

Type of Decision								
Meeting Date	February 9, 2021				Report Date	February 1, 2021		
Decision Requested	X	Yes		No	Priority		High	Low
	Direction Only				Type of Meeting	X	Open	Closed

Report Title
EVENT CENTRE UPDATE REPORT

Resolution	Relationship to the Strategic Plan/Health Impact Assessment
<p>THAT the City of Greater Sudbury direct staff to review and compile the facts associated with the Event Centre Project and, where necessary, provide updated information based on events subsequent to Council's June 2017 decision to proceed with the project in accordance with the Terms of Reference described in this report;</p> <p>AND THAT staff provide the compiled information in an information report at a Special Meeting of Council on June 16, 2021;</p> <p>AND THAT the Executive Director of Strategic Initiatives, Communications and Citizen Services be delegated authority to procure the required professional services to complete the work, subject to an upset limit of \$125,000 from the Event Centre Project Budget and on a single source basis if required, outlined in the report entitled Event Centre Update Report as presented to Council on February 9, 2021.</p>	<p>This report is informed by the following Strategic Objectives outlined in the City of Greater Sudbury Strategic Plan 2019-2027, specifically:</p> <ul style="list-style-type: none"> • Asset Management and Service Excellence • Business Attraction, Development and Retention • Economic Capacity and Investment Readiness • Create a Healthier Community • Strengthen Community Vibrancy
Resolution Continued	Background Attached

Report Summary
<p>The purpose of this report is to approve the scope of work and terms of reference for a report which will compile all of the facts associated with the Kingsway Entertainment District project and, where necessary, provide updated information based on events following Council's June 2017 decision to proceed with the project.</p> <p>This report also describes the anticipated timing for the work, with a final report anticipated at a special Council meeting in the second quarter.</p> <p>Finally, it also intends to secure delegated authority for the Executive Director, Strategic Initiatives, Communications and Citizen Services for the acquisition of sufficient, appropriate third party expertise at a total cost of not more than \$125,000, with funding provided by the Event Centre Project Budget.</p>

Financial Implications
<p>Should Council approve, a budget of up to \$125,000 will be utilized to secure required professional services. The funding will come from the Event Centre Project Budget.</p>

Report Prepared By

Division Review
 David Shelsted Director of Engineering Services

Recommended by the Department
 Ian Wood Executive Director of Strategic Initiatives, Communications and Citizen Services

Financial Implications
 Steve Facey Manager of Financial Planning and Budgeting

Recommended by the C.A.O.
 Ed Archer Chief Administrative Officer

A: INTRODUCTION

The purpose of this report is to approve the scope of the work Mayor Bigger requested to compile all of the facts associated with the Kingsway Entertainment District project and, where necessary, provide updated information based on events following Council's June 2017 decision to proceed with the project. This report also describes the anticipated timing for the work, with a final report anticipated at a special Council meeting in the second quarter. Finally, it also intends to secure delegated authority for the Executive Director, Strategic Initiatives, Communications and Citizen Services for the acquisition of sufficient, appropriate third party expertise at a total cost of not more than \$125,000, with funding provided by the Event Centre Project Budget.

At the Council meeting of January 12, 2021, Mayor Bigger requested that staff update the factual information on the proposed Event Centre and return with a comprehensive report in the second quarter of 2021. Following this meeting and further discussions with Mayor Bigger, staff considered potential terms of reference for the report. There are two main questions which staff believe can assist Council in achieving clarity in their direction:

1. Since 2017, have any of the elements about the project changed such that its potential for producing the desired outcomes is markedly different?
2. Since 2017, and especially considering the effects of the Covid-19 virus, have there been any changes in the operating environment that would affect the project's success?

Mayor Bigger stressed the need for evidence-based analysis. Considering the level of due diligence associated with the current direction, staff do not propose to examine or update information on any sites outside the city core other than the Kingsway (KED) location. Given continued community interest, however, staff believe the review should include the facts associated with two significant alternative locations identified previously. Specifically, these are a new-build on the Shaughnessy-Minto block and a renovation of the existing Sudbury Community Arena.

Staff do not anticipate providing recommendations in this report. Council's direction to construct an event centre at the Kingsway Entertainment District in partnership with the landowner and Gateway Casinos remains in place, and Council approval is required to initiate further steps on this file.

B: TIMING OF REPORT

Staff is proposing to deliver the requested report at a Special Council Meeting on Wednesday June 16, 2021.

C: REPORT APPROACH

As requested, staff will review and analyze available information and will provide the most current factual details in a report. The report will provide current information, or confirm the information provided in 2017 remains appropriate.

There has been much discussion about the influence of the COVID-19 virus on this project. This is an example of an environmental factor that could generally affect the project's operations and/or its potential for long-term success. The review will evaluate the environment in which the planned Event Centre will operate and assess whether the risks associated with it influence the project's potential for success.

In order to ensure that the described timeline can be achieved and that Council has the benefit of professional insights into the current situation facing event centres across North America, including the impact of the pandemic, staff are seeking approval to secure outside expertise to assist in this effort. At a minimum, this expertise will include Ron Bidulka of PWC. Mr. Bidulka has confirmed his potential availability to carry out this work on the recommended timeline and the continuity and context he can bring to this initiative will be extremely beneficial. Other experts will be recruited based on need as the work unfolds but will include expertise in economic impact assessment and event centre architectural requirements. Staff are requesting approval of up to \$125,000 to secure this expertise as well as delegated authority for the Executive Director of Strategic Initiatives to engage the best available consultants on a single source basis.

D: TERMS OF REFERENCE

At a minimum, this information report will contain a review, and updates as appropriate, of the information from the June 2017 Site Evaluation report under the following eight evaluation criteria as excerpted from the report itself and as approved by Council on March 7, 2017:

- A. Vision – which speaks to the development of an Event Centre on a particular site being consistent with the overall long-term strategic vision of Greater Sudbury and its pattern of strategic growth. Any site being considered for the Event Centre should be considered within the broader parameters of long term strategic community benefits rather than as simply an appropriately sized property for a specific building.
- B. Complimentary Benefits – which speaks to the ability of an Event Centre being able to enhance the neighbouring area and its context. This question applies equally to a downtown or suburban site and measures the extent to which there is a synergistic opportunity for enhanced benefits. The extent to which those benefits accrue within Greater Sudbury is key to this question. For a downtown site, those benefits could include a more vibrant and renewed urban core, while

for a suburban site the benefits could include fast-tracking the development of an area that might otherwise evolve over the longer term.

- C. Ease of Development – which speaks to the added costs and timing associated with the development of an Event Centre on a particular site. For example, are there environmental or geotechnical issues that impact the development process and / or could be expected to add to the time and / or cost of building the Event Centre? An Event Centre has a very large footprint and the building will require an extremely flat floor built on a solid under-base. A particular site could have a significant cost impact on the overall project and on the development of the site (for example, is blasting or piling required for the development of an Event Centre on a particular site and would either of these have a direct impact in terms of the freedom of developing the most appropriate design). In addition to geotechnical and environmental issues, other considerations to be considered include whether there exists issues with a particular site from an infrastructure / services availability perspective (i.e., does sufficient electrical, water, sewer, storm water, etc. services exist at / to the site, or must these be brought to the site / replaced and at what cost). A final consideration includes the ability of the project to avoid a lengthy or prolonged due diligence or approvals process. For example, will the site require rezoning and / or an Official Plan amendment which would add to the length of time required to commence construction? Could such decisions be appealed and therefore add further delay to the commencement of construction? Will environmental and / or geotechnical investigations require additional time and expense which could similarly serve to lengthen the period of when construction of the Event Centre could commence?
- D. Access – which seeks to address whether a site is or can be made easily accessible from a vehicular, pedestrian, and transit (both current and future) perspective. Are improvements / modifications required to support the site? Is it realistic to implement episodic transit specific to major events? Are improvements to the existing road network required to facilitate vehicular access (for example, road improvements / widenings, new signalizations, etc.).
Background | Initial Assessment of Potential Sites | Site Evaluation Criteria | Site Evaluation | Summary and Recommendation PwC City of Greater Sudbury – Greater Sudbury Event Centre Site Evaluation June 2017 Three classifications of criteria were enunciated by Greater Sudbury City Council to guide the site evaluation process, including those of “highest importance”, “extremely important” and “important”
- E. Parking – how much parking is required for the Event Centre and how many parking spaces currently exist in the vicinity of the site to support the Event Centre? Is there sufficient parking in the area that can reasonably be used to accommodate demand? Can parking be added whether on or off-site? If additional parking is required, would it be well-used on a daily basis for other purposes. Would the creation of additional parking be a prudent investment?

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- F. Cost – this speaks to the total cost of development, including land acquisition, site preparation costs, other site costs and offsite improvements. For example, does the City already own the site or would the City need to acquire the property? Are there issues associated with the development of the site that could result in higher project construction costs? Can some of these costs be shared (for example with adjoining land owners)? These questions apply not only to the site under consideration, but also to costs beyond the boundaries or perimeter of the site (some of which are dealt with under Ease of Development). It should be noted that such additional development costs should not necessarily be seen as a liability if they help facilitate future investment and development.
 - G. Economic Impact – does the development of a particular site have an enhanced economic impact for the surrounding neighbourhood, for Greater Sudbury and / or the broader region? Would the development of a particular site maximize the ability of an Event Centre to bring positive economic impacts to the area? Is the positive impact spread over a narrow spectrum of beneficiaries or a broad one?
 - H. City Building; can the siting of the SEC on a particular site enhance the process of “city-building” by contributing to economic growth, quality of life, citizen satisfaction and community pride?

E: ADDITIONAL CONSIDERATIONS

In addition to the headings above, staff anticipate the analysis will include the following elements to ensure complete, current information is available:

- I. Assessment of Renovation of Sudbury Community Arena
Information presented to Council on March 31, 2015 will be reviewed and updated to the present context, including the most recent technical requirements for event centre facilities.
- J. Assessment of Project Risk
An updated risk/benefit assessment for the Event Centre Project, including controllable and uncontrollable risks under various scenarios.
- K. Relationship to Junction East and Junction West Projects
The Junction projects have evolved since 2017 and details of potential synergies and impacts related to the Event Centre Project will be summarized within this section.
- L. Information on COVID-19 Implications
This will include an update on market conditions, demand scenarios and future forecasts that may change the draft operational considerations and the pro forma developed as part of the previous business plans.

M. Details of Project Expenditures to Date

A detailed breakdown of the costs incurred in the Event Centre project to date.

N. Next steps

Subject to the disposition of the planned report, an assessment of next steps and timing will follow

F: REFERENCES

Arena Renewal Strategy and Sudbury Community Arena Options, Report to Council March 31, 2015 –

<https://agendasonline.greatersudbury.ca/index.cfm?pg=agenda&action=navigator&lang=en&id=811&itemid=9364>

Arena Presentation, Report to Council March 15, 2017 –

<https://agendasonline.greatersudbury.ca/index.cfm?pg=feed&action=file&agenda=report&itemid=1&id=1124>

Arena/Event Centre Update, Report to Council June 27, 2017 –

<https://agendasonline.greatersudbury.ca/index.cfm?pg=feed&action=file&agenda=report&itemid=1&id=1130>