

# EVENT CENTRE STUDY

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**CITY OF NANAIMO**  
THE HARBOUR CITY



# NANAIMO EVENT CENTRE STUDY

## INTRODUCTION

The City of Nanaimo retained Brisbin Brook Beynon Architects (BBB Architects Toronto Inc.) to complete this EVENT CENTRE Study to understand the financial and physical realities of this type of project and the extent of the economic and community benefits that would result.

It was understood that there may be an opportunity to attract a Western Hockey League Team to Nanaimo and that these opportunities do not happen often.

Therefore, the study parameters were based on completing, at a reasonable cost, a study that will provide an overview on the positives and challenges of developing and operating an Event Centre. The strategic objective was to quickly obtain enough information for City Council to make an informed decision on whether it was worthwhile to further the realization of an Event Centre.

As stated at the outset and with the realities of a one month study timeframe, many of this study's findings are based on BBB's extensive experience with this building type and by benchmarking Nanaimo to other similar cities and their facilities. Therefore and as is common with studies and reports of this type, some of the estimates and information in this study may vary from actual results.

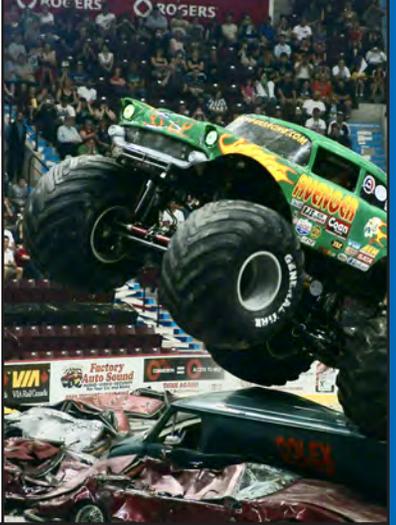
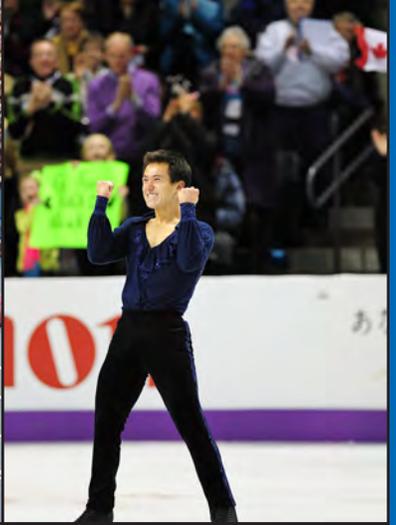
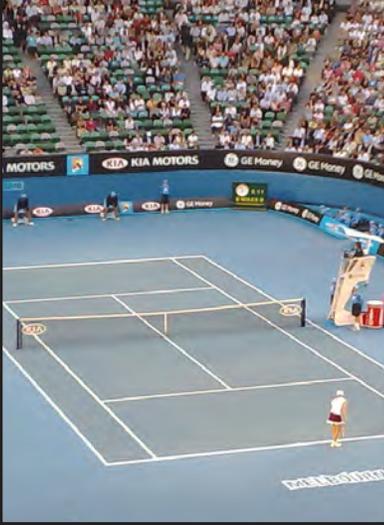
Thank you to City staff who have been an incredible resource and very helpful throughout the course of this assignment.

It has been a pleasure to work on this project and we look forward to responding to questions that the City may have.

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# 1. The APPROPRIATE SPECTATOR FACILITY for NANAIMO

## THE PROJECT

Event Centres, often referred to as interior multi-purpose sport and entertainment spectator arenas, are major public assembly facilities that attract people of all ages, social backgrounds and interests.

From Sesame Street for 3 year olds to Barry Manilow for 93 year olds; from Wrestling to Classical Music; from WHL Hockey to Elton John; from Lacrosse to Diana Krall and Michael Buble; from Disney on Ice to Hip Hop; from Country and Western to Cirque de Soleil; and from Tractor Pulls to Figure Skating Championships, the contrast and variety of events is endless. As well, the list extends to community and cultural celebrations and religious speakers like Joel Olsteen to motivational speakers such as Oprah and Tony Robbins.

Since these facilities will be sustainable for 50 years, the events that will appear in them will change with what society wants. As soccer and basketball have attained rapid growth in Canada over the last 10 years, junior and minor professional leagues in these sports are already gaining interest and may well become significant spectator sports for mid size facilities in the near future. Indoor cricket, handball, championship ping pong and badminton are all events that draw major attention in some cultures and occur in spectator venues.

That over a 2 or 3 year period, they host events and gatherings that are of interest to all residents is the reason that these facilities are referred to as the #1 Community Centre in any urban area.

As well, they have proven to be excellent venues to accommodate educational and business events and activities that otherwise would have no facility in which to meet.

Of equal importance, these are ideal facilities to provide venues for art and cultural events such as art shows and amateur music competitions all coordinated and usually lead by the main art and culture institutions and facilities in the region.

And in many communities, they also provide warm interior space for seniors to use in inclement weather. If for a quarter mile walking track with great views or for meetings and gatherings.

In summary, Event Centres bring communities together. They are our largest interior venues in which to meet face to face.

## NANAIMO MARKET

Nanaimo's primary trade area or Nanaimo Regional District (including Ladysmith) has a population of approximately 165,000. The area population grew by 5.7% between 2006 and 2011 and continues to grow. The maximum travel distance and time in this district to downtown is approximately 40km and 25minutes.

Nanaimo's secondary trade area is within approximately 110km and 1 hour travel time that includes Comox, Strathcona and Port Alberni. It has an additional population of approximately 140,000.

Nanaimo's third trade area is within approximately 160km and a 1.5 hour travel time and includes the remainder of the Cowichan RD. It has an additional population of approximately 86,000.

Thank you to Nanaimo Economic Development who provided all of the above statistics.

The above does not include the Victoria RD and adjacent areas that are closer to downtown Victoria (where their Event Centre is) than downtown Nanaimo, even though the natural dividing line is further south at Malahat, especially between October and April. These areas have a population in excess of 350,000.

The relatively unique characteristic of the areas within half the travel time to Victoria and a 2 hour travel time to the north and north-west of Nanaimo is that they represent a "captured" population of over 400,000. This is a result of being on an island where there is considerable additional time and/or cost to travel to attractions that are on the mainland.

In contrast, using a similar criteria, Kelowna's "captured market" is approximately 275,000. This is due to competing event facilities in Penticton and Kamloops. Red Deer's is approximately 250,000 with competing facilities in Calgary and Edmonton.

A second characteristic of Vancouver Island is that people both expect to and to a certain degree are used to traveling longer distances.

A third characteristic is that Vancouver Island is seen as a relatively unique destination especially for tourists and vacationers to explore.

The above three (3) characteristics are apparent in Nanaimo's Port Theater ticket sales where approximately 10% are to households off Vancouver Island and 20% are to households on Vancouver Island but are outside the Nanaimo RD (including 7% to Victoria residents). Thank you to the Port Theatre that provided the basis for this information.

This is also no doubt a result of Nanaimo's central location with convenient access to ferries to the mainland.

An important issue is that the Port Theatre has a capacity of 800 while a new Event Centre with its much larger capacity will be hosting bigger events with generally larger marketing budgets. For this reason, it is reasonable to assume that a new Event Centre could attract 35% or more of its guests from outside the Nanaimo RD. Obviously this bodes well for the positive impact of this facility to Nanaimo's economy which will be discussed in a subsequent section.

Another key attribute of the Nanaimo RD is the diversification and strength of its business community. There are approximately 600 businesses with over 19 employees with the vast majority being within the City of Nanaimo or the immediate vicinity. This should result in strong event ticket sales and especially well for premium seating products like private suites and loges and for the sale of corporate sponsorships. All of these sales will support the financial well being of the Event Centre and a WHL Team. As well, the anticipated continued (and quite possibly accelerated) growth of the Nanaimo super-region will only add to businesses' demand for quality entertainment.

## **EVENT REQUIREMENTS**

The primary events that establish the overall spectator viewing capacity for a new Event Centre are those for:

- A Nanaimo based Western Hockey League (WHL) Team and other possible teams including indoor lacrosse, minor league basketball, etc.
- Touring shows including concerts and family shows such as Disney on Ice, Oprah, Tony Robbins, Cirque du Soleil, Sesame Street, etc.

### **Western Hockey League Team**

The Western Hockey League has an average attendance of 4535. Two cities that are relatively comparable to Nanaimo's demographics are Kelowna and Red Deer where the average attendance has been 5,635 in Red Deer and 5,242 in Kelowna. Of course, their attendance varies as the team is winning and losing and in response to who they are playing on a specific evening. The capacity for hockey in Red Deer at the Enmax Centrum is 7,111 while Kelowna's capacity for hockey at Prospera Arena is 6,286.

Solely with respect to the right capacity for a WHL Team in Nanaimo we would recommend a capacity of approximately 5700. It is important that this can adjust downwards for games that are less popular while still giving the impression that the building is sold out. We have newer design strategies that allow this to occur in a cost effective manner.

The larger capacity will assist in attracting more of the premium type of Hockey Canada single exhibition games and championship tournaments that occur regularly in this country, excluding the World Juniors that has been elevated to buildings of 15,000 capacity or greater. This building size would also be more attractive to the CHL with the possibility of hosting a Memorial Cup, as Red Deer did in 2016. This event alone brings tremendous economic benefit to any city during its 10 days of the event plus the lead up to it.

## Touring Shows

Touring shows are events that travel to different cities that the acts' promoters decide to perform in and include concerts, family shows, WWE, rodeos, etc. etc.

While their agreements with the arena/venue are very one sided in the act/promoters' favor, these events bring significant economic benefits to a city by attracting more visitors and spending to the city.

Assuming that there is a sufficient regional population in a location, the biggest factor in selecting a city to perform in, is the number of manifested seats or viewing positions. With a concert and seating in the round, most mid-sized regions (with a captured market of 70,000 to 350,000) such as Kelowna, Kamloops, Red Deer, etc. that have arenas built in the last 25 years have a manifested capacity of approximately 6,500 to 7,500 for a concert in the round and attract approximately 25 touring shows per year. The facilities that have 8000 to 9000 manifested viewing positions (i.e. Abbotsford and London ON) are hosting approximately 35 to 40 touring shows which include bigger marquee or signature events (such as Elton John next spring).

In these type of buildings, the normal (or natural design) difference between the desired hockey capacity and a touring show capacity is approximately 1,500. If an objective is to maximize the number of touring shows, the challenge with a 5700 capacity hockey venue is to design a facility that has approximately 2,500 more capacity for concerts in the round without adding significant cost. Again, we have several new design/ construction methodologies that achieve this goal.

In addition to capacity, touring shows will also look for overall good quality, excellent acoustics, adequate washrooms, fast move-ins, sufficient rigging loads, rigging heights and grids, stage power, etc. While these are expected by the promoter, it is still amazing how many new buildings are deficient with some or all of these requirements.

While private suites, loges, and sponsor products are of tremendous value to the venue and the home team, they are of little value to the touring shows because they normally don't get any of these longer term contracted revenues.

## Other Events

Today, Nanaimo's successful 800 seat Port Theatre hosts a wide range of events. This is both a facility and an organization that has incredible resources and knowledge about the region's entertainment market and infrastructure. The critical component for a new Event Centre is to be totally complimentary with the Port Theatre and other Nanaimo entertainment facilities. This ranges from providing features and capacities that are non-competitive to working together on a cross utilization of the same resources including coordinated marketing plans and ticketing. In this manner both facilities will deliver greater benefits to Nanaimo than operating completely separately.

There are many other cultural and community events and activities that Event Centres can support and host that expand the facility's civic nature and profile. This includes the use of this facility, for ice sport recreational and training uses. Present demand for ice time in Nanaimo will indicate that this will assist to alleviate increasing demand. While not critical to attract a WHL Team or host Touring Shows, there are often relatively small program and design adjustments required to support and maximize the Event Centre's utilization for these Other Events.

These include a covered outdoor public activation plaza, public galleries and sitting areas to watch event set-ups and practices and to host amateur art shows etc, indoor soft-surface circular walking routes with interesting views, group sales and other gathering places and rooms that can be used by not-for-profit community and

cultural groups at non event times, etc.

The key element in determining what are the right things to include is community consultation, both with individuals and existing groups and institutions throughout the region.

## **BUILDING PROGRAM**

Based on the foregoing, the following provides an overview of our recommended Facility Program for a new Nanaimo Event Center.

Understanding the demographics of the City and Region of Nanaimo, the Centre's key attributes are:

- Large enough to be ideal for the home of a WHL Team.
- Features to attract a broad variety of touring shows and if the budget permits, large enough to attract quality signature touring shows that play in venues with under 10,000 capacity.
- A quality facility that provides a 1st class experience for guests coming to WHL hockey and other high level sporting events and a broad selection of entertainment performances --- whether the guests are local residents or driving 1 to 2 hours to come to an event.
- A wide cross-section of seating and hospitality options that range from 'best in class' premium seating offerings to fun and exciting specialty seating sections for families, youth, seniors, small businesses, etc.
- A design that allows an efficient future operation of the Centre from maintenance to fast event move-ins and from convenient guest services to long term sustainability.
- Some areas for growth that allow self-funding complimentary uses such as personal health and training, physio, sports medicine, etc. to be accommodated in the future.

Our preliminary Event Centre Program is as follows:

**NANAIMO  
EVENT CENTRE  
PROGRAM**

**October 13, 2016**

**BASE FACILITY**

**SEATING**

- Sight Line Criteria: 130mm (5 ") above the eye level of a person seated 2 rows in front to a focal point located 2.4m (8ft) from the inside face of the dasher boards and 0.6m (2ft) above the ice slab.
- The Approximate Spectator Viewing Capacity ["SVC"] includes all seats and designated standing positions which conform to the above Sight Line Criteria including General Seating; Club Seating; Suite and Loge Seating; Wheelchair Seating (and attendant seating); Bar or Restaurant Seating; Hospitality, Group Sales and/or Corporate Sponsor Suites; Media/TV Seating, and any other Seating Products and Designated Standing Room Positions incorporated into the building:
  - Hockey SVC - 5,700 spectators
  - Concerts SVC - 7,100 spectators

**GENERAL SEATING**

- Minimum Chair Width: 510mm (20") (allow for maximum 3% being 480mm (19") provided not beside each other).
- Minimum Tread: 860mm (34")
- Seats between Aisles: 22 (back rows in corners: Max. 26).
- General Seating may include a maximum of 10% Designated Standing Room Positions (with rail) in various locations in arena bowl.
- Approximately 4,300 SVC.

**CLUB SEATING**

- Chair Width: minimum 530mm (21")
- Approximate Capacity: 800
- Minimum Tread: 860mm (34")
- Maximum Seats between Aisles: 18 (back rows in corners: Maximum 22)
- Wheelchair Seating: approximately 0.5% of any fixed seating required with same for companions all per Minimum Code Requirements.

**SUITES**

- Minimum No.: 22 with ability to increase.
- Seated SVC/Suite: 16 (Chair Width: Minimum 530mm (21")).

- Minimum Tread - 915mm (36")
- Built-in counter/buffet, fridge, sink, storage, T.V.
- Suite WR's to be independent of suite. (I.e. VIP WR's for suite users only to be situated at convenient locations along suite corridor).

## **LOGES**

- Approximate No.: 22
- Seated SVC/Loge: 4
- Minimum Tread: 1220mm (48")
- Built-in Counter with TVs.

## **RESTAURANT/BAR**

- Approximate No.: 160 SVC and up to 100 additional non-SVC.
- Area: Minimum 280m<sup>2</sup> (3,010sf) (Kitchen N.I.C.)
- Restaurant/Bar must have potential for separate exterior image and access at non-event times.
- Arena Reduction System: Bowl design to permit a variety of end stage "curtaining" between a half bowl and up to a full bowl.

## **PUBLIC AREAS**

### **CONCOURSE (& ENTRIES)**

- Building to have two major general spectator entrances, one Club Seat/Private Suite Entrance and one staff and services entry (which may be combined with Practice Rink Entry).
- Spectator entrances to provide convenient, direct access to washrooms, concessions and vomitories to seating.
- General and Club Concourses to be based on approximately 0.28m<sup>2</sup>/person (3.0sf) and (0.33m<sup>2</sup>)/person (3.5sf) respectively.
- Suite Concourse to be approximately minimum 1.7m (5.5ft) wide.
- Public Skating Skate Change Areas: (approximately 100m<sup>2</sup> (1,075sf)).

### **WASHROOMS**

- Based on 50% male and 50% female occupants in building.
- Male Water Closets ("WC") and Urinals: 1/80 (80% urinals).
- Female Water Closets: 1/50
- Lavatory: 35% of WC/Urinals.
- Above ratios to be increased 20% in Club Concourse.
- Provide ability to change over flexibility of male/female washrooms to female/male washrooms respectively (i.e. with signage, etc.).
- Family Washrooms: 2 per level.
- Washroom layout to incorporate wheelchair requirements per code.

### **CONCESSIONS**

- One permanent point of sale (POS) per 150 spectators (with 1.5m (5ft) counter and 10m<sup>2</sup> (110sf)/POS).
- Three (3) portable POS/1,000 spectators (i.e. a kiosk).

## **RETAIL**

- One main store (with storage area) at street level with exterior visibility and (if possible) accessibility: 190m<sup>2</sup> total. (2,045sf)
- Three (3) Portable Retail Outlets (i.e. kiosks) located on each main Concourse: 20m<sup>2</sup> (215sf) per outlet.

## **BACK OF HOUSE**

### **FOOD & BEVERAGE**

- Concessions (see above)
- Suite/Hospitality Pantries (2): 60m<sup>2</sup> (645sf) total
- Concession Central Storage and Prep. Kitchen: 370m<sup>2</sup> (3,980sf)
- Restaurant and Premium Seating Kitchen: 190m<sup>2</sup> (2,045sf)
- Offices (see Operations below)

### **MEDIA**

- T.V. Broadcast Booths: 2
- Radio Broadcast Booths: 2
- Written Press Viewing Positions: 16
- Media Meeting, Work and Lounge to be at either Press Viewing Position Level or Event Level: 30m<sup>2</sup> (320sf) (to double as building meeting room and to include adjacent storage room).
- Media Interview: 20m<sup>2</sup> (215sf)

### **OPERATIONS**

- Administrative/Finance Offices: (12 people) 280m<sup>2</sup> (3,010sf)
- Ticket Sales Main Ticket Area
  - Minimum 4 windows to exterior Minimum 2 windows to concourse (including customer service)
  - 2 offices: 20m<sup>2</sup> (215sf) total
  - General office (8 workstations): 40m<sup>2</sup> (430sf)
  - Storage/safe: 20m<sup>2</sup> (215sf)
  - Washroom/coffee: 10m<sup>2</sup> (110sf)
- Food and Beverage, Retail and Catering Offices (3 people): 30m<sup>2</sup> (320sf)
- Security, Building Control Office and Employee Entrance: 30m<sup>2</sup> (320sf)
- First Aid (adjacent to Security/Building Control): 15m<sup>2</sup> (160sf)
- Event Staff Areas: 40m<sup>2</sup> (430sf)
- Maintenance Office (1 private office and 1 general office for 2): 30m<sup>2</sup> (320sf)
- General Purpose (Green Room/Catering) at Ice Level (30 people capacity plus adjacent storage): 45m<sup>2</sup> (485sf) total (OPTIONAL)
- Production Offices (2): 20m<sup>2</sup> (215sf) total.
- Circulation (5% of above).

### **MISCELLANEOUS**

- Arena Bowl Scoreboard, Sound System, and Security Control Room: 40m<sup>2</sup> (430sf)

## **TECHNICAL**

- Ice Plant: 100m<sup>2</sup> (1,075sf)
- Zamboni Storage: 45m<sup>2</sup> (490sf)
- Storage (interior with 4.5m (15ft) clear ht.): 370m<sup>2</sup> (3,980sf)
- One Miscellaneous Storage Room of 20m<sup>2</sup> (215sf) on each level.
- Marshalling/Receiving/Staging (with 2 truck bays): 280m<sup>2</sup> (3,010sf) (not including exterior area).
- Workshop: 45m<sup>2</sup> (485sf)
- Ice: NHL size: 1,580m<sup>2</sup> (17,000sf)
- Direct Access to Rink Slab by Tractor Trailer: Minimum 4.5m (15ft) headroom
- Garbage, Recycle Room – 45m<sup>2</sup> (485sf)
- Janitors Room – 6 @ 2.5m<sup>2</sup> (27sf); 15m<sup>2</sup> (160sf) total
- Score Clock.
- Event Lighting.
- 4 follow spot platforms.
- Catwalk over primary stage areas.
- Roof structural capacity to carry user loads (concerts, grids, etc.).
- Circulation (5% of above).
- Mechanical/Electrical as required. (Estimate 7% of GFA).

## **VERTICAL CIRCULATION**

### **PASSENGER/SERVICE ELEVATORS**

- Two Passenger-Only Elevators @ 1,590 kg (3,500 lbs.) at 10m<sup>2</sup> (110sf)/elevator and one (1) Passenger/Service Elevator @ 2,040 kg (4,500 lbs.) at 15m<sup>2</sup> (160sf)/elevator. It must be possible to get full size car to Main Concourse.
- Emergency Egress Stairs as required.

## **HOME HOCKEY TEAM**

- Administrative Offices (12-15 people): 200m<sup>2</sup> (2,150sf)
- Team
  - Dressing Room (24 stalls): 35m<sup>2</sup> (375sf)
  - Steel Lockers: 20m<sup>2</sup> (215sf)
  - Players' Lounge: 40m<sup>2</sup> (430sf)
  - Showers (8): 15m<sup>2</sup> (160sf)
  - Washroom (2 water closets, 2 urinals and 4 sinks): 30m<sup>2</sup> (300sf)
  - Hot Tub: 15m<sup>2</sup> (160sf)
  - Coaches Offices and locker room: 65m<sup>2</sup> (700sf)
  - Trainer (3 benches, storage, office): 40m<sup>2</sup> (430sf)
  - Equipment and Uniform Storage and Laundry: 45m<sup>2</sup> (485sf)
  - Equipment Repair (Sharpening): 15m<sup>2</sup> (160sf)

- Exercise/Weight Room: 100m<sup>2</sup> (1,075sf)
- Workshops and Landry: 65m<sup>2</sup> (700sf)
- Doctor: 15m<sup>2</sup> (160sf)
- Circulation: 75m<sup>2</sup> (800sf)

## **VISITING TEAMS**

- Dressing Rooms (4) 200m<sup>2</sup> (2,150sf) total. (3 @ 45m<sup>2</sup> (485sf) and 1 @ 65m<sup>2</sup> (700sf))

## **OFFICIALS & STARS**

- Change / Dressing Rooms (4): 85m<sup>2</sup> (915sf) total.

## **TECHNICAL EXTERIOR**

- Approximately 2,000m<sup>2</sup> (21,530sf) of exterior loading/service space adjacent to interior marshalling/loading area.
- Minimum 28m (90ft) width for truck turning

## **OPTION A**

- Concert SVC is 8,300 instead of 7,100, which requires 2,200m<sup>2</sup> (23,680sf) of additional related guest services, including multi-purpose rooms for recreation, meetings, community initiatives, etc. This would augment the facility use as a recreational/community centre. Hockey capacity stays the same as in the BASE FACILITY above.

## **OPTION B**

- Upgrade exterior and interior architecture including addition of a large covered exterior entry activation porch/pavilion to make this a one-of-a-kind made-in-Nanaimo public assembly community centre.

## **OPTION C**

- If the City wants to minimize the cost of the facility while still maximizing the opportunity to attract a WHL Team, we recommend a 5,000 to 5,200 seat facility that has minimal facilities to accommodate touring shows. Obviously many of the benefits discussed in Section 6 will not be realized.

## **OTHER**

- To assist in activating the Centre and the public spaces around the facility 365 days per year, additional retail, hospitality, etc. areas should be included provided that market research clearly indicates that they will secure rents from 3rd parties that will provide an acceptable payback.

## **NOTES**

- Where applicable, all above items are subject to local Building Department approval.
- All areas are gross floor areas including 50% of enclosing walls that are adjoining with other program areas and 100% of enclosing exterior walls.

## **BUILDING PROGRAM - 2nd RINK OPTION**

Many multi-use community spectator arenas that accommodate ice sports also build in the same complex , one (or sometimes more) additional ice sheet(s) for ice sport recreational and training uses and to support events in the spectator arena.

The advantages of an extra rink are as follows:

1. Less expensive to build and to operate than a stand-alone single rink.
2. It makes the spectator arena more attractive for events like hockey, figure skating, curling and other sport tournaments, competitions and championships. As well, it allows for smaller trade shows and festivals such as a local Oktoberfest or Wine Festivals that have an entertainment component and can be best suited for the combined arena floors rather than the conference centre.
3. It allows the Home Team(s) to use the extra rink for practices when the main rink is being used by other events thereby allowing consistent use of its dedicated locker room.
4. It allows the overall complex to better operate a recreational and training ice sport program that usually leads to more utilization of the main spectator rink on dark event days.

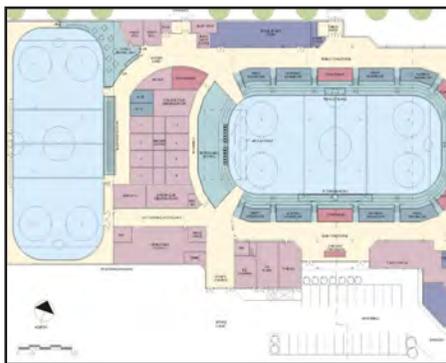
The challenges of the additional rink are cost (approximately an additional \$7m) and the required additional land. As well, Nanaimo already has 4 interior ice rinks today at 2 complexes plus another rink dedicated to curling. With the addition of a new Event Centre spectator rink it will be difficult to justify the addition of another rink which would then increase the number of existing 4 multi-use ice rinks by 50%.

If sufficient land exists (either now or in the future at the chosen site), it is a consideration to plan for the construction of a 2nd ice pad in the future, but is not essential.

### **Spectator Arenas with Planned Multiple Rinks**



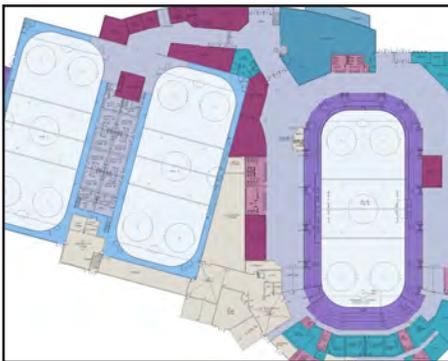
Bloomington



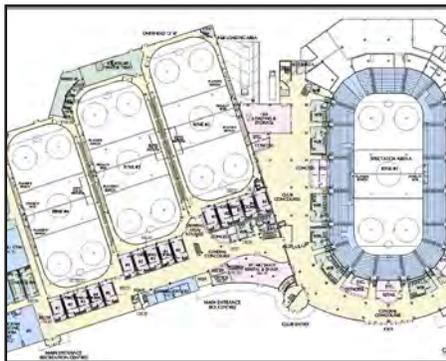
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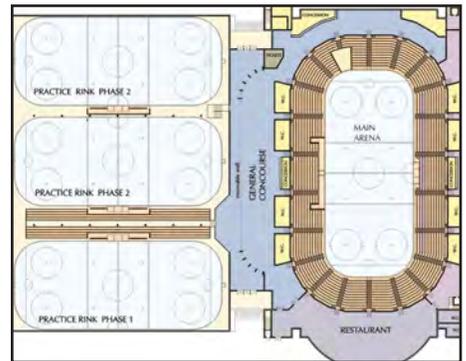
London



Ft. Myers



Windsor



Brampton



## 2. PRELIMINARY DESIGN CONCEPT & RENDERINGS

Based on our recommended Building Program in Section 1 and the planning realities of our two preferred sites in Section 4; we have developed a unique Design Concept that meets the following criteria and features:

- More concert seating than would be normal in a 5700 capacity hockey arena.
- A 3 level steep bowl for an 'on-top-of-the-action' event experience for all guests and fans and to realize more of a 'big arena feel'.
- A compressed building footprint that allows it to maximize other development on the Howard Johnson Site and to fit on the available 1 Port Drive Site.
- A proven BBB design template that maximizes value for the available budget.

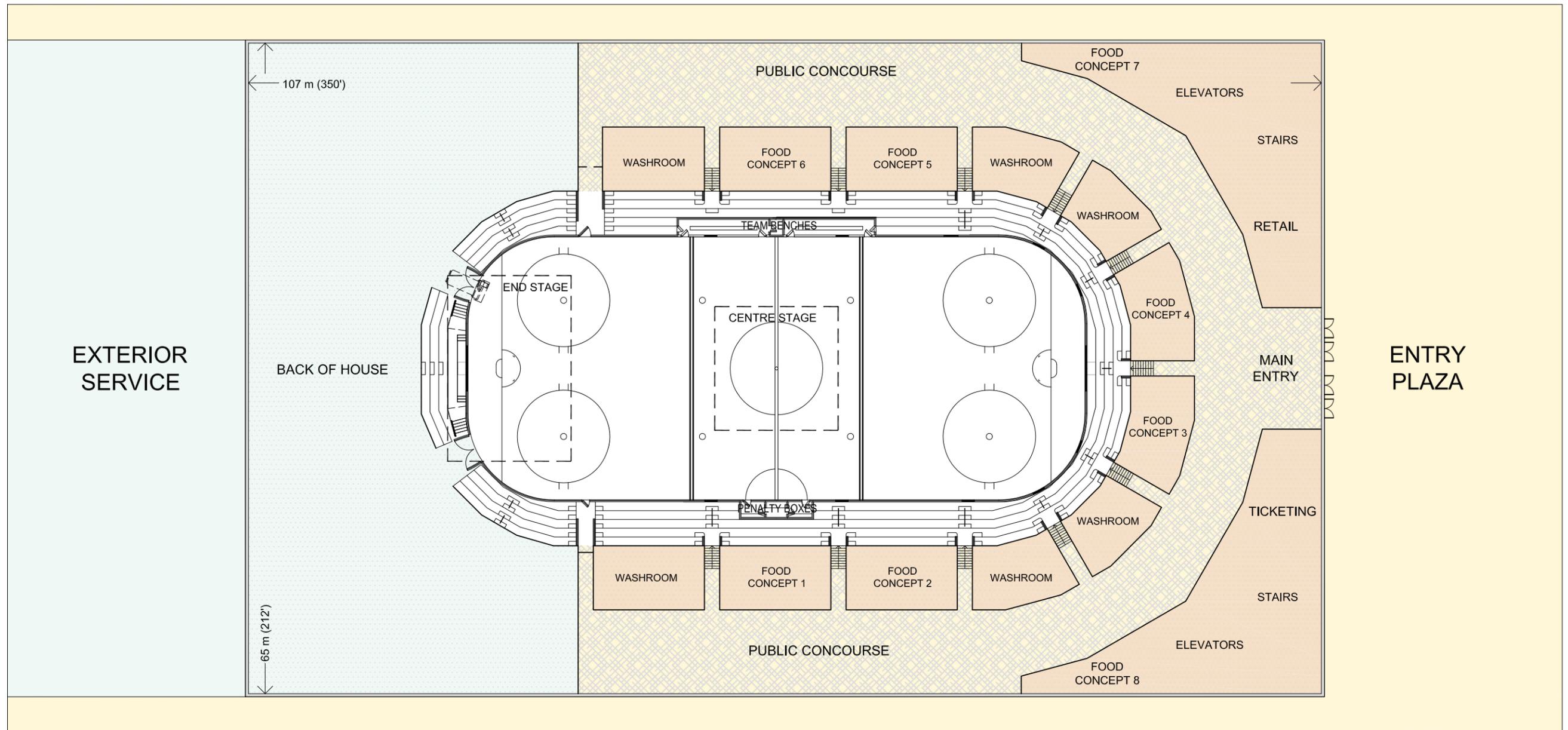
**This is a brief description of the BASE FACILITY design drawings that are on the following pages.**

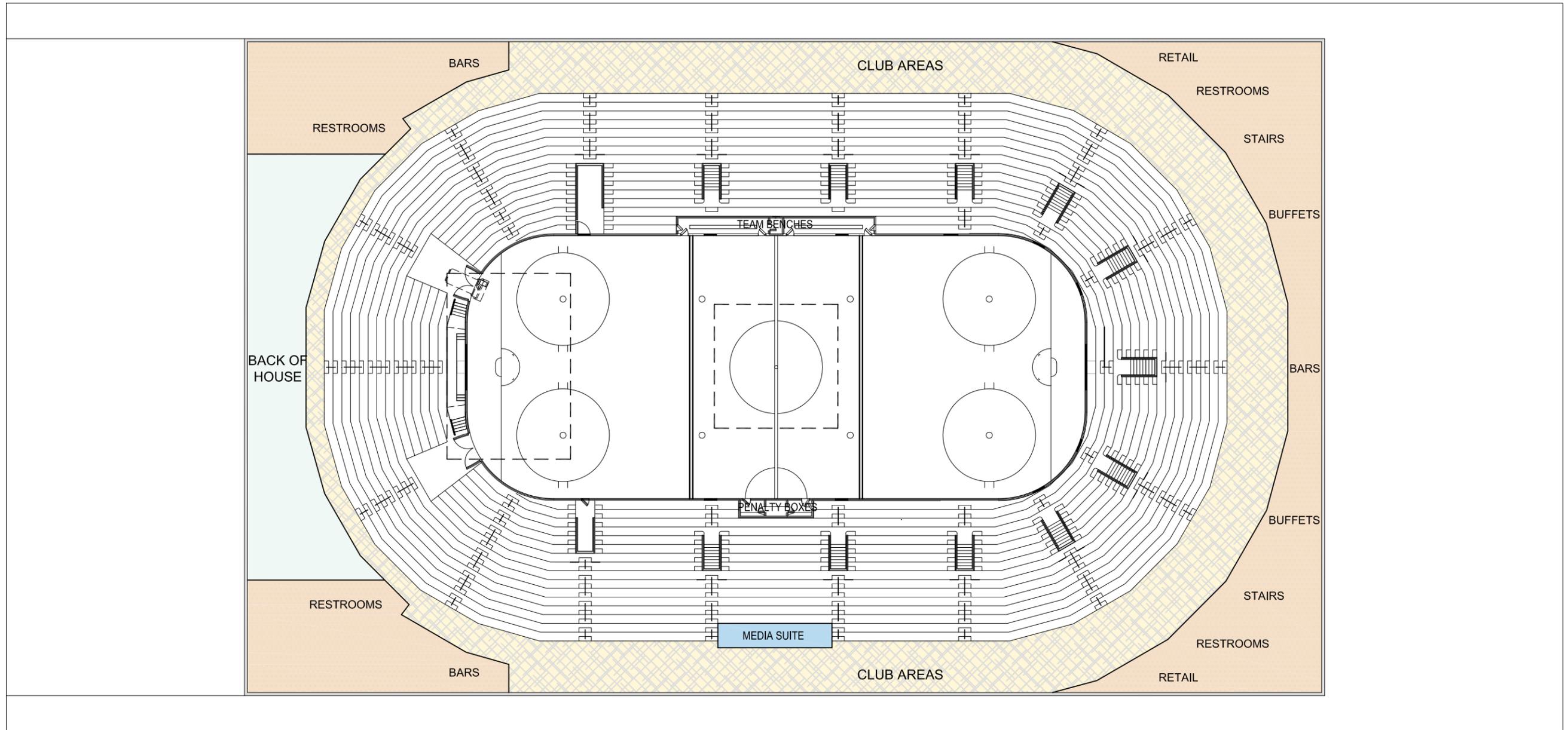
- The main concourse, primary retail store, ticketing, food & beverage concepts, etc. are at grade level allowing easy direct access from the main entry plaza and other entries on the surrounding streets and walkways. As well, direct and separate access can be provided to the L3 restaurant and bar. This will provide the infrastructure to activate the facility and adjacent urban areas 365 days a year. Truck servicing will also be at stage level to facilitate the critical criteria of efficient touring show load-ins.
- From the main concourse, the guests will enjoy a wide selection of food and beverage offerings and other guest services while a majority of guests will be able to go quickly and directly to their seats from this level. This will result in a fast non congested entry experience.
- Open stairs and elevators will allow people to quickly ascend to the Level 2 Club Concourse that is open to great views to the event bowl. This should also be available as a 360 public walking circuit when the weather is not ideal. This will be very popular with seniors.
- The stairs and elevators will then continue to the Level 3 Suites and Restaurant/Bar and Party Suites. All public areas at this level will have fantastic views of both the events and the surrounding neighborhood; especially the restaurant which on both of the preferred sites will have dramatic views of the water.
- The event bowl will accommodate 5700 for hockey and expand to 7100 for concerts in the round. The specialty seating will include a dedicated family and separate youth sections, upgraded club seating and amenities, party suites, loges, in-bowl restaurant/bar seating and private suites.

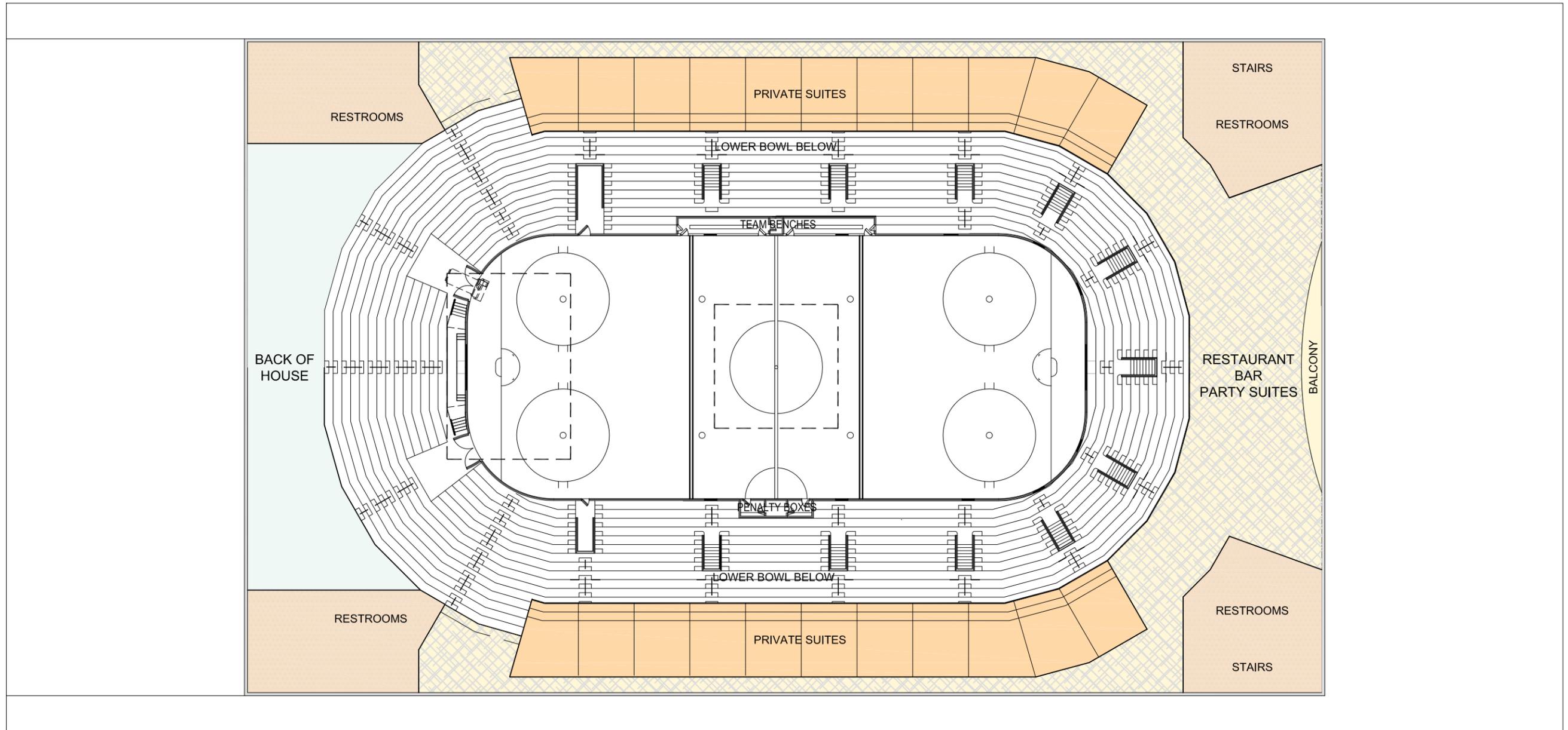
A unique OPTION to be considered is to increase the concert capacity for both end stage and concerts in the round to a maximum of 8,300 while maintaining the 5700 capacity in hockey. This will allow Nanaimo to attract and host larger and more signature touring shows.

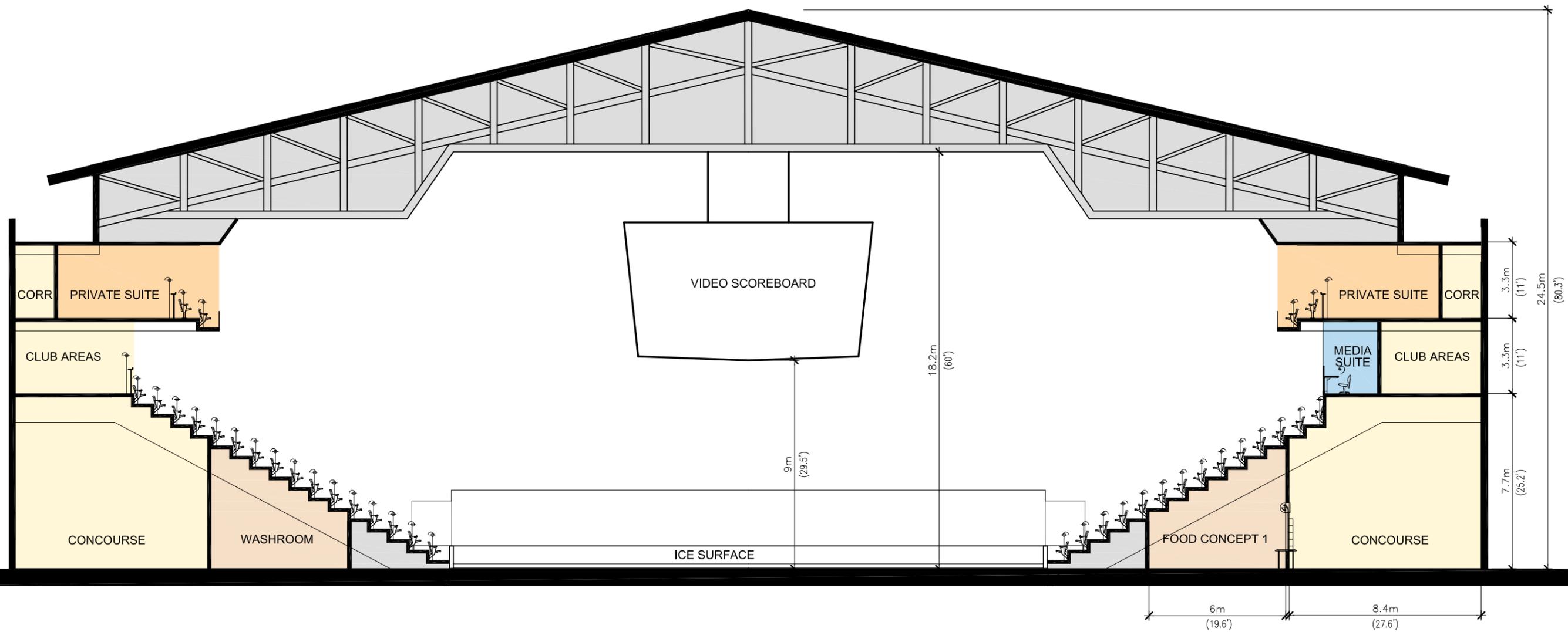
The exterior of the BASE FACILITY will be a contemporary architectural composition primarily using steel, concrete, glass and some wood. We also propose consideration of an OPTION that will turn this incredible community centre into the largest modern interpretation of a traditional First Nation's Long House. Its primary building material would be wood and stone. It is proposed that it would also be an environmental showcase with a green roof and many other environmental initiatives. A exterior rendering of this option is attached on the following pages.

Finally, if the City wants to minimize the capital cost and primarily just attract a WHL Team, a 5,000 to 5,200 capacity facility with approximately 120,000sf should be considered.











NANAIMO

19:30



EXTRA

WINDYBROS

SHOON TOOTS

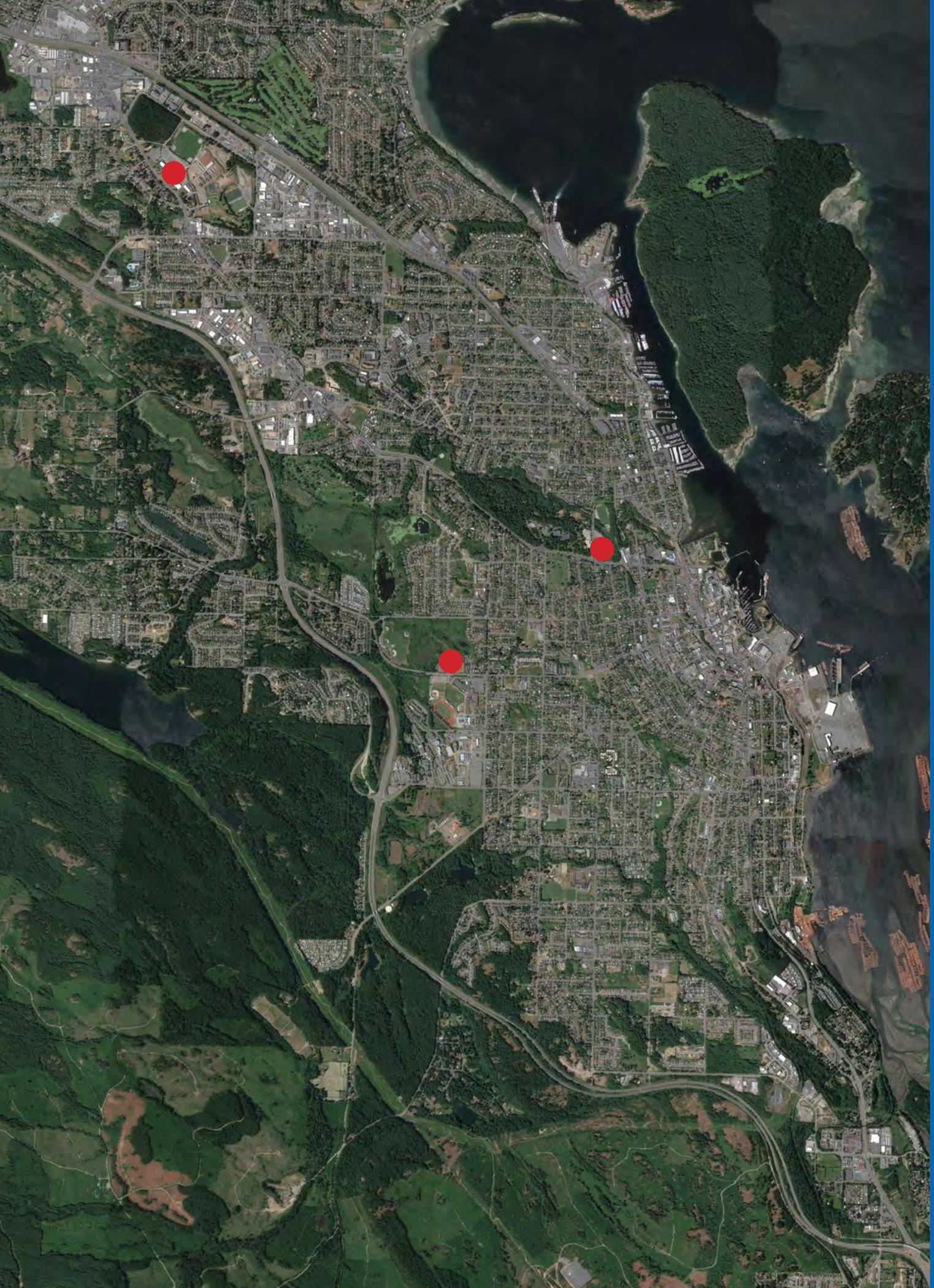
Global Events

GOA

GOA







### 3. EXISTING ARENA ASSESSMENT

The Frank Crane Arena in the Beban Park opened in 1976 and has a total seating of approx. 2200 and a total spectator viewing capacity of just over 2400. While it is showing its age, it is well maintained and performs well as a community ice facility for recreational and training activities. Approximately \$2.2m in upgrades are forecast over the next 10 years.



Its existing structure and planning configuration make it impractical to renovate and add to this facility to make it suitable for the WHL or Touring Shows. While this opinion could be further justified by a more detailed analysis, this is not required because of the obviousness of this conclusion.

As well, the Beban Park Site of just under 130 acres is presently almost at full utilization with sport recreation and training facilities and the construction of a new spectator arena at this location with its required additional parking would negatively impact the present operations. Other factors in this regard are discussed in the Site Evaluation Section.

If the new spectator facility is built elsewhere, the options for what to do with the Frank Crane Arena are:

1. Leave as is until separate decisions are made to upgrade Nanaimo's recreation and training ice facility infrastructure. This will allow this arena to continue to host smaller events, whereby keeping the new spectator facility available for larger events. It will also provide time for an overall assessment and separate decision process on the future of this 40 year old complex.
2. Remove most of the existing seating and renovate to create additional areas for other sport and community uses. A problem with this option is that in the absence of a comprehensive plan for Nanaimo's ice sport recreation and training facilities and this facility, these renovations may end up being a waste of capital.

Based on the above, we recommend Option 1.

## OTHER EXISTING RINKS:

We also visited and reviewed the following other interior ice rinks:

- a) The Cliff McNabb Arena which is adjacent to the Frank Crane Arena. Over the past 5 years, it has undergone approximately \$2.2m in upgrades and is in good condition. Another approximately \$1.4m in upgrades are forecast over the next 10 years.



- b) The 2 rinks at the Nanaimo Ice Centre which is a modern facility in excellent condition. Approximately \$1m in upgrades are forecast over the next 10 years.



- c) Upon review the Curling Rink appears to be in good working order but is projected to require seismic upgrades and slab replacement in the next 7 years at a cost of approximately \$4m.



Our conclusion is that none of the above facilities could be renovated into a modern multi-use spectator arena (i.e. Event Centre). Furthermore, their ongoing activities does not impact the development or operation of a new Event Centre. It is our opinion that if the Curling Rink is to be replaced, it should not be adjacent to a new Event Centre because it will not augment the long term operations of the Event Centre or accomplish the objectives stated in Section 1 re a 2nd Rink Option.



## 4. SITE EVALUATIONS

### The key attributes for the best site for a new Nanaimo Event Centre are as follows:

1. A site that can physically accommodate the recommended centre, and its required exterior service and logistics (i.e. tour truck) areas, and an appropriate entry plaza.
2. In the centre of the urban population (i.e. downtown) to maximize accessibility, attendance and ancillary economic benefits.
3. In proximity to other hospitality, retail and accommodation offerings to augment the overall event experience and maximize the ancillary economic benefits through additional “in-Nanaimo spending”.
4. A site with prominent exposure to maximize the positive impact of this major public project and to augment sponsorship revenues.
5. Good access to public transit.
6. Ideally approximately 1,500 customer parking spaces within a 10 min. walk.
7. Minimizes impact of truck traffic on residential neighborhoods.
8. Can be procured at a reasonable cost to the Event Centre project.
9. A site that can be approved and expedited quickly.
10. Adjacent to other developable lands to maximize the economic benefits from being a catalyst for other new developments.

### Following a review of previous reports, a visual examination of apparent sites and conversations with numerous people in Nanaimo; these five (5) potential sites (as indicated on the map below) have been considered:

1. The Howard Johnson Site (“HJS”) at Terminal Ave and Comox Rd.
2. 1 Port Drive Site adjacent to Front St on the south side of downtown (“1PDS”). These lands would only be comprised of properties between the existing rail line and Front Street that are presently planned as the first lands to be released for development.
3. On the parking portion and west side of the Maffeo Sutton Park Site, the site of the Nanaimo’s previous downtown spectator Arena that was demolished approximately ten (10) years ago.
4. The site of the existing ballpark adjacent to the Nanaimo Aquatic Centre and Vancouver Island University.
5. The Curling Rink Site at the north-east corner of Comox Road and Wall Street and adjacent on the west to Caledonia Park.

### We reviewed these sites and have eliminated the last three (3) for these reasons:

- **The west side of the Maffeo Sutton Park Site because:**
  - The site is too small for a modern Event Centre especially when the exterior trucking and logistics area is accounted for.
  - The site is a very popular and successful outdoor event area in a public park that has deep positive emotional ties to the citizens of Nanaimo, and a large permanent structure could generate a strong negative response from many residents.
- **The Existing Ballpark because:**
  - It will not result in the full potential of ancillary economic and community benefits that a downtown site will accomplish.

**CURLING RINK SITE**

**MAFFEO SUTTON PARK SITE**

**HOWARD JOHNSON SITE**

**1 PORT DRIVE SITE**

**BALLPARK SITE**

- It will require a large amount of new parking for the Event Centre because existing parking will be in use for the aquatic and ice centres and the University.
- **The Existing Curling Arena Site because:**
  - While closer to downtown it is still too far to produce the economic community benefits of a site immediately adjacent to downtown.
  - The large amount of required parking will be difficult to satisfy without severe impacts on the adjacent park.

**The common positives and challenges for what we believe to be the two (2) best sites (Howard Johnson and 1 Port Drive Site) are as follows:**

**Positives:**

- Large enough to accommodate the Event Centre and associated Event Plaza.
- Prominent gateway entry locations to downtown; 1 from the north and the other from the south.
- Both sites are immediately adjacent to downtown and therefore have the related advantages listed above including adjacency to the existing downtown entertainment attractions.
- Both are in proximity to the Old City Quarter.
- Significant public parking within a 10 – 12minute walk – approximately 2,850 for HJS and 2,450 for the 1 Port Drive Site. Some of this parking has restrictions including a 2hour limit that will probably impact availability.
- Sufficient space to combine the Event Centre and new complimentary development to make the overall development more exciting and successful.
- Opportunity to continue the heritage of being important traditional First Nations meeting places.

**Challenges:**

- Snuneymuxw First Nation (“SF”) is on record asserting aboriginal title and treaty rights over the City of Nanaimo including site specific claims to the 1 Port Drive property. Efforts will need to be made by the city and SFN to address their interests. The protocol agreement working group which meets monthly and is currently engaging with them on this site and many others throughout the city is the logical forum to discuss these issues.
- Both sites have archaeological issues that will have to be addressed.
- There are unknown geotechnical conditions.
- With the grades and lack of space on the HJS and the number of other desired development initiatives on the 1PDS, the potential for a 2nd ice rink will be small.

## The specific additional positives and challenges for each of these sites are:

### HOWARD JOHNSON SITE

This is a privately owned site of approximately 7 acres at the NW corner of Comox Rd & Terminal Ave. It is noted that there are government owned lands along Comox Road that are surrounded on 3 sides by the HJS but are not presently part of the Howard Johnson Site. Discussions have been in progress between the HJS owners with respect to purchasing these lands from the Provincial Government. Therefore draft site plans have been completed for scenarios with and without these lands. The site plan with the additional lands is significantly better than without these lands. Therefore, if the city agrees that this is a preferred site, efforts should be made to encourage a decision on whether the lands can be purchased or not.

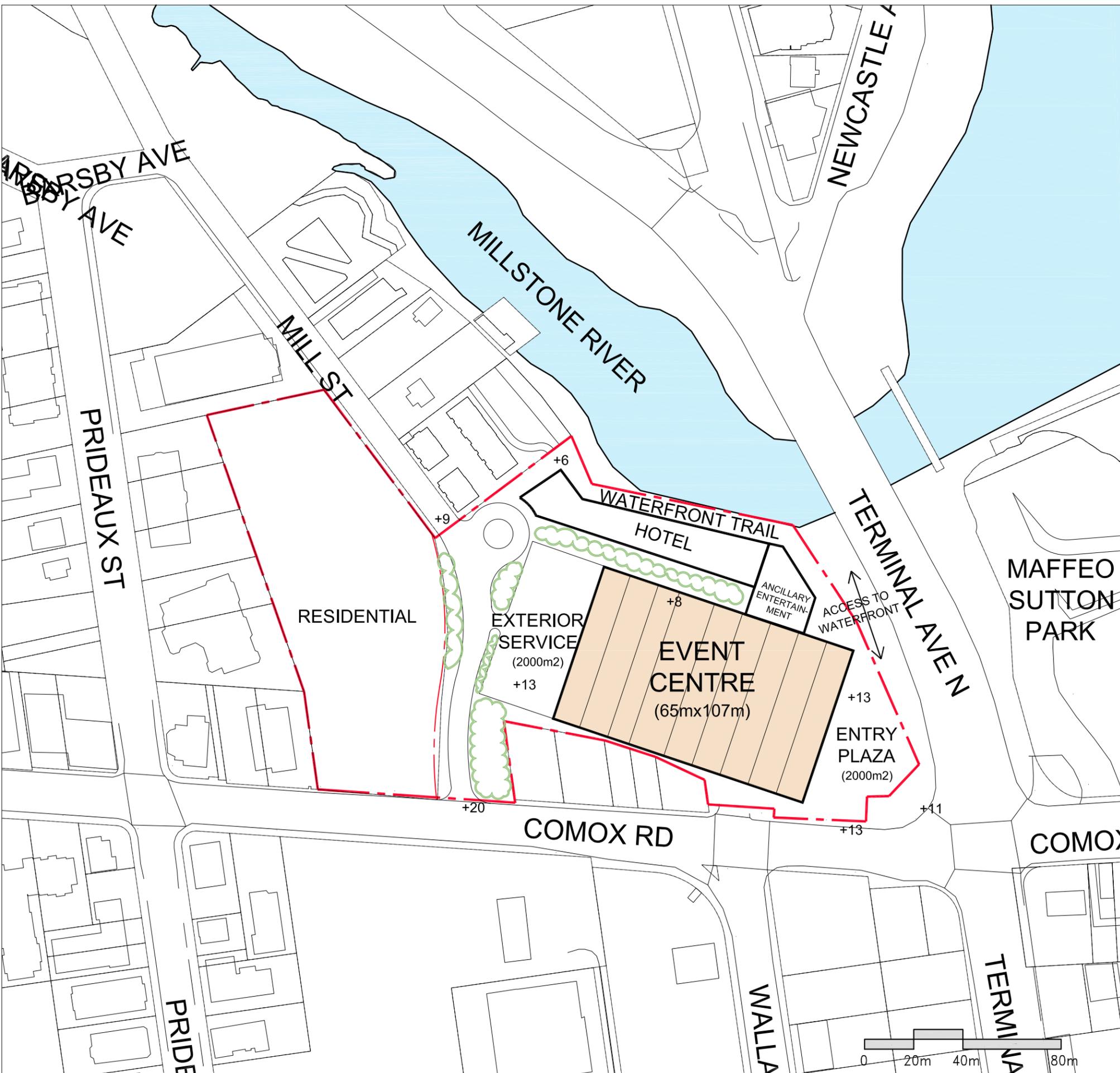
#### **Positives:**

- Site is in very close proximity to the adjacent Maffeo Sutton Park to which it is connected by the Waterfront Trail under Terminal Avenue to support and augment its extensive number of events. This and other new initiatives being discussed such as on Newcastle Island will establish a stronger year round north anchor to the downtown section of the Waterfront Trail.
- It should ensure a visual, environmental and activation upgrade to the adjacent Waterfront Trail and Millstone River shoreline enhancing the Trail's connections to Caledonia Park and further west.
- The existing site is zoned for a multi-use spectator arena and the adjacent developments that the HJS owners are planning (except for lands in SW corner).
- The HJS owners propose that major portions of their private sector development will occur immediately if the arena is built at this location.
- The Event Centre located here allows the Port Drive site to be available for future public attractions such as IMAX and Science World.
- Possible Comox Road dedications from the property should not impact the site's overall viability.

#### **Challenges:**

- The significant on-site grade differential especially with respect to truck access and maneuvering and internal design will lead to additional costs.
- The completion of agreements between the public and private sectors for the overall development where different components will be under different ownership and/or controls and/or agreements will take time to conclude.
- Immediately adjacent residential may challenge the development because of disruption to their neighborhood from the touring trucks and large numbers of people during events.
- Further environmental approvals will probably be required.

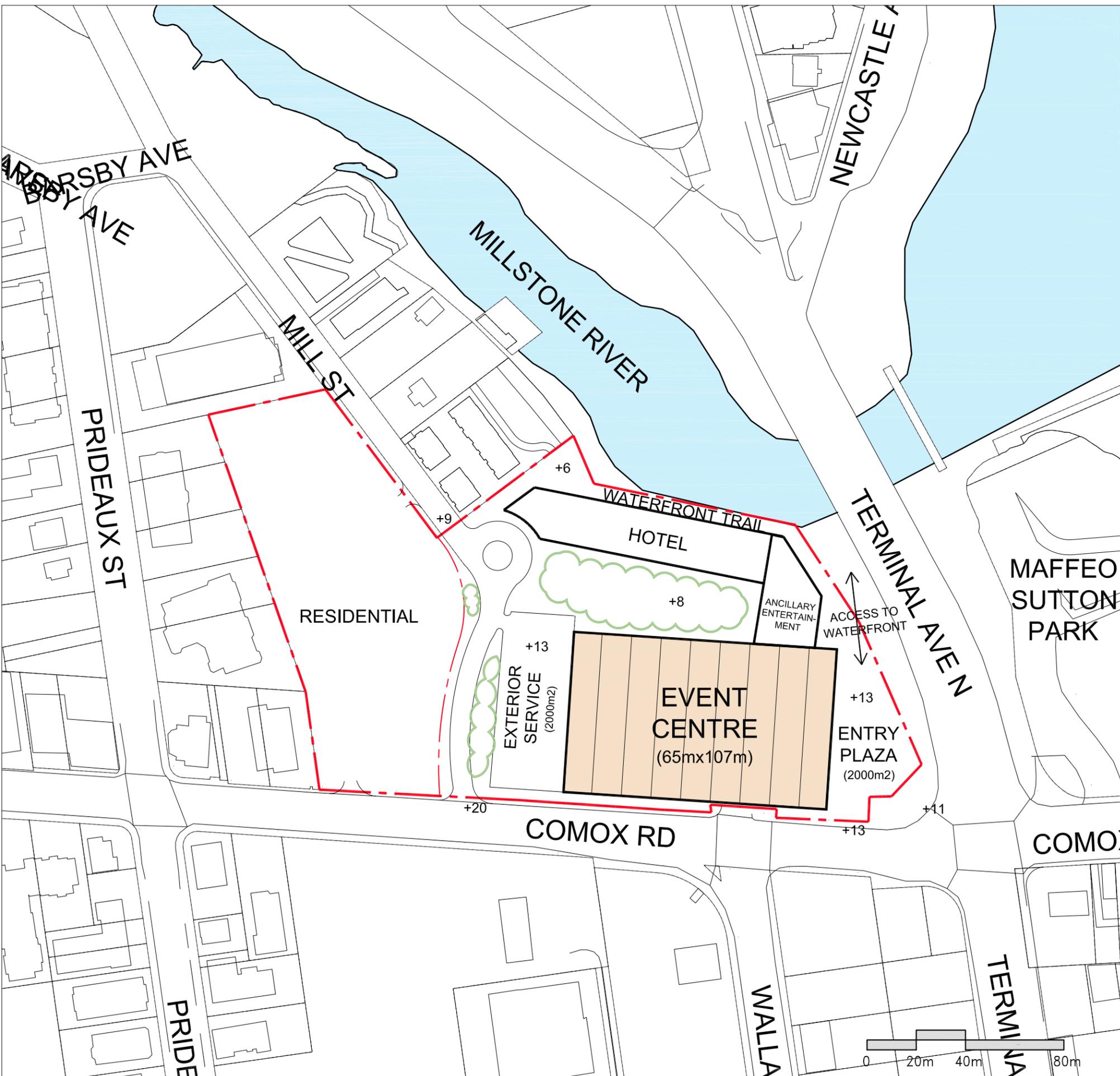
# EVENT CENTRE



## HOWARD JOHNSON SITE PLAN

OPTION 1 - WITH EXISTING LANDS

# EVENT CENTRE



## HOWARD JOHNSON SITE PLAN

OPTION 2 - WITH ADDITIONAL LANDS



EXISTING



PROPOSED

## **1 PORT DRIVE SITE**

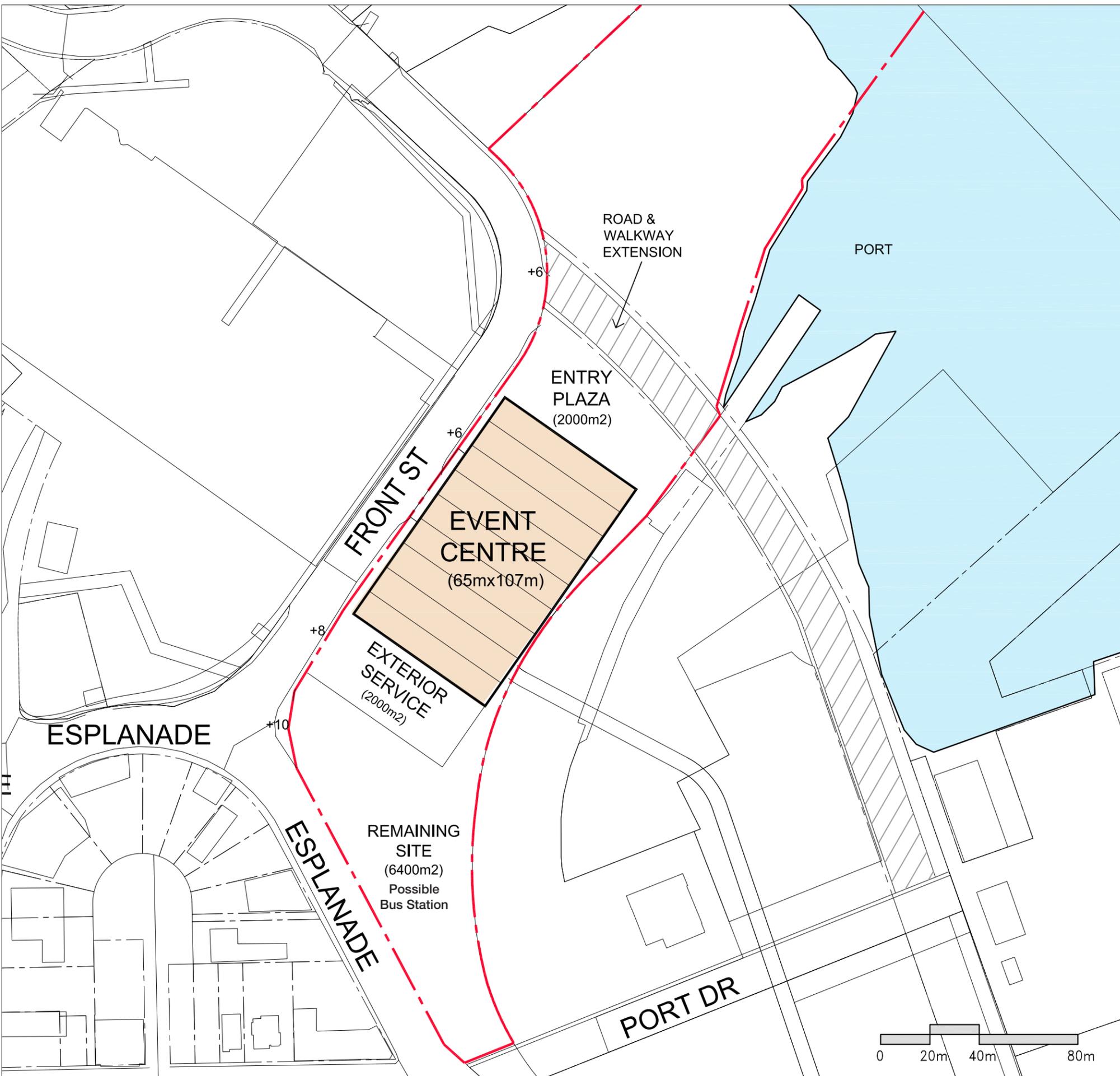
### **Positives:**

- Assumed City Ownership.
- Environmental approvals have been received to subdivide and create parcels from the BC Ministry of Environment.
- A positive anchor to the south end of the existing Waterfront Trail.
- In closer proximity to Convention Centre and Port Theatre to create an Entertainment Arts and Culture district.
- If and when the adjacent extended area of vacant port land becomes available, there should be room for additional public attractions such as IMAX, a 2nd ice rink and other private sector development.
- It should support all or almost all of the December 2013 South Downtown Waterfront Initiative's Guiding Principles including having sufficient space for the 6 to 8 bus station initiative.

### **Challenges:**

- The sanitary sewer line that runs through the site will lead to additional costs.
- The large amount of on-site fill will lead to additional costs.
- If the trains continue to operate, the Event Centre will require special acoustic mitigation that will result in additional costs.
- A Seaspan/City deal to transfer these lands to the City appear to be advancing well but it still has to be finalized and approved by both parties. Negotiations have been based on Seaspan leaving in spring 2017 and lands transferred to the City soon after.
- The overall masterplanning including road and Waterfront Trail designations and rezoning will be required. This could take a significant amount of time although these type of rezoning + development permits can be completed in a timely manner. Master plan may take quite some time as it requires buy-in from numerous stakeholders.
- SFN have site specific claims to this site.

# EVENT CENTRE



## 1 PORT DRIVE SITE PLAN



**EXISTING**



PROPOSED



## 5. ESTIMATED DEVELOPMENT COST & OPERATING RESULTS

### DEVELOPMENT COSTS

**For clarity, Development Costs include all of the following costs required to build a new facility:**

- Site Preparation including demolition and provision of on-site services.
- All on-site Construction.
- Graphics, signage and art.
- Scoreboards.
- Furniture, Fixtures & Equipment (Including for Food & Beverage).
- Professional Fees including legal, architectural, engineering, specialty (i.e. acoustics, food & beverage, code, etc.), project management, accounting, etc.
- Geotechnical and Soil Analysis Geotechnical Services.
- Testing and Inspections.
- Marketing and Collateral Public Relations / Advertising.
- Insurance including for Bonding, Builder's Risk, General Liability, and Professional Liability.
- Pre-Opening Operating Expenses.
- Contingency and Miscellaneous Expenses.

**The Development Costs do not include:**

- Land.
- Parking that is in addition to that included in the 2000sm service compound at the rear of the facility.
- Any costs for City staff or politicians working on the project's development and city charges for building permit and service hook-up fees, etc.
- Remediation costs in excess of a reasonable financial allowance that's included above.
- Financing costs.
- Upgrades to any off site, above and below grade services including roads.

**The Basis of Our Development Cost Estimates:**

Based on the recommended Nanaimo Building Program in Section 1 and Concept Design in Section 2, we have bench marked the Development Costs of other multi-use spectator arenas that have been either built or that have detailed design and development cost estimates completed over the last 10years in Canada. The costs for these other arenas have been adjusted to Nanaimo with respect to:

- Building area, capacity and special features in each facility.
- Inflation based on an assumed completion of the Nanaimo facility in 2019.
- Location with respect to the varying development costs to realize the same project in different cities.

**The Following Comparative Costs have been Analyzed on a Per Seat Basis and on a Square Metre Basis.**

**Base Project: \$69m**

- 5,700 total hockey spectator viewing capacity (including 22 suites, 22 loges, 800 person club seating, and 250 seat restaurant).
- 7,100 concert in the round capacity.
- 160,000sf.

**Option A: +\$8m.**

- Concept SVC is 8,300 instead of 7,100, which requires 2,200m<sup>2</sup> (23,680sf) of additional related guest services, including multi-purpose rooms for recreation, meetings, community initiatives, etc. This would augment the facility use as a recreational/community centre. Hockey capacity stays the same as in the BASE FACILITY above.

**Option B: +\$6m**

- Upgrade exterior and interior architecture including with a large covered exterior entry activation porch/pavilion to make this a one-of-a-kind made-in-Nanaimo public assembly community centre.

**TOTAL with Options A & B: \$83M.**

**Option C Total Cost: \$62m**

- If the City wants to minimize the cost of the facility while still maximizing the opportunity to attract a WHL Team, we recommend a 5,000 to 5,200 seat facility that has minimal facilities to accommodate touring shows. Obviously many of the benefits discussed in Section 6 will not be realized.

**Other**

- To assist in activating the Centre and the public spaces around the facility 365 days per year, additional retail, hospitality, etc. areas should be included provided that market research clearly indicates that they will secure rents from 3rd parties that will provide an acceptable payback.

## **PROJECTED OPERATING RESULTS**

Based on the preceding information in this study with respect to the Nanaimo market, recommended program and concept design and the two preferred locations; an overview of a new Event Centre's projected operating results now follow.

In summary, we project in the 3rd year of operations that the facility will be close to breaking even based on both gross income and expenses of approximately \$2.9m. The first 2 years will normally require, in buildings of this size and based on comparable market sizes, a required subsidy in the range of \$150,000.

### **The above is based on:**

- A WHL Team under a WHL tenant lease with the city with the Team committing to play in the facility.
- 114 events of which 39 would be WHL games.
- Strong entrepreneurial and well connected facility management.
- The above excludes debt service, interest expense and property taxes and insurance.
- The Event Centre opening in time for a full WHL season operating year.
- Naming rights and suite revenues are included in operational revenues.
- 20 Full time management and staff positions exclusive of tenant staff and approximately 130 part time positions.
- A life cycle reserve fund allowance of over \$100,000/year including for the first 5 years even though expenditures should be minimal based on warranties.
- An average of a \$3 per ticket facility usage fee that goes towards operational expenses which is standard in most buildings of this market size.



## 6. ECONOMIC & COMMUNITY IMPACTS

### ECONOMIC IMPACTS FROM THE DEVELOPMENT OF THE FACILITY

The one time economic impacts solely from the development of the Event Centre are primarily based on construction related labour and materials, although soft costs will also contribute.

To provide an approximate order of magnitude of these impacts a total development cost of \$75 million has been assumed resulting in a total development impact (including indirect impacts) for the Event Centre of approximately \$100m. Of the \$75m, it is estimated that \$34m will be spent on materials and \$36m on labour. We project that 30% of the materials will be provided by Nanaimo RD based businesses while 75% of the construction workers will live in the Nanaimo RD.

It is estimated that there will be 580 person years of full-time and/or combined part time employment directly generated by the development of the Event Centre which will result in a total (direct and indirect) employment impact of approximately 750 person years. The related total direct and indirect employment income increase will be approximately \$48m. The majority of this will flow to the Nanaimo RD.

### ECONOMIC IMPACTS FROM THE FACILITY'S OPERATIONS

The Event Centre's operation will result in similar but greater economic impacts.

The facility's annual operating expenses in its third year of operations will be approximately \$2.9m. In addition, the food, beverage and retail operations will have \$1.5m in expenditures. This total of \$4.4m of direct expenditures will result in a total of direct and indirect expenditures of \$6.6m.

The above direct spending for facility operations only (i.e. not food, beverage and retail) will support approximately 30 full time equivalent person years of employment which in turn will support 56 person years based on indirect spending, all for a total of 86 equivalent full time employees.

The above direct and indirect employment will result in \$3.0m in personal income growth annually.

The above will be repeated year after year resulting in increased spending and employment income after 10 years that exceeds the cost of the facility.

As well, what is not included above are the economic and employment benefits for the food, beverage and retail operation, the WHL Team and the expenditures of touring shows and other events when they visit Nanaimo.

### MAXIMIZING ECONOMIC AND COMMUNITY BENEFITS

If the Event Centre is to be realized it will be at a significant cost to the City whether through direct capital expenditure, rent payments and/or operating assistance.

Therefore to justify this expenditure, besides the considerable Community Benefits, all efforts should be made to maximize the Economic Benefits to Nanaimo.

While the City (for a city of this size) has one of the best downtowns and urban waterfronts in Canada, a primary frustration is that visitors usually bypass the City completely (especially downtown). The best examples are when people fail to stop as they travel between the Island's top 2 destinations: Victoria and Tofino and when cruise ships deposit their passengers into buses to travel directly into the surrounding countryside. When tourists do make it downtown, they are very pleasantly surprised, however it just doesn't happen enough.

This is no doubt one reason why Nanaimo has fewer hotel rooms for a city of its size and the quality of its convention centre. It actually has less than half of the number of hotel rooms than Prince George, a city with a slightly smaller population. Even Penticton, a city with less than half of Nanaimo's population has more hotel rooms.

Traditionally, Event Centres are ideal generators of new visitations because they are strong destination anchors. They are the opposite of impulse shopping. In other words, most people go to them because they have planned and purchased tickets in advance to a specific event. This is an important economic generator from residents living outside Nanaimo but within a 1 to 2hr drive. It should assist to realize the development of new hotel rooms to bring Nanaimo more in line with other similar communities as discussed in Section 1.

However, people traveling a greater distance (i.e. tourists on cruise ships or traveling between Victoria and Tofino) usually don't plan their trip around a concert or game and can often buy the same tickets at a facility in their home town or region, dampening demand to make a special trip to Nanaimo. In Nanaimo we see this as a second economic impact opportunity for the Event Centre because these facilities are the largest interior "public assembly" entertainment building in a community, and one of the largest investments by the City in a public building. If it is possible to create a unique building with the potential to be a must-see destination that attracts significant new visitors the rewards should be significant.

In this regard, Nanaimo has a unique history and locale in the world that should be studied in the context of potentially realizing a new vibrant "can't be seen anywhere else" symbol for the City and Region. Assuming this can be done at a reasonable cost, this strategy could unlock significant financial benefits to the City.



## 7. FUNDING OPTIONS

Funding can be secured in a variety of methods or combinations for Event Centres. Here are a number of strategies that could potentially apply to Nanaimo.

- **Debenture Financing** - Tax-supported municipal debenture funding is usually based on a 25-year term. Debenture financing is often the largest source of capital financing for similar projects in other municipalities.
- **Build Canada Gas Tax Fund** - The Build Canada – Gas Tax Fund has recently been expanded to include the categories for eligible infrastructure to sport, cultural, tourism and recreation infrastructure. The ability to use this funding for a facility with a WHL franchise as a tenant needs to be clarified with the Federal government as, under the previous conservative Government, CHL teams were incorrectly considered to be semi-professional and would not qualify if they were tenants.
- **TIF (tax increment financing)** - Can be applied in a designated area surrounding an event centre. TIF is a public financing method that is used as a subsidy for redevelopment, infrastructure, and community-improvement projects.
- **Community Revitalization Levy** - Allows the City to segregate a portion of the property tax revenue generated from properties in the Event Centre district and directly invest it in infrastructure improvements within this area. This is usually for a 20 year period.
- **City's Renew Reserve Fund** - A fund usually established from development fees imposed on new buildings.
- **Casino Revenue** - Some Canadian cities that have recently approved a new local casino are preparing to direct all or a portion of their share of the expected gaming revenues towards paying the debt servicing on their Event Centre. This has also been done by a city to fund an NHL facility.
- **Borrowing from the Province** - Depending on the borrowing capacity of a city, municipalities can often borrow (dependent on their bond rating) from the provincial government at a much cheaper rate on long term financing than the private sector is able to.
- **Bed Tax on Hotel Rooms** - A levy imposed by a local government on hotel stays within its jurisdiction.
- **Developers by Means of Allowing Increased Density** - Developers in some cases, where the city has an excess of land surrounding the Event Centre, will be allowed an increase in density with the determined financial value of that additional density going towards the capital financing of the Event Centre. This would continue for a number of years after the Event Centre has been opened. Another form of developer involvement in this funding method is to lease the excess city owned land to the developer with those yearly proceeds also being directed towards debt servicing of the Event Centre.
- **Ticket Tax on Events** - Similar to a sales tax but this tax is dedicated to arena construction and debt servicing. Cities can bond against this revenue with a possible tax exempt bond. Often there will be a 'facility fee' which is applied to the operational costs of the event centre as well as a 'ticket tax' that are both in addition to the cost of an event ticket. These tax/fees are identified on the purchase of an event ticket. Most consumers real concern is the actual price point of the ticket, after all fees and taxes, that they are purchasing and its relevance to the event that they are interested in attending.
- **Users Fee Tax on Event Centre Rentals (i.e. ice time, floor rental, etc.)**
- **Private Sector** - Similar projects have shown that private sector funding, secured through a formal Corporate Naming and Sponsorship Program, can generate major one-time contributions or can be spread out yearly by means of a long term commitment. These funds can be used towards the capital financing of the event centre, towards operations profits or subsidies, or a mixture of both.
- **Philanthropy** - Community fund raising through volunteers or in many cases private sector firms. There are private firms that do this across Canada and will come into your community to assist with raising money towards municipal projects such as hospitals, wellness centres, event centres, recreational centres, research centres, and other facilities that have the greater interest in mind of residents in the city or region.

- **Provincial Infrastructure Grants** - Direct grants that are applied for by a municipality through designated provincial infrastructure programs that differ through each of the provinces.
- **First Nations** - As First Nations have willingly participated in discussions regarding the Gateway project and have since signed a letter of intent to endorse the Event Centre they may consider some form of financial participation in the funding of it.
- **Federal Infrastructure Grants for Other Municipal Projects Redirected to the Event Centre** - The past Federal Government was reluctant to support new Sports & Entertainment Venues that housed a professional or what they considered a semi-professional team. As a result, some Canadian cities have applied for and received infrastructure funding for other municipal needs which allowed the municipality to re-direct the original funds towards helping to fund a new Event Centre.
- **Economic Impact** - In this study, you will find a reference to the economic impact of a WHL team in Nanaimo is considered to be a minimum of \$9M per year. If one was to consider that the 10 year economic impact of a WHL team in Nanaimo would create a minimum of \$90M “impact” then funding the event centre can be justified based on these increased economic benefits.
- **Increase in Property Taxes** - Often times municipalities will look at a small property tax increase on the property owner’s Current Value Assessment. This could be phased in over a period of years to help reduce the public fear of a ‘tax increase’.
- **Construction Financing Combined with Long Term Financing** - Some National contractors, because of their successful history, wealth and credit rating, can often times secure long term financing (20-30 years) for these municipal projects for only slightly more than municipalities can borrow at provided that the municipality is prepared to supply certain covenants to them. This can assist if the municipality is unable to borrow directly.

# PHASE 2

## 9. NEXT STEPS

As agreed at the outset of this assignment and recognizing the limited amount of time for this study and City Council's desire to secure an overview on the key aspects of developing and operating an Event Centre in Nanaimo in order to decide whether to proceed further, this study provides and reviews important information on:

- An Event Centre's Primary Objectives.
- The Nanaimo Market.
- Recommended Building Program.
- Potential Concept Design.
- Initial Possible Visualizations.
- Impact on Existing Ice Facilities.
- Site Selection Criteria.
- The 2 Best Preferred Sites.
- Development Cost.
- Projected Operating Results.
- Economic & Community Benefits.
- Potential Funding Options.
- The WHL.

If after reviewing this study, Nanaimo City Council decides that it wants to continue to investigate and pursue this initiative, we strongly recommend that as contemplated in our original proposal, the following be undertaken. It is especially important that this happen as soon as possible given the present opportunity of securing a WHL Team. The WHL has only had 2 teams move locations in the last 20 years and therefore this opportunity may not be available again for the next 10 to 15 years.

1. Additional market research and economic impacts based on city/region specific data and analysis.
2. City staff and stakeholder review and input on the facility's building program, design objectives and preferred sites.
3. Based on the above, updates to and a more detailed concept design and capital cost estimate.
4. A more detailed technical review including further development plans and transportation analysis of the preferred site(s) along with discussions with the owners and/or stakeholders of the sites.
5. Further presentation materials to clearly communicate the project and its benefits to the public, the Centre's potential users, the WHL and other, stakeholders.
6. More formalized meetings with the WHL and potential local investors to assist in securing a team for Nanaimo.
7. Again based on all of the above, a detailed operating proforma for the facility's first 10 years of operation.
8. Refinement of the appropriate potential ancillary developments to the Event Centre and to the selected area of the City, including meetings with possible private sector partners to discuss their ideas and options.
9. Compilation of the above into a concise feasibility report that sets out recommendations as to the project that will maximize the benefits to Nanaimo and its residents.

In order to meet the overall schedule objectives, we will again address this 2nd phase in an accelerated time frame of 6 – 8 weeks to ensure that it will be presented to Council by Dec. 12th.