention, insulation/demarcation, repairs.	\$60,000	\$25,000
	Domestic Hot & Cold Water Systems - water heaters.		\$25,000
	Fire Detection and Suppression Systems	\$25,000	
	Fire Safety – repairs.	\$15,000	
	Heating – furnaces and packaged units replacements.	\$60,000	\$25,000
	Ventilation - improvement provisions.	\$75,000	
	CO Detection – replacement.		
	Air Conditioning - localized cooling provisions.	\$15,000	
Electrical	Electrical Service (excluded).		
	Electrical Distribution (excluded).		
	Lighting – arena lighting (south) and painting (north).	\$80,000	\$100,000
	Lighting - general lighting updating.	\$35,000	
	Lighting - exterior lighting updating.	\$10,000	
	Emergency Lighting and Exit Lighting – updating.	\$5,000	\$15,000
	Security – updating.		\$7,000
	Audio – updating.	\$20,000	\$20,000
Interior Finishes	Finishes (excluded).		
Accessibility	Accessibility - provisions for interior and exterior.	\$175,000	
Total		\$2,015,000	\$1,037,000

Carmichael Arena

Category	Section and Description	Immediate Needs 1 - 5 years	Future Needs 6 - 10 years
Building Envelope	Exterior Walls - restoration.	\$160,000	
	Windows - replacement.		\$6,000
	Doors - refurbishment and replacement.	\$25,000	\$8,000
Roofing	Roofing – replacement/refurbishment of roofs	\$100,000	\$340,000
Structural	Structural Main and Secondary Framing (excluded).		
	Exterior and Interior Block Partition - repairs.	\$150,000	
	Ice Pad – replacement including apron and header.		
	Dasherboard and Shielding Systems - replacement.		\$275,000
	Bleachers - refurbish.	\$10,000	
	Change Room Benching and Clothing Hooks - replace.		\$25,000
Mechanical	Elevator – (NA).		
	Ice Pad Refrigeration System – dehumidification.	\$55,000	
	Ice Pad Refrigeration System – overhaul.		\$70,000
	Sanitary and Storm Drainage - investigation and repairs.	\$30,000	
	Plumbing Fixtures & Accessories - replacement.	\$60,000	
	Domestic Hot & Cold Water Systems - backflow prevention, thermostatic valves, in	\$60,000	
	Domestic Hot & Cold Water Systems - water heaters/repairs.	\$15,000	\$15,000
	Fire Detection and Suppression Systems	\$5,000	
	Fire Safety – repairs.	\$6,000	
	Heating – furnaces and heaters.		\$5,000
	Ventilation - improvement provisions.	\$35,000	
	CO Detection – replacement.		
	Air Conditioning - localized cooling provisions.	\$15,000	
Electrical	Electrical Service (excluded).		
	Electrical Distribution (excluded).		
	Lighting – arena lighting replacement and painting.		
	Lighting - general lighting updating.	\$15,000	
	Lighting - exterior lighting updating.	\$5,000	
	Emergency Lighting and Exit Lighting – updating.	\$5,000	\$5,000
	Security – updating.		\$7,000
	Audio – updating.	\$20,000	
Interior Finishes	Finishes (excluded).		
Accessibility	Accessibility - provisions for interior and exterior.	\$150,000	
Total		\$921,000	\$756,000

Centennial Arena

Category	Section and Description	Immediate Needs 1 - 5 years	Future Needs 6 - 10 years
Building Envelope	Exterior Walls - restoration.	\$87,000	\$192,000
	Windows - replacement.		\$20,000
	Doors - refurbishment and replacement.	\$15,000	\$5,000
Roofing	Roofing – retrofit/refurbish.	\$10,000	\$50,000
Structural	Structural Main and Secondary Framing (excluded).		
	Exterior and Interior Block Partition - repairs.	\$5,000	\$150,000
	Ice Pad – replacement including apron and header.		
	Dasherboard and Shielding Systems - replacement.		\$275,000
	Bleachers - reconstruction/refurbish.	\$35,000	
	Change Room Benching and Clothing Hooks - replace.		\$25,000
Mechanical	Elevator - refurbishment.	\$35,000	
	Ice Pad Refrigeration System – dehumidification.		\$85,000
	Ice Pad Refrigeration System – overhaul.		\$70,000
	Sanitary and Storm Drainage - investigation and repairs.	\$30,000	
	Plumbing Fixtures & Accessories - replacement.	\$60,000	
	Domestic Hot & Cold Water Systems - backflow prevention,	\$60,000	
	Domestic Hot & Cold Water Systems - water heaters.	\$50,000	
	Fire Detection and Suppression Systems	\$5,000	
	Fire Safety – repairs.	\$35,000	
	Heating - terminal heating unit replacements.	\$65,000	
	Ventilation - improvement provisions.	\$25,000	
	CO Detection – replacement.		
Electrical	Air Conditioning - localized cooling provisions.	\$15,000	
	Electrical Service (excluded).		
	Electrical Distribution (excluded).		
	Lighting – arena lighting replacement and painting.		
	Lighting - general lighting updating.	\$10,000	
	Lighting - exterior lighting updating.		\$7,000
	Emergency Lighting and Exit Lighting – updating.		\$5,000
	Security – updating.		\$7,000
Interior Finishes	Audio – updating.		\$20,000
	Finishes (excluded except handrails/guards at stairs).	\$10,000	
Accessibility	Accessibility - provisions for interior and exterior.	\$85,000	
Total		\$637,000	\$911,000

Chelmsford Arena

Category	Section and Description	Immediate Needs 1 - 5 years	Future Needs 6 - 10 years
Building Envelope	Exterior Walls - restoration.		\$380,000
	Windows - replacement.		\$20,000
	Doors - refurbishment and replacement.		\$40,000
Roofing	Roofing – replacement of flat roofs		\$15,000
Structure	Structural Main and Secondary Framing (excluded).		
	Exterior and Interior Block Partition - repairs.	\$5,000	\$150,000
	Ice Pad – replacement including apron and header.	\$650,000	
	Dasherboard and Shielding Systems - replacement.	\$275,000	
	Bleachers - reconstruction/replacement.	\$300,000	
	Change Room Benching and Clothing Hooks - replace.		\$25,000
Mechanical	Elevator - refurbishment.	\$35,000	
	Ice Pad Refrigeration System – dehumidification.	\$85,000	
	Ice Pad Refrigeration System – overhaul.		\$70,000
	Sanitary and Storm Drainage - investigation and repairs.	\$30,000	
	Plumbing Fixtures & Accessories - replacement.		\$60,000
	Domestic Hot & Cold Water Systems - backflow prevention,	\$60,000	
	Domestic Hot & Cold Water Systems - water heaters.		\$25,000
	Fire Detection and Suppression Systems	\$5,000	
	Fire Safety – repairs.	\$15,000	
	Heating - terminal hydronic heating unit replacements.	\$100,000	\$25,000
	Ventilation - improvement provisions.	\$75,000	
	CO Detection – replacement.		
Electrical	Air Conditioning - localized cooling provisions.		\$15,000
	Electrical Service (excluded).		
	Electrical Distribution (excluded).		
	Lighting – arena lighting replacement and painting.		\$165,000
	Lighting - general lighting updating.		\$20,000
	Lighting - exterior lighting updating.		\$5,000
	Emergency Lighting and Exit Lighting – updating.		\$15,000
	Security – updating.		\$7,000
Interior Finishes	Audio – updating.		\$20,000
	Finishes (excluded).		
Accessibility	Accessibility - provisions for interior and exterior.	\$125,000	
Total		\$1,760,000	\$1,057,000

Gerry McCrory Countryside Sports Complex (both pads)

Category	Section and Description	Immediate Needs 1 - 5 years	Future Needs 6 - 10 years
Building Envelope	Exterior Walls - restoration.		
	Windows - replacement.		
	Doors - refurbishment and replacement.		
Roofing	Roofing – investigation and repairs.	\$10,000	
Structural	Structural Main and Secondary Framing (excluded).		
	Exterior and Interior Block Partition - repairs.		
	Ice Pad – repairs.		\$10,000
	Dasherboard and Shielding Systems - replacement.		
	Bleachers – retrofit of handrail/guards.	\$20,000	
	Change Room Benching and Clothing Hooks - replace.		
Mechanical	Elevator - refurbishment.		
	Ice Pad Refrigeration System – dehumidification.	\$15,000	\$80,000
	Ice Pad Refrigeration System – overhaul.		\$85,000
	Sanitary and Storm Drainage - investigation and repairs.	\$10,000	
	Plumbing Fixtures & Accessories - replacement.		
	Domestic Hot & Cold Water Systems	\$20,000	
	Domestic Hot & Cold Water Systems - water heaters.		\$25,000
	Fire Detection and Suppression Systems	\$5,000	
	Fire Safety – repairs.		
	Heating – boiler replacement and repairs.		\$75,000
	Ventilation - improvement provisions.	\$12,000	
	CO Detection – replacement.		
Electrical	Air Conditioning - localized cooling provisions.	\$15,000	
	Electrical Service (excluded).		
	Electrical Distribution (excluded).		
	Lighting – arena lighting replacement and painting.		
	Lighting - general lighting updating.		
	Lighting - exterior lighting updating.	\$5,000	
	Emergency Lighting and Exit Lighting – updating.		
	Security – updating.		
Interior Finishes	Audio – updating.		
	Finishes (excluded).		
Accessibility	Accessibility - provisions for interior and exterior.	\$25,000	
Total		\$137,000	\$275,000

Dr. Edgar Leclair Arena (Azilda)

Category	Section and Description	Immediate Needs 1 - 5 years	Future Needs 6 - 10 years
Building Envelope	Exterior Walls - restoration.	\$240,000	
	Windows - replacement.	\$5,000	
	Doors - refurbishment and replacement.	\$15,000	
Roofing	Roofing – replacement/restoration of Lobby roof.	\$65,000	
	Roofing – replacement of flat roofing.		\$60,000
Structural	Structural Main and Secondary Framing (excluded).		
	Exterior and Interior Block Partition - repairs.	\$150,000	
	Ice Pad – replacement.		\$550,000
	Dasherboard and Shielding Systems - replacement.		\$275,000
	Bleachers - refurbishment.	\$5,000	\$5,000
	Change Room Benching and Clothing Hooks - replace.	\$35,000	
Mechanical	Elevator - NA.		
	Ice Pad Refrigeration System – dehumidification/repairs.	\$5,000	\$70,000
	Ice Pad Refrigeration System – overhaul.		\$60,000
	Sanitary and Storm Drainage - investigation and repairs.	\$30,000	
	Plumbing Fixtures & Accessories - replacement.	\$5,000	\$60,000
	Domestic Hot & Cold Water Systems - backflow prevention,	\$30,000	\$15,000
	Domestic Hot & Cold Water Systems - water heaters.	\$20,000	\$10,000
	Fire Detection and Suppression Systems	\$5,000	\$18,000
	Fire Safety – repairs.	\$15,000	
	Heating – furnace replacements.	\$16,000	
	Heating – hydronic system at north end.	\$40,000	
	Ventilation - improvement provisions.	\$15,000	\$15,000
	CO Detection – replacement.		
	Air Conditioning - localized cooling provisions.	\$10,000	
Electrical	Electrical Service and Distribution (excluded).	\$3,000	\$3,000
	Lighting – arena lighting and painting.		
	Lighting - general lighting updating.	\$10,000	
	Lighting - exterior lighting updating.	\$5,000	\$5,000
	Emergency Lighting and Exit Lighting – updating.	\$2,000	\$5,000
	Security – updating.		\$7,000
	Audio – updating.		\$15,000
Interior Finishes	Finishes (excluded).		
Accessibility	Accessibility - provisions for interior and exterior.	\$25,000	
Total		\$751,000	\$1,173,000

Garson Arena

Category	Section and Description	Immediate Needs 1 - 5 years	Future Needs 6 - 10 years
Building Envelope	Exterior Walls - restoration.	\$5,000	\$10,000
	Windows - replacement.		\$10,000
	Doors - refurbishment and replacement.		
Roofing	Roofing – replacement of flat roof.	\$5,000	
Structural	Structural Main and Secondary Framing (excluded).		
	Exterior and Interior Block Partition - repairs.		\$150,000
	Ice Pad – replacement including apron and header.		
	Dasherboard and Shielding Systems - replacement.		
	Bleachers - retrofit.	\$25,000	
	Change Room Benching and Clothing Hooks - replace.		\$25,000
Mechanical	Elevator - NA.		
	Ice Pad Refrigeration System – repairs / dehumidification.	\$5,000	\$75,000
	Ice Pad Refrigeration System – overhaul.		\$70,000
	Sanitary and Storm Drainage - investigation and repairs.	\$30,000	
	Plumbing Fixtures & Accessories - replacement.	\$60,000	
	Domestic Hot & Cold Water Systems - backflow prevention,	\$30,000	\$30,000
	Domestic Hot & Cold Water Systems - water heaters.	\$25,000	
	Fire Detection and Suppression Systems	\$5,000	\$15,000
	Fire Safety – repairs.	\$5,000	
	Heating – furnaces and distribution.	\$40,000	\$20,000
	Ventilation - improvement provisions.	\$50,000	\$25,000
	CO Detection – replacement.		
	Air Conditioning - localized cooling provisions.	\$15,000	
Electrical	Electrical Service (excluded).		
	Electrical Distribution (excluded).		
	Lighting – arena lighting replacement and painting.		
	Lighting - general lighting updating.		\$5,000
	Lighting - exterior lighting updating.		
	Emergency Lighting and Exit Lighting – updating.	\$10,000	\$10,000
	Security – updating.	\$5,000	\$7,000
	Audio – updating.	\$5,000	\$10,000
Interior Finishes	Finishes (excluded).		
Accessibility	Accessibility - provisions for interior and exterior.	\$100,000	
Total		\$420,000	\$462,000

I.J. Coady Arena (Levack)

Category	Section and Description	Immediate Needs 1 - 5 years	Future Needs 6 - 10 years
Building Envelope	Exterior Walls - restoration.	\$70,000	\$205,000
	Windows - replacement.	\$5,000	
	Doors - refurbishment and replacement.	\$25,000	
Roofing	Roofing – replacement.		
Structural	Structural Main and Secondary Framing (excluded).		
	Exterior and Interior Block Partition - repairs.	\$150,000	
	Ice Pad – repairs.	\$10,000	
	Dasherboard and Shielding Systems - replacement.		\$275,000
	Bleachers - retrofit.	\$20,000	
	Change Room Benching and Clothing Hooks - replace.	\$25,000	
Mechanical	Elevator - NA.		
	Ice Pad Refrigeration System – compressors & dehumid	\$70,000	\$95,000
	Ice Pad Refrigeration System – overhaul.		\$70,000
	Sanitary and Storm Drainage - investigation and repairs.	\$30,000	
	Plumbing Fixtures & Accessories - replacement.	\$60,000	
	Domestic Hot & Cold Water Systems - backflow prevention,	\$20,000	\$10,000
	Domestic Hot & Cold Water Systems - water heaters.		
	Fire Detection and Suppression Systems	\$5,000	
	Fire Safety – repairs.	\$15,000	
	Heating – boiler and terminal heating unit replacements.		\$75,000
	Ventilation - improvement provisions.	\$50,000	\$30,000
	CO Detection – replacement.		
	Air Conditioning - localized cooling provisions.	\$15,000	
Electrical	Electrical Service (excluded).		
	Electrical Distribution (excluded).		
	Lighting – arena lighting replacement and painting.		
	Lighting - general lighting updating.		\$10,000
	Lighting - exterior lighting updating.	\$5,000	
	Emergency Lighting and Exit Lighting – updating.	\$7,000	\$8,000
	Security – updating.		\$7,000
	Audio – updating.		\$10,000
Interior Finishes	Finishes (excluded).		
Accessibility	Accessibility - provisions for interior and exterior.	\$100,000	
Total		\$682,000	\$795,000

McClelland Arena

Category	Section and Description	Immediate Needs 1 - 5 years	Future Needs 6 - 10 years
Building Envelope	Exterior Walls -restoration.	\$50,000	
	Windows -replacement.	\$6,000	
	Doors -refurbishment and replacement.	\$20,000	\$10,000
Roofing	Roofing – replacement of flat roofs.	\$35,000	
Structrual	Structural Main and Secondary Framing (excluded).		
	Exterior and Interior Block Partition -repairs.		\$150,000
	Ice Pad – repairs.		\$10,000
	Dasherboard and Shielding Systems -replacement.		\$275,000
	Bleachers -refurbish.	\$7,000	
	Change Room Benching and Clothing Hooks -replace.	\$25,000	
Mechanical	Elevator -NA.		
	Ice Pad Refrigeration System – dehumidification.		
	Ice Pad Refrigeration System – overhaul.		\$70,000
	Sanitary and Storm Drainage -investigation and repairs.	\$30,000	
	Plumbing Fixtures & Accessories -replacement.	\$65,000	
	Domestic Hot & Cold Water Systems -backflow prevention,	\$60,000	\$20,000
	Domestic Hot & Cold Water Systems -water heaters.		\$20,000
	Fire Detection and Suppression Systems	\$5,000	
	Fire Safety – repairs.	\$5,000	
	Heating – furnace replacements.	\$45,000	
	Ventilation -improvement provisions.	\$75,000	
	CO Detection – replacement.		
	Air Conditioning -localized cooling provisions.	\$15,000	
Electrical	Electrical Service (excluded).		
	Electrical Distribution (excluded).		
	Lighting – arena lighting replacement and painting.		
	Lighting -general lighting updating.		
	Lighting -exterior lighting updating.		\$5,000
	Emergency Lighting and Exit Lighting – updating.		\$15,000
	Security – updating.		\$7,000
	Audio – updating.		\$20,000
Interior Finishes	Finishes (excluded).		
Accessibility	Accessibility -provisions for interior and exterior.	\$90,000	
Total		\$533,000	\$602,000

Category	Section and Description	Immediate Needs 1 - 5 years	Future Needs 6 - 10 years
Building Envelope	Exterior Walls – canopy refurbishment.	\$5,000	
	Windows - replacement.	\$16,000	
	Doors - refurbishment and replacement.	\$25,000	
Roofing	Roofing – refurbishment of metal roof.	\$310,000	
Structural	Structural Main and Secondary Framing (excluded).		
	Exterior and Interior Block Partition - repairs.		\$150,000
	Ice Pad – replacement including apron and header.		
	Dasherboard and Shielding Systems - replacement.		\$275,000
	Bleachers - retrofit.	\$15,000	
	Change Room Benching and Clothing Hooks - replace.		\$25,000
Mechanical	Elevator – NA.		
	Ice Pad Refrigeration System – repairs.	\$6,000	
	Ice Pad Refrigeration System – overhaul.		\$70,000
	Sanitary and Storm Drainage - investigation and repairs.	\$30,000	
	Plumbing Fixtures & Accessories - replacement.	\$60,000	
	Domestic Hot & Cold Water Systems - backflow prevention,	\$40,000	
	Domestic Hot & Cold Water Systems - water heaters.		\$25,000
	Fire Detection and Suppression Systems	\$5,000	\$15,000
	Fire Safety – repairs.	\$5,000	
	Heating - terminal unit replacements.	\$35,000	
	Ventilation - improvement provisions.	\$55,000	
	CO Detection – replacement.		
	Air Conditioning - localized cooling provisions.	\$15,000	
Electrical	Electrical Service (excluded).		
	Electrical Distribution (excluded).		
	Lighting – arena lighting replacement and painting.		
	Lighting - general lighting updating.	\$10,000	
	Lighting - exterior lighting updating.	\$7,000	
	Emergency Lighting and Exit Lighting – updating.		\$15,000
	Security – updating.		\$7,000
	Audio – updating.		\$20,000
Interior Finishes	Finishes (excluded).		
Accessibility	Accessibility - provisions for interior and exterior.	\$125,000	
Total		\$764,000	\$602,000

Toe Blake Arena (Coniston)

Category	Section and Description	Immediate Needs 1 - 5 years	Future Needs 6 - 10 years
Building Envelope	Exterior Walls - restoration.		
	Windows - replacement.		
	Doors - refurbishment and replacement.	\$20,000	
Roofing	Roofing – replacement of original roof and updating.	\$165,000	
Structural	Structural Main and Secondary Framing (excluded).	\$5,000	
	Exterior and Interior Block Partition - repairs.		\$150,000
	Ice Pad – repairs.	\$5,000	
	Dasherboard and Shielding Systems - replacement.		
	Bleachers - reconstruction/replacement.	\$100,000	
	Change Room Benching and Clothing Hooks - replace.		\$25,000
	Canopy – refurbishment.	\$5,000	
Mechanical	Elevator - NA.		
	Ice Pad Refrigeration System – repairs/retrofit.	\$20,000	
	Ice Pad Refrigeration System – overhaul.		\$70,000
	Sanitary and Storm Drainage - investigation and repairs.	\$30,000	
	Plumbing Fixtures & Accessories - replacement.	\$60,000	
	Domestic Hot & Cold Water Systems - backflow prevention,	\$60,000	
	Domestic Hot & Cold Water Systems - water heaters/repairs.	\$75,000	\$20,000
	Fire Detection and Suppression Systems	\$5,000	\$15,000
	Fire Safety – repairs.	\$10,000	
	Heating – terminal heating unit replacements.	\$30,000	\$25,000
	Ventilation - improvement provisions.		\$35,000
	CO Detection – replacement.		
	Air Conditioning - localized cooling provisions.	\$15,000	
Electrical	Electrical Service (excluded).		
	Electrical Distribution (excluded).		
	Lighting – arena lighting replacement and painting.		
	Lighting - general lighting updating.	\$20,000	
	Lighting - exterior lighting updating.	\$5,000	
	Emergency Lighting and Exit Lighting – updating.	\$5,000	\$15,000
	Security – updating.		\$7,000
	Audio – updating.		\$20,000
Interior Finishes	Finishes (excluded).		
Accessibility	Accessibility - provisions for interior and exterior.	\$150,000	
Total		\$785,000	\$382,000

TM Davies Arena (Walden)

Category	Section and Description	Immediate Needs 1 - 5 years	Future Needs 6 - 10 years
Building Envelope	Exterior Walls - restoration.	\$70,000	
	Windows - replacement.		
	Doors - refurbishment and replacement.	\$25,000	
Roofing	Roofing – replacement of original roof and updating.		
Structural	Structural Main and Secondary Framing (excluded).		
	Exterior and Interior Block Partition - repairs.		\$200,000
	Ice Pad – repairs.		
	Dasherboard and Shielding Systems - replacement.		\$275,000
	Bleachers - reconstruction/replacement.	\$10,000	
	Change Room Benching and Clothing Hooks - replace.		\$25,000
Mechanical	Elevator - NA.		
	Ice Pad Refrigeration System – dehumification repairs	\$10,000	
	Ice Pad Refrigeration System – overhaul.		\$70,000
	Sanitary and Storm Drainage - investigation and repairs.	\$30,000	
	Plumbing Fixtures & Accessories - replacement.		\$60,000
	Domestic Hot & Cold Water Systems - backflow prevention,	\$40,000	\$25,000
	Domestic Hot & Cold Water Systems - water heaters/repairs.	\$35,000	
	Fire Detection and Suppression Systems	\$8,000	\$15,000
	Fire Safety – repairs.	\$15,000	
	Heating – terminal heating unit replacements.	\$100,000	\$25,000
	Ventilation - improvement provisions.	\$75,000	
	CO Detection – replacement.		
	Air Conditioning - localized cooling provisions.		\$15,000
Electrical	Electrical Service (excluded).		
	Electrical Distribution (excluded).		
	Lighting – arena lighting replacement and painting.		
	Lighting - general lighting updating.	\$10,000	\$10,000
	Lighting - exterior lighting updating.	\$5,000	
	Emergency Lighting and Exit Lighting – updating.	\$5,000	\$10,000
	Security – updating.		\$7,000
	Audio – updating.		
Interior Finishes	Finishes (excluded).		
Accessibility	Accessibility - provisions for interior and exterior.	\$125,000	
Total		\$563,000	\$737,000

Sudbury Arena

Category	Section and Description	Immediate Needs 1 - 5 years	Future Needs 6 - 10 years
Building Envelope	Exterior Walls - restoration.		\$175,000
	Windows - replacement.	\$20,000	\$190,000
	Doors - refurbishment and replacement.		\$95,000
Roofing	Roofing – replacement of original roof and updating.	\$300,000	\$400,000
Structural	Structural Main and Secondary Framing (excluded).		
	Exterior and Interior Block Partition - repairs.	\$25,000	\$200,000
	Ice Pad – repairs.		
	Dasherboard and Shielding Systems - replacement.		
	Bleachers and Stairs- refurbishment	\$140,000	
	Change Room Benching and Clothing Hooks - replace.		\$40,000
Mechanical	Elevator - NA.	\$600,000	\$25,000
	Ice Pad Refrigeration System – overhaul.	\$25,000	\$100,000
	Sanitary and Storm Drainage - investigation and repairs.	\$30,000	\$50,000
	Plumbing Fixtures & Accessories - replacement.		\$75,000
	Domestic Hot & Cold Water Systems - backflow prevention,	\$60,000	\$50,000
	Fire Detection and Suppression Systems	\$5,000	
	Fire Safety – repairs.	\$15,000	
	Heating – removal of boiler, piping, asbestos	\$150,000	
	Heating - arena heaters and platforms	\$500,000	
	Ventilation - refurb/rebalance and improvement provisions.	\$150,000	
	Ventilation - replace older air handlers	\$250,000	
	CO Detection – replacement.		
	Air Conditioning - localized cooling provisions.		\$25,000
Electrical	Electrical Service (excluded).		
	Electrical Distribution -scanning and replacement older panel boards	\$30,000	\$25,000
	Lighting – arena lighting replacement and painting.		
	Lighting - general lighting updating.	\$15,000	
	Lighting - exterior lighting updating.		
	Emergency Lighting and Exit Lighting – updating.	\$5,000	
	Security – updating.	25000	
Interior Finishes	Finishes (excluded).		
Accessibility	Accessibility - provisions for interior and exterior.	\$30,000	
Total		\$2,375,000	\$1,450,000

Request for Decision

Street Sign Toppers

Presented To:	Community Services Committee
Presented:	Monday, Jan 21, 2013
Report Date	Wednesday, Jan 09, 2013
Type:	Presentations

Recommendation

WHEREAS the City of Greater Sudbury through the Civic Engagement/Social Capital pillar of the Healthy Community Strategic Plan recognizes the value of Street Sign Toppers, and;

WHEREAS Street Sign Toppers provide an opportunity to identify neighbourhoods recognized by residents within the City of Greater Sudbury.

THEREFORE BE IT RESOLVED THAT the City of Greater Sudbury adopt the Street Sign Topper Policy as attached, and;

THAT a by-law be passed accordingly.

Finance Implications

There is no budget impact as all costs related to the signage are the responsibility of the requester.

Background

Residents of the City of Greater Sudbury value their neighbourhoods, often giving an area a name to identify it. The naming of neighbourhoods is not officially recognized by the City of Greater Sudbury, but is of significance to local residents. All too often, visitors and citizens wonder where a neighborhood, district, addition or subdivision is located. There are, after all, no lines on the ground to delineate the boundaries of a community or specific neighbourhood.

In an effort to recognize their neighbourhood, the Uptown Community Action Network proposed Street Sign Toppers, a signage program used in other North American cities.

Street Sign Toppers are designed to help build cohesive neighbourhoods and healthy communities by enhancing their visibility through the placement of identification sign toppers at prominent intersections within the boundaries of the neighbourhoods. The Street Sign Toppers are placed in conjunction with existing street signs.

Signed By

Report Prepared By

Renée Germain
Community Development Coordinator
Digitally Signed Jan 9, 13

Division Review

Real Carre
Director of Leisure Services
Digitally Signed Jan 9, 13

Recommended by the Department

Catherine Matheson
General Manager of Community Development
Digitally Signed Jan 9, 13

Recommended by the C.A.O.

Doug Nadorozny
Chief Administrative Officer
Digitally Signed Jan 14, 13

The policy will provide guidelines for the installation of signs identifying neighbourhoods on public streets. A Street Sign Topper Policy will ensure consistency within the signage program and ensure that street signs are not affected. The fabrication, installation, maintenance and removal of the Street Sign Toppers will be completed by the City of Greater Sudbury.

Key Aspects of the Policy

Street Sign Toppers are placed on top of existing street signs throughout an identified neighbourhood, district, addition or subdivision to delineate the boundaries of the specific area. CANs or other community groups applying for street signs toppers must meet the guidelines outlined in the policy. Applicants will need to confer with the residents of the designated area through a public consultation process to confirm community and neighbourhood support for the project. The design for the street sign toppers will need to meet all outlined specifications in the policy. Once all of the guidelines have been met, CANs or community groups can complete an application and return it to the Community Development Department.

Street Sign Toppers can be used to identify:

- An area of unique architecture
- A commercial district (BIA)
- A ceremonial purpose (parade route)
- A historical settlement area
- An area of historical importance
- A neighbourhood

Cost

All costs, including fabrication, installation, maintenance and removal, associated with the Street Sign Toppers will be paid for by the originators of the request. All requests will be submitted to the department of Community Development for review within the framework of this policy, and require approval of council.

Process

All requests, submitted to the Community Development Department, shall be submitted in writing and shall include the rationale for the proposed name and boundaries as well as a design of the proposed topper. Letters of support and minutes from the community consultation are required. A standard application form listing all requirements and information, including cost estimates, shall be made available to the applicants. Should the applicants abandon the project after completion, the responsibility for the toppers will fall on the City of Greater Sudbury, to the department overseeing the application requests. If all conditions to the policy are not met, the City of Greater Sudbury reserves the right to refuse approval for a Street Sign Topper application.

POLICY – Street Sign Topper Policy

Residents of the City of Greater Sudbury value their neighbourhoods, often giving an area a name to identify it. The identification of neighbourhoods is not officially recognized by the City of Greater Sudbury, but by its residents. All too often, visitors and citizens wonder where a neighborhood, district, addition or subdivision is located. There are, after all, no lines on the ground to delineate the boundaries of the community. As there are no official boundaries, great care must be taken to determine them. Through the Public Participation Policy, the City of Greater Sudbury encourages community involvement in the preservation of neighbourhood pride and strong sense of community.

Street Sign Toppers are common in many Canadian and American cities. They build community identity and pride, cultivate an awareness of the significance of the designated area, and are a gentle reminder of the diversity of neighborhoods in each city.

Street Sign toppers are placed on top of existing street signs throughout an identified neighbourhood, district, addition or subdivision to delineate the boundaries of the identified area.

The purpose of the Street Sign Topper is to introduce and brand a new neighborhood, district, addition or subdivision, or to revitalize, reinvigorate and improve an older or historic neighborhood, district, addition or subdivision -- in either case, they are recognized as special and having unique character.

Sign Toppers increase visibility, advertise the name of the district/neighbourhood and encourage a sense of civic pride and belonging from residents. They provide residents with an opportunity to esthetically improve their community, compliment other neighbourhood identity efforts, and encourage the development of a healthy community.

1. DESIGNATING AN AREA

- Individuals and/or groups requesting to designate an area by the use of street sign toppers will be responsible for identifying the boundaries.
- These boundaries should reflect at least one of the following: an area of unique architecture; a commercial district (BIA); a ceremonial purpose (parade route); a historical settlement area; an area of historical importance; to announce the arrival to a specific area
- Applicants must confer with the residents of the designated area through a public consultation process and receive consensus amongst all involved with the consultation process

2. NAMING THE BOUNDARY

- Names shall be distinctive to the area which it represents
- Names should convey a sense of place and community and should celebrate the distinguishing characteristics of the neighbourhood
- Names should be understandable, recognizable and explainable to the citizens of the community and should respect the values of all members of our community
- Shall be approved by Council and considered proposed until so approved

3. SIGN SPECIFICATIONS

- Street Sign Toppers will be no larger than 18.5” wide x 10.5” tall and will be limited to 2 colours, one being white
- Text on Street Sign Toppers will be legible for pedestrians and vehicle traffic
- Street Sign Toppers are to be located on top of street signs and shall not obstruct the view of existing signage for pedestrians and vehicular traffic

- Street Signs Toppers will be used to designate an area
- Street Sign Toppers are not appropriate for commercial advertisement, the promotion of any type of negative message or the promotion of date specific events
- Wording on the signs will have to conform with the City of Greater Sudbury's Official Language Policy
- Applicants will have to provide the number of signs and their exact locations in the requested area

4. INSTALLATION, MAINTENANCE & SPECIFICATIONS

- The fabrication, installation, maintenance and removal of the signs is to be paid for by the applicant
- The fabrication, installation, maintenance and removal of the signs will be completed by the City of Greater Sudbury
- Signs with visible wear or damages will have to be replaced at a cost to the applicant
- The applicants will bear the responsibility of monitoring the condition of the street sign toppers
- Should a sign become stolen or damaged, the applicant can request and pay for new signs to be installed
- The City of Greater Sudbury reserves the right to remove Street Sign Toppers for the following reasons: the signs are damaged, worn or no longer serve their purpose
- The City of Greater Sudbury will bear liability for the Street Sign Toppers
- While the Street Sign Toppers remain installed, they will be the property of the City of Greater Sudbury

5. APPLICATION PROCESS

- All requests shall be submitted in writing and shall include the rationale for the proposed name and boundaries as well as a sketch of the proposed topper. Letters of support and minutes from the community consultation are required.
- All requests will be submitted to the department of Community Development for review within the framework of this policy, and require approval of council.
- A standard application form listing all requirements and information, including cost estimates, shall be made available to the applicants
- All costs, including fabrication, installation, maintenance and removal, associated with the Street Sign Toppers will be paid for by the originators of the request.
- Should the applicants abandon the project after completion, the responsibility for the toppers will fall on the City of Greater Sudbury, to the department overseeing the application requests
- The City of Greater Sudbury reserves the right to refuse approval for any reason



For Information Only

Grace Hartman Amphitheatre Business Plan Review Update

Presented To:	Community Services Committee
Presented:	Monday, Jan 21, 2013
Report Date	Tuesday, Jan 08, 2013
Type:	Correspondence for Information Only

Recommendation

For Information Only

Background

The original Business Plan for the operation of the newly developed Grace Hartman Amphitheatre completed by Novita Consultants was scheduled to be reviewed in relation to a post season evaluation of the site.

Contract CDD12-10, a Request for Proposal for a Post Season Analysis of the Business Plan for the Grace Hartman Amphitheatre was issued on March 12th, 2012. Schick Shiner and Associates were the only proponent who submitted a bid. Following the negotiation of a Best and Final Offer, Schick Shiner and Associates were awarded the contract in May 2012.

Key terms of the contract included:

- The successful proponent was to consult with appropriate City staff, user groups, promoters and the Bell Park Advisory Panel.
- The successful proponent was to review and provide recommendations regarding the management of operations of a range of events and activities at the venue.
- The successful proponent was to provide a priority list of future capital investments based on the results of the consultation process.
- The report was to include operational and capital budget implications based on any changes to the design and/or operation of the venue.
- The final report was to be presented to the City within 6-8 weeks of awarding the contract.

An initial site meeting was conducted by a representative of Schick Shiner & Associates in mid-July to conduct a venue tour and meet with City representatives. During meetings with City staff, the scope of work was further defined to review the following:

Signed By

Report Prepared By

Jeff Pafford
Community Development Coordinator
Digitally Signed Jan 8, 13

Division Review

Real Carre
Director of Leisure Services
Digitally Signed Jan 8, 13

Recommended by the Department

Catherine Matheson
General Manager of Community Development
Digitally Signed Jan 8, 13

Recommended by the C.A.O.

Doug Nadorozny
Chief Administrative Officer
Digitally Signed Jan 14, 13

- Provide some direction regarding Capital Investments for the facility (additional fixed seating, roof).
- Defining the mandate of the facility (the balance between community use and commercial-promoted events usage).
- Development of operation policies and best practices including ticketing policies and sound controls.

Since the initial site visit by Schick Shiner & Associates in July, no follow information was received from the firm, despite staff efforts to attain. In December, 2012, a representative from Schick Shiner and Associates advised that no work has been done on the report and the firm could not complete the contracted work.

After consulting with Supplies & Services, staff have advised Schick Shiner and Associates that the contract has been cancelled due to failure to perform.

Next Steps

Staff will be obtaining the services of another firm to complete the Grace Hartman Amphitheatre Business Plan Review. The report will include a review of the first two operating seasons of the venue (2011 and 2012) and include the same terms of reference as the original contract. As the anticipated value of the contract is anticipated to be well below \$35,000, staff will be requesting quotations from consulting firms in the facility management, leisure, recreation industry.

It is anticipated that the Grace Hartman Amphitheatre Business Plan review will be presented to the Community Services Standing Committee by June, 2013. Any recommendations for policy development would not apply until the following operating season (2014) to provide festival and event organizers sufficient time to prepare for any new policy changes.

Request for Decision

Emergency Services Department Strategic Direction and 'Suggested Going Forward Work Plan' Status Update

Presented To:	Community Services Committee
Presented:	Monday, Jan 21, 2013
Report Date	Wednesday, Jan 09, 2013
Type:	Referred & Deferred Matters

Recommendation

THAT the Community Services Committee receive this report from the Chief of Emergency Services regarding the status of the strategic direction and 'Suggested Going Forward Work Plan' for the Emergency Service Department.

Background

At its Community Services Committee meeting of February 27, 2012, the Chief of Emergency Services outlined the results of a strategic (high level) review of the City's emergency services needs and capabilities. As a result, an Information Report and a document entitled 'Suggested Going Forward Work Plan' dated February 14, 2012 was submitted and presented to Committee/Council.

This strategic review contained 38 recommendations having the potential to improve delivery of the City's emergency services or to make service delivery more cost-effective. These recommendations spoke to a wide range of undertakings specific to Fire, Emergency Medical Services, Dispatch Services, integration of services, and succession planning.

Attached you will find an updated version of the 'Suggested Going Forward Work Plan' dated September 17, 2012 which has been shared with all employees in the Emergency Services Department.

For the purpose of this report, there are two recommendations (Comprehensive Review of Fire Services, and the Feasibility Study – Integrated Emergency Communications System) that will require a brief update and one recommendation (Resolve Fire Staffing Shortages – Fire Fleet and the Training and Prevention Sections) that will seek the direction of the Community Services Committee meeting of February 4, 2013.

Recommendation #3 (update) — To undertake a Comprehensive Review of the City's Fire Services was authorized by Committee/Council on February 27, 2012 and now includes Recommendation #4 — Capital Financial Model; #10 — Capital Replacement Program; and #13 — Review of Volunteer Firefighter

Signed By

Report Prepared By

Tim Beadman
Chief of Emergency Services
Digitally Signed Jan 9, 13

Recommended by the Department

Tim Beadman
Chief of Emergency Services
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Recommended by the C.A.O.

Doug Nadorozny
Chief Administrative Officer
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Operations; within its scope of work to be completed. This work assignment is well underway with the use of internal staff resources in combination with third party oversight; anticipating the findings sometime in the second or third quarter of 2013.

Recommendation #20 (update) — To undertake a feasibility study to achieve a fully integrated Emergency Communications System was authorized by Committee/Council on March 26, 2012 is well underway with the use of internal staff resources in combination with third party support. Anticipated completion of this task and a submission of a business case for Committee/Council consideration will be in the second quarter of 2013.

Recommendation #2 (update) — Which was recommended by the IBI Group (January 16, 2012) outlined the need for the Chief of Emergency Services and Fire Chief to jointly resolve the current staffing shortages in Fire Fleet, Training, and Prevention Sections. Status of work to date:

- Fleet, Facilities and Apparatus Section – internal review supported the need for additional personnel resources for the positions of administrative clerk support, SCBA Technician, and Equipment Vehicle Technician. A realignment of clerical support functions was authorized by the Chief's Office to support the Fire Fleet, Facilities and Apparatus Section within the Department's 2012 budget and approved staffing complement. Regarding the remaining positions within this Section, there is a business case to secure the additional personnel; however, further analysis will be undertaken with the feasibility of consolidating Fire Services and EMS Operations support functions. Until this work is completed, there will be no recommendation of a permanent nature forthcoming on this front.
- Fire Prevention Section – at the Community Services Committee meeting of September 17, 2012 the Chief of Emergency Services recommended that a hybrid model of staffing enhancement (career and volunteer) be established in partnership with the City's Building Services Section for a five year period without any impact to the municipal levy. This request was approved by the Finance Committee of Council, and will form part of the Department's 2013 budget cycle. Further, work will continue on formalizing collaboration of the relationship between Fire Prevention and Building Services to clarify roles and responsibilities of municipal staff for the purpose of plan reviews to ensure a timely and effective delivery of services.
- Fire Training Section – Fire Training's mandate is to develop, coordinate and deliver programs aligned to firefighters (career and volunteer) with knowledge and skills necessary to safely operate fire services equipment, perform firefighting and respond to emergencies involving medical aid, rescue and hazardous materials operations. The current training staffing complement cannot sustain the responsibilities of the Fire Services requisite training program as defined by the needs of 108 career firefighters and 340 volunteer firefighters operating out of 24 stations over 3,627 square kilometers. A separate report entitled 'Emergency Services Department – Pilot Project Proposal to improve Effectiveness and Efficiency of Fire Services Training Section' will be before the Community Services Committee meeting of February 4, 2013.

SUGGESTED GOING FORWARD WORK PLAN – February 14, 2012, updated September 17, 2012

#	RECOMMENDATION	RESOURCING	TARGET START	APPROVAL	STATUS
RECOMMENDATIONS SPECIFIC TO FIRE SERVICES					
1	The City's Fire Regulating By-Law should be revised and updated to accurately represent the response capability of the City's Fire Services	Chief of Emergency Services, Fire Chief & Deputy Fire Chiefs	Q1 2012	Community Services Committee Q2 2012	Completed
2	Resolve current staffing shortages in Fire Fleet, Fire Training & Fire Prevention sections	Chief of Emergency Services & Fire Chief	Q2 2012	Community Services Committee Q4 2012	Work underway
3	Undertake a comprehensive review of the City's Fire Services with the following as principal scope: Fire needs (risks) and trends, including needs specific to essential services (hospital, long term care, Sudbury airport, etc); operational performance, including station locations and utilization of resources; operating cost comparisons to other municipalities; options for containing costs (capital and operating) including User Fees; options for improving operational effectiveness, including potential to rationalize infrastructure (stations), resources and operating protocols; and investigate whether fire area rating is impacting the service delivery, and provide any recommendations for improvement.	External consultant working under the direction of a Steering Committee consisting of Departmental Senior Management	Q2 2012	Community Services Committee Q2-2012 Q2 2013	Project planning underway
4	Emergency Services Department should develop a program for long term capital replacement of Fire vehicles, apparatus, systems et al. The objective of such a program is to create a financial model that will predict the cost implications for replacement of Fire capital, as well as a due diligence approach and reliable response capability – also, to address a forecasted capital shortfall for Fire Services of about \$4.6 million over the next five years (2012 to 2016).	Chief of Emergency Services & Chief Financial Officer	Q1 2012	Community Services Committee Q2 2013	Financial model to be completed in conjunction with Fire Capital Replacement Management Program – Recommendation #10
5	Office of the Fire Marshal should be asked to conduct an external review of the current Fire Prevention program to satisfy any concerns pertaining to potential risks and regulatory compliance	Chief of Emergency Services	Q1 2012	Community Services Committee Q2 2012	Completed
6	Develop a building inspection strategy, work plan and inspection schedule for Fire Prevention. Concurrently review Fire Suppression staff's involvement in Fire Prevention	Fire Chief & Deputy Chief Fire Prevention	Q2 2012	Departmental Senior Management Q3 2012	On-going
7	Review capability of the Corporate Fleet Maintenance Facility to accommodate Fire Fleet needs	Fire Chief & Chief Mechanical Officer	Q1 2012	Departmental Senior Management Q4 2012	On-going
8	Investigate potential to re-establish Platoon Training program	Fire Chief & Chief Training Officer	Q4 2012	Departmental Senior Management Q2 2013	On target

#	RECOMMENDATION	RESOURCING	TARGET START	APPROVAL	STATUS
9	Review internal processes, and RMS and technology requirements for Fire Fleet, Fire Training & Fire Prevention sections	Fire Chief, Deputy Chiefs & senior section officers working with other Departmental personnel under the direction of the Chief of Emergency Services	Q2 2012	Departmental Senior Management Q4 2012	Work underway, funding subject to 2013 Capital approval for 2013/2014 implementation
10	Develop a Fire Capital Replacement program for replacement of Fire vehicles, apparatus, systems et al. Develop a similar initiative for capital improvement / replacement of Fire facilities	Fire Chief, Deputy Chiefs & senior section officers working with other Departmental personnel under the direction of the Chief of Emergency Services	Q1 2012 (to be undertaken in tandem with the Fire Comprehensive Review)	Community Services Committee Q1 2013 Q2 2013	Work to be completed in conjunction with the Comprehensive Fire Services Review – Recommendation #3
11	Update Fire SOP / SOG: Step 1– develop a TOR defining the SOP / SOG that need to be addressed, priority sequencing, and a work plan including recommendations for resourcing, time line, and process for review and approval	Working Group consisting of Fire Chief, Deputy Chiefs & senior section officers working under the direction of the Chief of Emergency Services	Q2 2012	Departmental Senior Management Q4 2012	Work underway
12	Update the Volunteer Fire Fighters Accord	Chief of Emergency Services and Fire Chief, in consultation with Corporate HR and Corporate Finance	Q2 2012	Community Services Committee Council Q3 2012 Q4 2012	Work underway
13	Undertake a review of Volunteer Fire Fighter operations, including alternative volunteer deployment models, alternative volunteer in-the-field oversight models, and alternative approaches to volunteer retention and recruitment	Fire Chief, Deputy Chiefs & senior section officers working with other Departmental personnel under the direction of the Chief of Emergency Services	Q1 2012 (potential to incorporate this into the Fire Comprehensive Review)	Community Services Committee Q2 2013	Work to be completed in conjunction with Comprehensive Fire Review – Recommendation #3
RECOMMENDATIONS SPECIFIC TO FIRE DISPATCH					
14	Designate a senior Emergency Services representative to serve as Communications Services Liaison Officer	Chief of Emergency Services in consultation with Fire Chief and Police Services	Q2 2012	Departmental Senior Management Q4 2012	Best Practices of Fire Dispatch Services Project underway • recommendations 14, 15, 16, & 17 will be part of the work to be completed 2012/2013
15	Re-establish Fire Communications Operations Committee	Chief of Emergency Services working with Fire Chief, the Police Chief and the City's CAO	Q2 2012	Departmental Senior Management Q4 2012	
16	Review and update the agreement governing Fire dispatch services	Staff from Emergency Services and Police Services working under the direction of the Fire Communications Operations Committee	Q2 2012	Departmental Senior Management Q4 2012	

#	RECOMMENDATION	RESOURCING	TARGET START	APPROVAL	STATUS
17	Review and update the CAD data base pertaining to Fire dispatch. Develop a process for enacting future CAD updates	External resource (e.g., TriTech) working with the Communications Services Liaison Officer and other Fire Services personnel under the direction of a Steering Committee consisting of Departmental Senior Management and Police Services	Q2 2012	Departmental Senior Management Q4 2012	Best Practices of Fire Dispatch Services Project underway • recommendations 14, 15, 16, & 17 will be part of the work to be completed 2012/2013
RECOMMENDATIONS SPECIFIC TO EMERGENCY MEDICAL SERVICES					
18	Undertake a comprehensive operational review of the City's EMS system, with the following as principal objective - to define a preferred long term direction for the EMS Division (within the context of the Emergency Service Department), as well as associated resource requirements and cost projections (both capital and operating).	External consultant working under the direction of a Steering Committee consisting of Departmental Senior Management	Q4-2012 Q2 2013	Community Services Committee Q2-2013 Q4 2013	Status change
19	In accordance with amended Regulation 257/00 of the <i>Ambulance Act</i> , undertake development of a Response Time Performance Plan – targeting submission of said plan to the Director of Emergency Health Services MOHLTC by October 31, 2012	EMS senior management working under the direction of the Chief of Emergency Services	Q2 2012	Community Services Committee Q3 2012	Completed
20	Investigate feasibility to integrate EMS dispatch with the City's current dispatch system for 9-1-1, Police and Fire, as described in Section 4.4 under the heading 'Full Integration of Emergency Communications Services'. This should include development of a 'phased' implementation plan. Phase 1 of the implementation plan may be the City's assumption of operational governance for ambulance dispatch services	External consultant working under the direction of a Steering Committee consisting of Departmental Senior Management, Police Services and the City's CAO	Q1-2012 Q2 2012	Community Services Committee Q3-2012 Q1 2013	Consolidated with full integration Recommendation #29 Work underway
RECOMMENDATIONS SPECIFIC TO FIRE & EMS					
21	The December 2010 draft Protocol pertaining to medical tiered response should be advanced for final review and implementation early in 2012	Committee represented by Emergency Services, Police Services, MOHLTC CACC and Fire Services Medical Director (i.e., the authors of the draft Protocol)	Q1 2012	Departmental Senior Management Q2 2012	Completed
22	Establish a standing Committee consisting of Fire and EMS personnel to investigate and manage issues arising from variations in practices among career and volunteer fire fighters, and from Fire and EMS cultural differences	Fire and EMS personnel working with Departmental senior management and Corporate HR	Q4 2012	Departmental Senior Management Q4 2012	On target
RECOMMENDATIONS SPECIFIC TO EMERGENCY MANAGEMENT					
23	Investigate CSA-Z1600 Canadian Standard criteria as a go forward strategy for the City's Emergency Management and Business Continuity Program.	Chief of Emergency Services & Community Emergency Management Coordinator	Q2-2012 Q1 2013	Community Services Committee Q4-2012 Q4 2013	Status change

#	RECOMMENDATION	RESOURCING	TARGET START	APPROVAL	STATUS
24	Secure Corporate support for Business Continuity Planning	Chief of Emergency Services & Community Emergency Management Coordinator	Q2-2012 Q4 2012	Departmental Senior Management Q4-2012 Q4 2013	Status change
25	Investigate means for increasing Emergency Management profile	Community Emergency Management Coordinator in consultation with the Chief of Emergency Services & other Departmental senior managers	Q2 2012	Departmental Senior Management Q4 2012	Closed
CONSOLIDATION OF EMERGENCY SERVICES ADMINISTRATION					
26	Fire and EMS administrative support functions should be aligned to a common area, potentially the Office of the Chief of Emergency Services. The Chief's Office currently provides strategic leadership, communications with City Council, and financial and other planning support. The recommendation is to expand the administrative role to include service planning, recruitment, purchasing, capital replacement, and facilities, records and performance management	Chief of Emergency Services in consultation with Departmental senior management.	Q2-2012 Q3 2012	Departmental Senior Management Q4-2012 Q2 2013	Work underway
27	In conjunction with the above, investigate opportunity to: (a) share resources for administrative functions in-common to both Fire and EMS, and for ongoing management of capital; (b) establish a common storage area, shared inventory and record keeping for Departmental supplies; and (c) promote and develop management (leadership) talent within the Emergency Services Department	Emergency Services Administration under the supervision of the Chief of Emergency Services	Q2-2012 Q3 2012	Departmental Senior Management Q4-2012 Q2 2013	Work underway
CONSOLIDATION OF FIRE AND EMS OPERATIONS SUPPORT					
28	Investigate feasibility of consolidating Fire and EMS Operations Support. Project scope should include a review of alternative jurisdictional delivery models, including potential benefits, disadvantages, costs, implementation challenges and risks	External consultant working under the direction of a Steering Committee consisting of Departmental Senior Management	Q3-2012 Q4 2012	Departmental Senior Management Q1 2013	Work underway
FULL INTEGRATION OF EMERGENCY COMMUNICATIONS SERVICES					
29	Investigate feasibility to integrate EMS dispatch with the City's current dispatch system for 9-1-1, Police and Fire, to achieve a fully integrated Emergency Communications Services system for the Greater City. This should include development of a 'phased' implementation plan (inclusive of capital and operating costs) and a Business Case for City Council's consideration and submission to the Ontario MOHLTC. Phase 1 of the implementation plan may be the City's assumption of operational governance for ambulance dispatch services	External consultant working under the direction of a Steering Committee consisting of Departmental Senior Management, Police Services and the City's CAO	Q1-2012 Q2 2012	Community Services Committee Q3-2012 Q1 2013	Status change, work underway — Recommendations #20
COMPLETE INTEGRATION OF THE CITY'S EMERGENCY SERVICES					
30	Implement a Pilot Project intended to trial one or more specific initiatives by which to	Working Group consisting of Fire and	Q3-2012	Departmental Senior	Status change

#	RECOMMENDATION	RESOURCING	TARGET START	APPROVAL	STATUS
	integrate Fire and EMS. As a starting point, we recommend that the Pilot Project trial alternative working arrangements involving assignment of fire fighters and paramedics to the same squad, emergency response vehicle, etc. The design of the Pilot Project should be undertaken in consultation with Corporate HR and key stakeholders	EMS personnel working under the direction of Departmental senior management	Q4 2012	Management Q4-2012 Q1 2013	
31	In tandem with the above, undertake a study to investigate alternative approaches to complete integration of Fire and EMS. The scope of the investigation should review models adopted by other North American jurisdictions (e.g., Winnipeg) and it should assess: potential benefits and advantages, lessons learned, unique opportunities afforded by the respective approaches, key success factors, implementation challenges, and means by which to manage risks.	External consultant working under the direction of a Steering Committee consisting of Departmental Senior Management	Under review Q1 2013	Under-review Departmental Senior Management Q4 2013	Status change
32	While the above two initiatives are underway, the Emergency Services Department should not entertain any changes that would impede or detract from the Department's ability to achieve an improved operating outcome	Chief of Emergency Services in consultation with Departmental senior management.	Q1 2012	Departmental Senior Management Ongoing	On-going
TRAINING TOWER & CLELC					
33	Develop a future strategy for the Training Tower (in the context of the overall CLELC complex), including services and programs; governance, funding and cost sharing arrangements; and facility management. This should include development of a Business Plan for City Council's approval	'Think Tank' consisting of potential stakeholders working with the Chief of Emergency Services	Q1 2012	Community Services Committee Q4-2012 Q1 2013	Status change, work underway
34	Undertake a structural assessment to determine the Training Tower's current physical condition and safety for ongoing use as a training facility	External consultant working under the direction of a Steering Committee consisting of Departmental Senior Management	Q1 2012	Departmental Senior Management Q2 2012	Completed
SUCCESSION PLANNING / MANAGEMENT TALENT					
35	Investigate and recommend strategies for promoting and developing management (leadership) talent within the Emergency Services Department, including career advancement and succession planning. This should include investigating opportunities to expand the number of management exclusions – as a potentially necessary means for developing management talent	Emergency Services Administration working with Corporate HR and a standing Committee consisting of Fire and EMS personnel	Q2-2012 Q4 2012	Departmental Senior Management Q4-2012 Q1 2013	Status change
36	Establish a senior officers 'Forum' as means by which to promote Succession Planning / Management Talent and also, to further Divisional integration (at any level whether it be in administration, operations support or at the front line)	Forum to be established by Emergency Services Administration under the direction of the Chief of Emergency Services. All ES staff at the District / Platoon Chief level and above should be required to attend	Q2-2012 Q3 2012	Departmental Senior Management ongoing	Status change

#	RECOMMENDATION	RESOURCING	TARGET START	APPROVAL	STATUS
	<i>BUSINESS AND QUALITY MANAGEMENT SUPPORT</i>				
37	In consideration of current pressures and needs pertaining to data management, and that such pressures will intensify over time, it is recommended that a long term strategy for comprehensive management of data (that will accommodate the needs of the entire Department) be developed	Emergency Services Administration working with Emergency Services senior management. Corporate IT to be enlisted to assist with this work	Q2 2012	Departmental Senior Management Q4 2012	Work underway – Recommendation #9
38	Support the Emergency Services Department's initiative to establish a 'Risk and Quality Management' program as a fundamental business principle within the Emergency Services organization.	Emergency Services Administration working with Emergency Services senior management. Corporate HR to be enlisted to assist with this work	Q2 2012 Q4 2012	Departmental Senior Management Q4 2012 Q2 2013	On-going

Request for Decision

Concession Operations at Arenas

Presented To:	Community Services Committee
Presented:	Monday, Jan 21, 2013
Report Date	Tuesday, Jan 08, 2013
Type:	Managers' Reports

Recommendation

WHEREAS the current concession operator (Marco Concession and Catering) contract expires in July, 2013 to operate the Municipal concessions at Cambrian, Capreol, Carmichael, Chelmsford, McClelland, TM Davies, Garson, Dr. Edgar Leclair, Toe Blake, Jim Coady arenas and the Gerry McCrory Countryside Sports Complex;

AND WHEREAS privatizing the concession operations at the Municipal arenas is advantageous for the City;

THEREFORE BE IT RESOLVED THAT the City of Greater Sudbury issue a Request for Proposal (RFP) for the operation of the Municipal arena concessions which expire in 2013;

AND THAT the term of the RFP contract be for two (2) years with a three (3) year option for extension.

Finance Implications

The lease revenues from privatizing the concessions at the Municipal arenas have been included in the 2013 Operational Budget.

Background

At the October 23rd, 2012 Audit Committee meeting, Council briefly discussed the concession operations at the Municipal arenas. It was recommended that an information report be prepared and presented to the Community Services Standing Committee in order to provide background on privatization of the Municipal arena concessions.

This report provides background information related to the Municipal Arena concession operations since amalgamation. In addition, the report provides information on the concessions operated by the private operators including the contract expiry dates.

Signed By

Report Prepared By

Ray Mensour
Manager of Arenas
Digitally Signed Jan 8, 13

Division Review

Real Carre
Director of Leisure Services
Digitally Signed Jan 8, 13

Recommended by the Department

Catherine Matheson
General Manager of Community Development
Digitally Signed Jan 8, 13

Recommended by the C.A.O.

Doug Nadorozny
Chief Administrative Officer
Digitally Signed Jan 9, 13

At amalgamation, the Municipal Arenas were operated by the City with the exception of Jim Coady, Toe Blake, Centennial and Raymond Plourde arenas which continues to be privately operated as per agreements with the former Municipalities.

In 2007, the department conducted an operational and financial analysis of the City operated concessions. In reviewing the concession operations, it was concluded that the net revenues generated for directly operating the concessions was minimal. In addition, the Arena Section reduced by 1 full time non union Assistant Arena Manager position which would have resulted in an increase in responsibilities to the current compliment of 2 Assistant Arena Managers to manage the concessions.

In March, 2007, the department received Council's approval to issue a Request for Proposal (RFP) in order to contract the following arenas: Cambrian, Capreol, Carmichael, Chelmsford, McClelland, TM Davies, Garson, Dr. Edgar LeClair arenas and the Gerry McCrory Countryside Sports Complex. Jim Coady, Toe Blake, Centennial and Raymond Plourde arenas were previously allocated to private operators. The RFP was awarded to Marco Concession and Catering. As a condition of the RFP, the bid price was confirmed for the first three (3) years with an option to renew for an additional five (5) years subject to negotiations favorable to both parties. The City negotiated a three (3) year option which included adding Toe Blake and Jim Coady Arenas as part of the contract since the private operators had terminated their contract. The bid price negotiated and approved exceeded the net profits generated by the City when operating those concessions.

Marco Concession and Catering contract expires in July, 2013. In addition to Marco Concession and Catering contract expiring, the concession operations at Raymond Plourde and Centennial arenas operated by Time Out Catering, will expire in July, 2015.

Recommendation

It is recommended that a Request for Proposal (RFP) to operate all Municipal concessions except Raymond Plourde and Centennial Arena concessions, be issued for two (2) years with a three (3) year option for extension.