

# NANAIMO EVENT CENTRE

## PHASE 2 STUDY

December 19 2016



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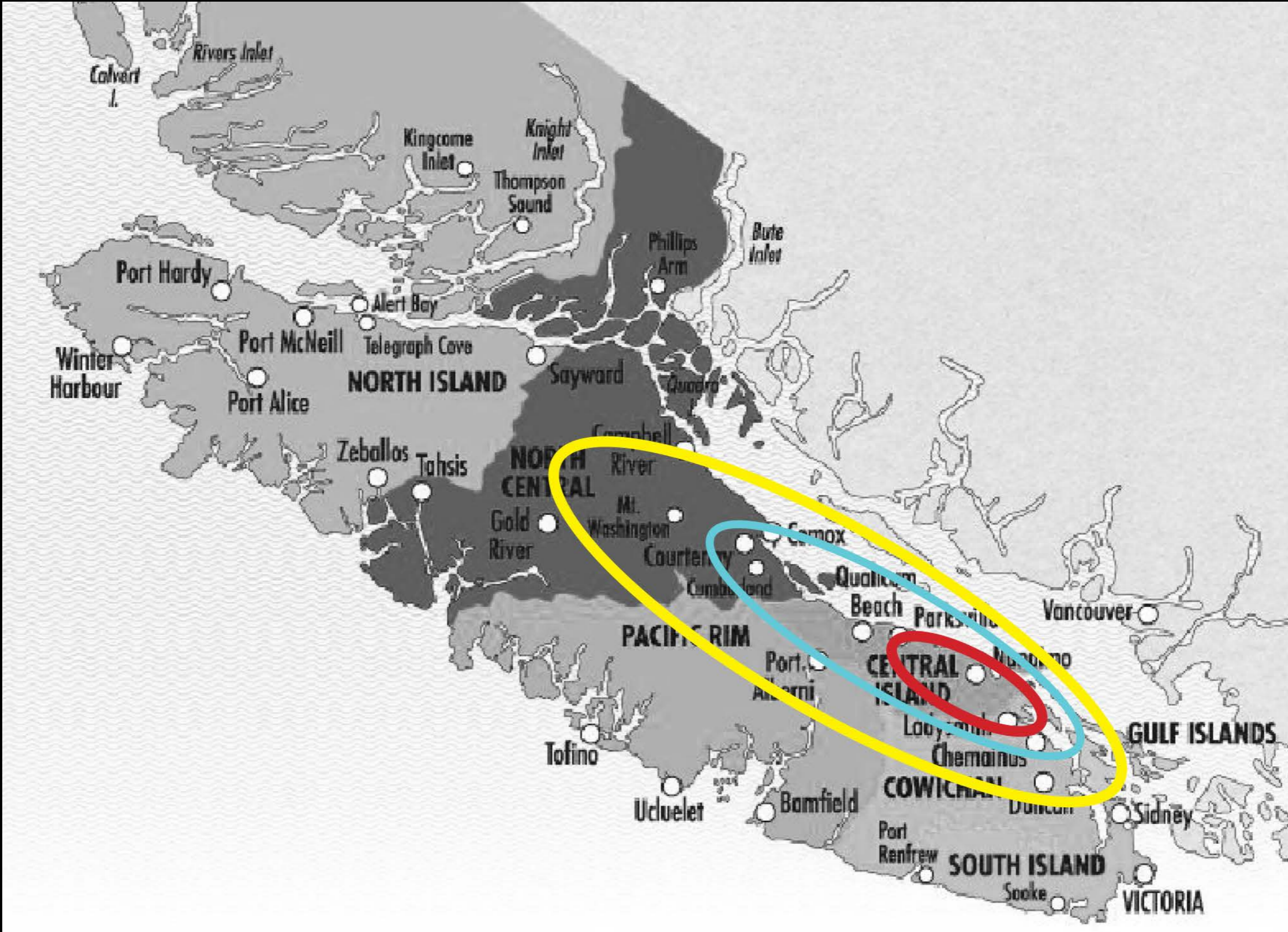
STADIUM  
CONSULTANTS  
INTERNATIONAL

CITY OF NANAIMO  
THE HARBOUR CITY



# EVENT CENTRE STUDY OBJECTIVES

- Respond to City Council's designation of an Event Centre as one of their Strategic Plans' top 5 priorities.
- Report on the implications of Nanaimo having the opportunity to secure a WHL Team if an Event Centre is developed.
- Within one month, provide an *INITIAL OVERVIEW* on an Event Centre's financial & physical planning realities & benefits to allow City Council to make an informed decision on whether to pursue this initiative further.



- Red** – Primary Trade Area
- Blue** – Secondary Trade Area
- Yellow** – Tertiary Trade Area

Based on info from the Nanaimo Economic Development

# CAPTURED MARKET

# CAPTURED MARKET

- **Nanaimo's contiguous primary trade area (esp re attendance at EC events) is the NRD (including Ladysmith) has a 2015 population of 163,000. Growing at same rate results in 173,000 2019.**
- **Nanaimo's secondary trade area is within approximately a 70 minute travel had an additional population of 140,000 in 2015.**
- **Almost all of Nanaimo's third trade area is within approximately a 110 minute travel & had an additional population of approximately 70,000.**

**Above based on information from Nanaimo Economic Development.**

# BUILDING PROGRAM

**Understanding the demographics of the Region of Nanaimo, the Centre's key attributes are recommended to be:**

- Large enough to be ideal for the home of a WHL Team – 5700 capacity.
- Attracts broad variety of quality Touring Shows – Max 7100 capacity.
- Provides a 1st class experience for guests coming to a broad selection of entertainment, community, educational and business events.
- A wide cross-section of seating and hospitality options.
- Allows for efficient operation of Centre from maintenance to fast event move-ins and from convenient guest services to long term sustainability.
- Includes areas for future growth including the addition of self-funding uses.

# CONCEPT DESIGN

## OPTION A

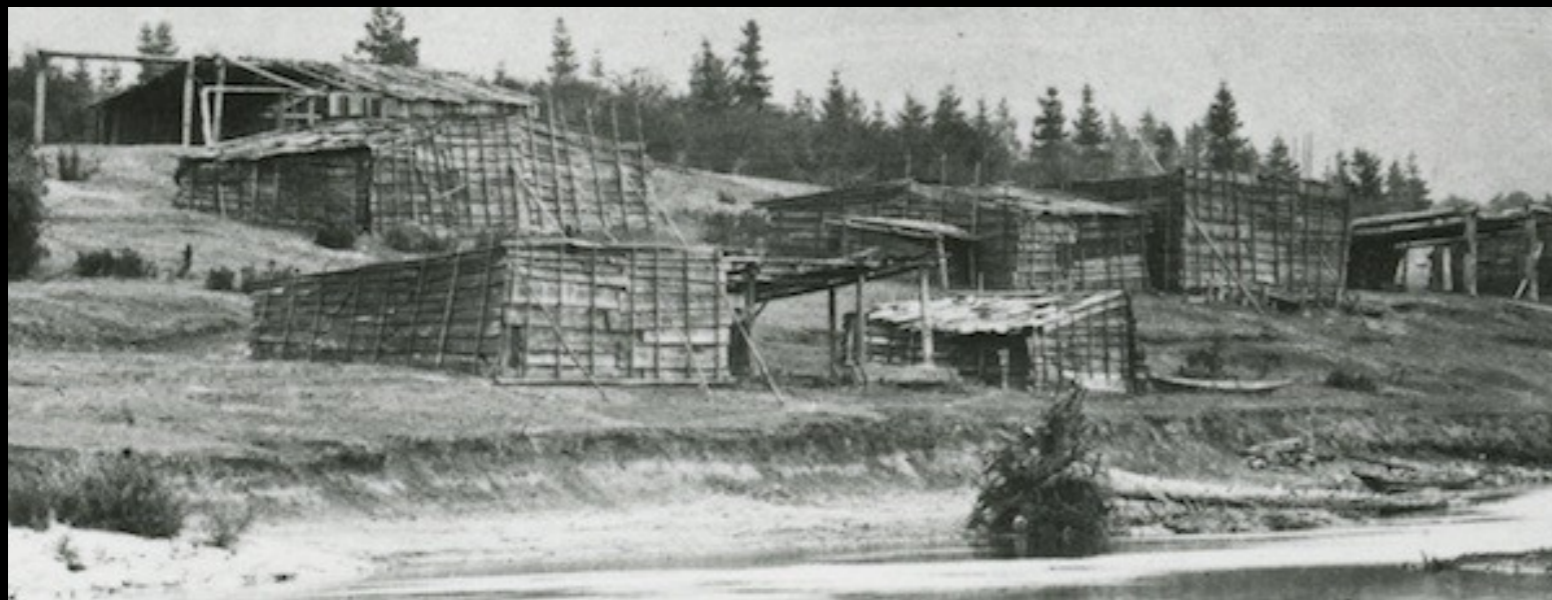
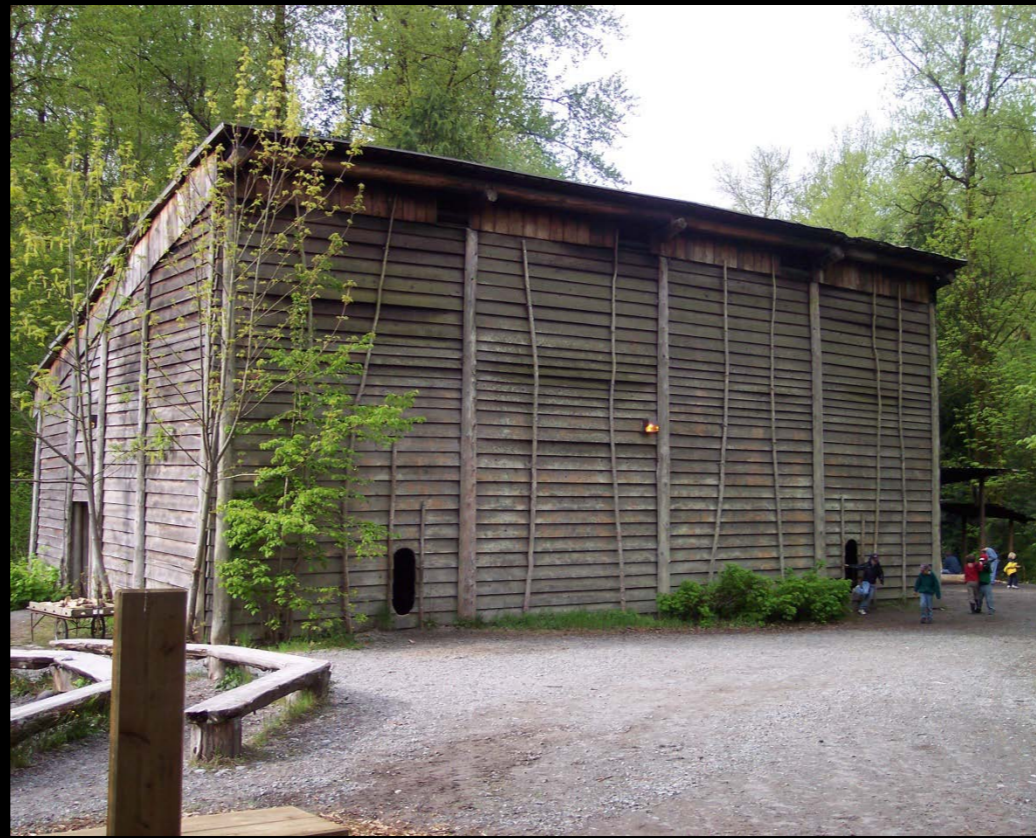
- Concert SVC is 8,300 instead of 7,100 with additional related guest services, including more multi-purpose rooms for recreation, meetings & community initiatives to augment the facility's use as a recreational/community centre. Hockey capacity stays the same as in the BASE FACILITY above.

## OPTION B

- Upgrade exterior and interior architecture including addition of a large covered exterior entry porch to make this a one-of-a-kind made-in-Nanaimo public assembly community centre. An initial concept is to have this facility into the world's largest modern interpretation of a traditional Coast Salish First Nations Long House.
- This option would also include becoming an environmental showcase with a green roof and many other environmental initiatives. C

# Coast Salish Architecture

The recommended Option B will turn this community centre into a very unique structure. One idea is to become the largest modern interpretation of a traditional First Nation Coast Salish Long House. Its primary building materials would be renewable wood and stone and glass. The East Coast Salish developed a traditional form of architecture that was distinctive and unique in the world and based on the natural environment of the lower BC and extreme northwest USA coastal areas. These are some pictures of their structures.









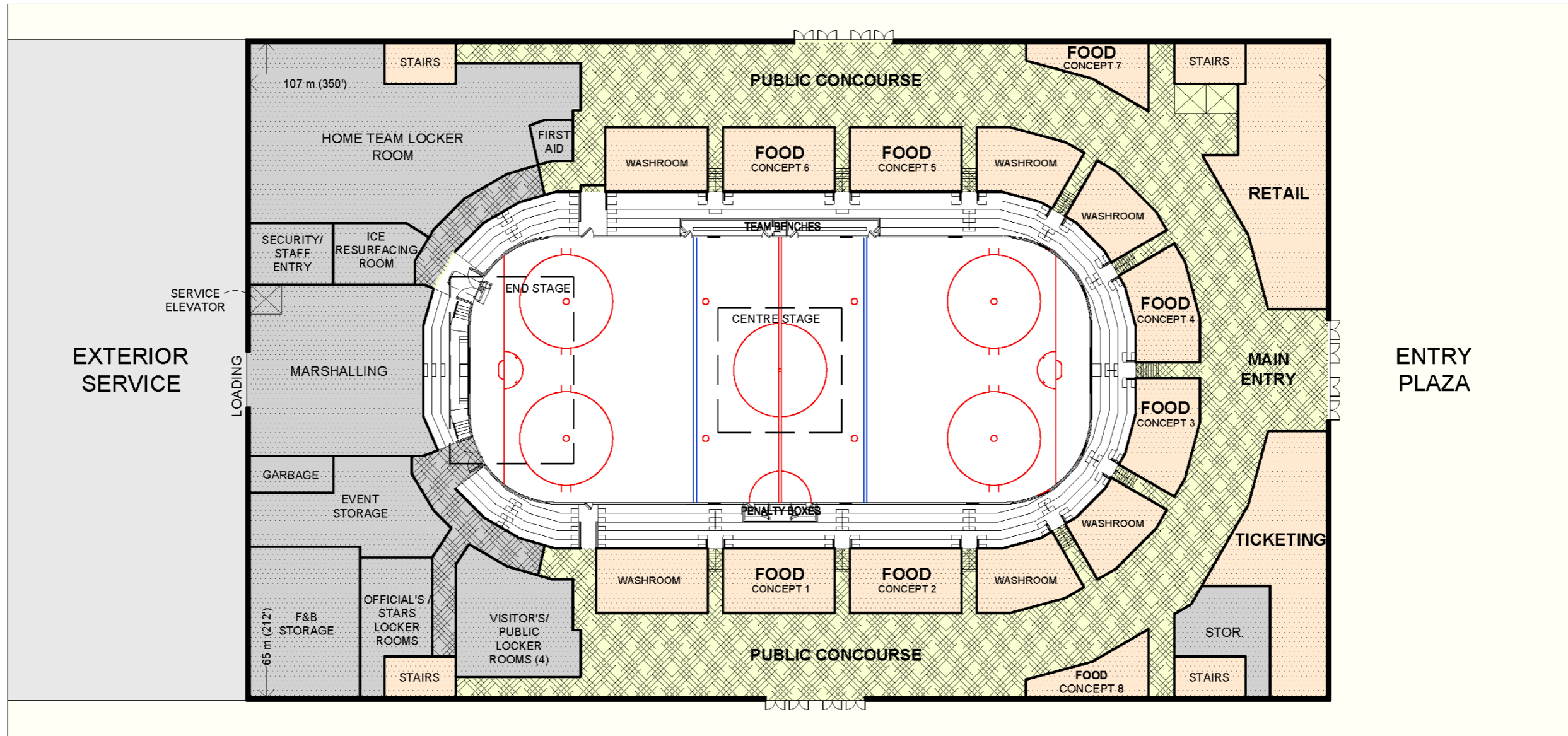
# CONCEPT DESIGN

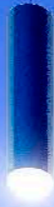
**Based on the recommended Building Program and the planning constraints of the two preferred sites; we have developed a unique design based on previously successful Event Centres and that meets the following criteria and features:**

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

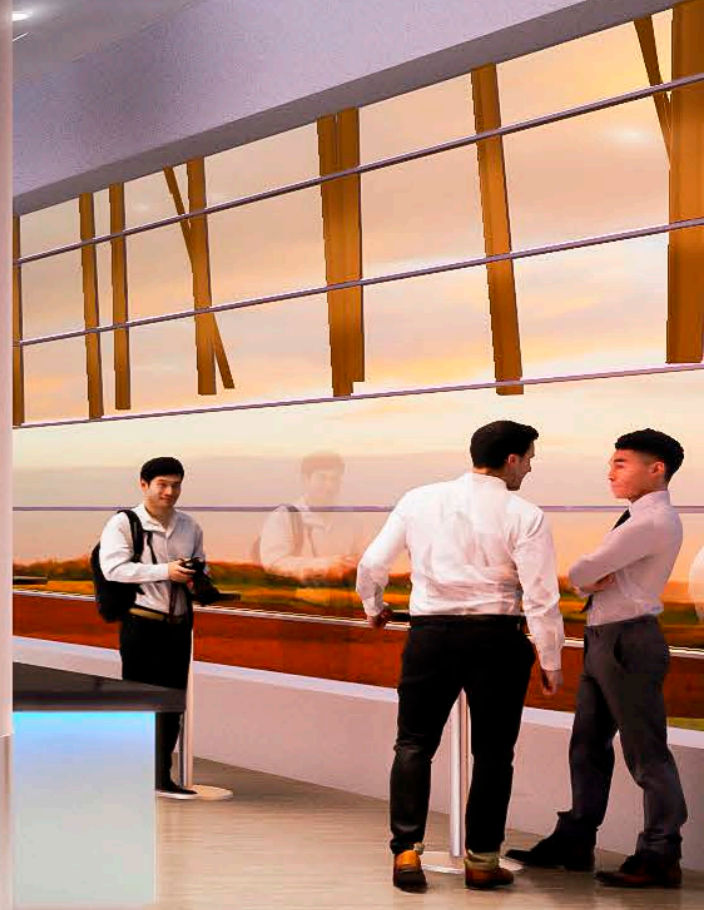


**IN PROGRESS**  
 THIS IS A PRELIMINARY FLOOR PLAN THAT  
 WILL CHANGE AS MORE INFORMATION  
 BECOMES AVAILABLE & AS THE DESIGN  
 DEVELOPS.

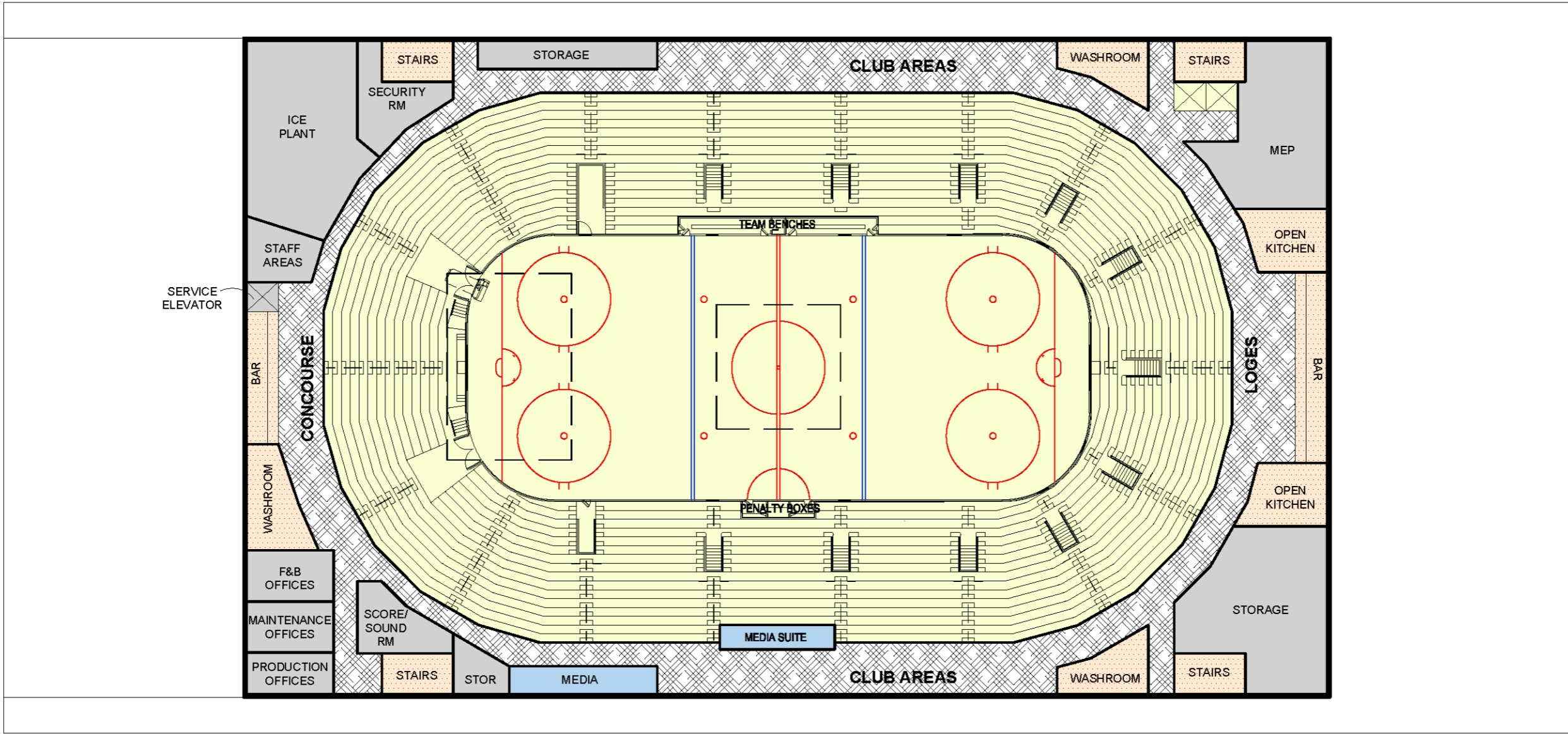




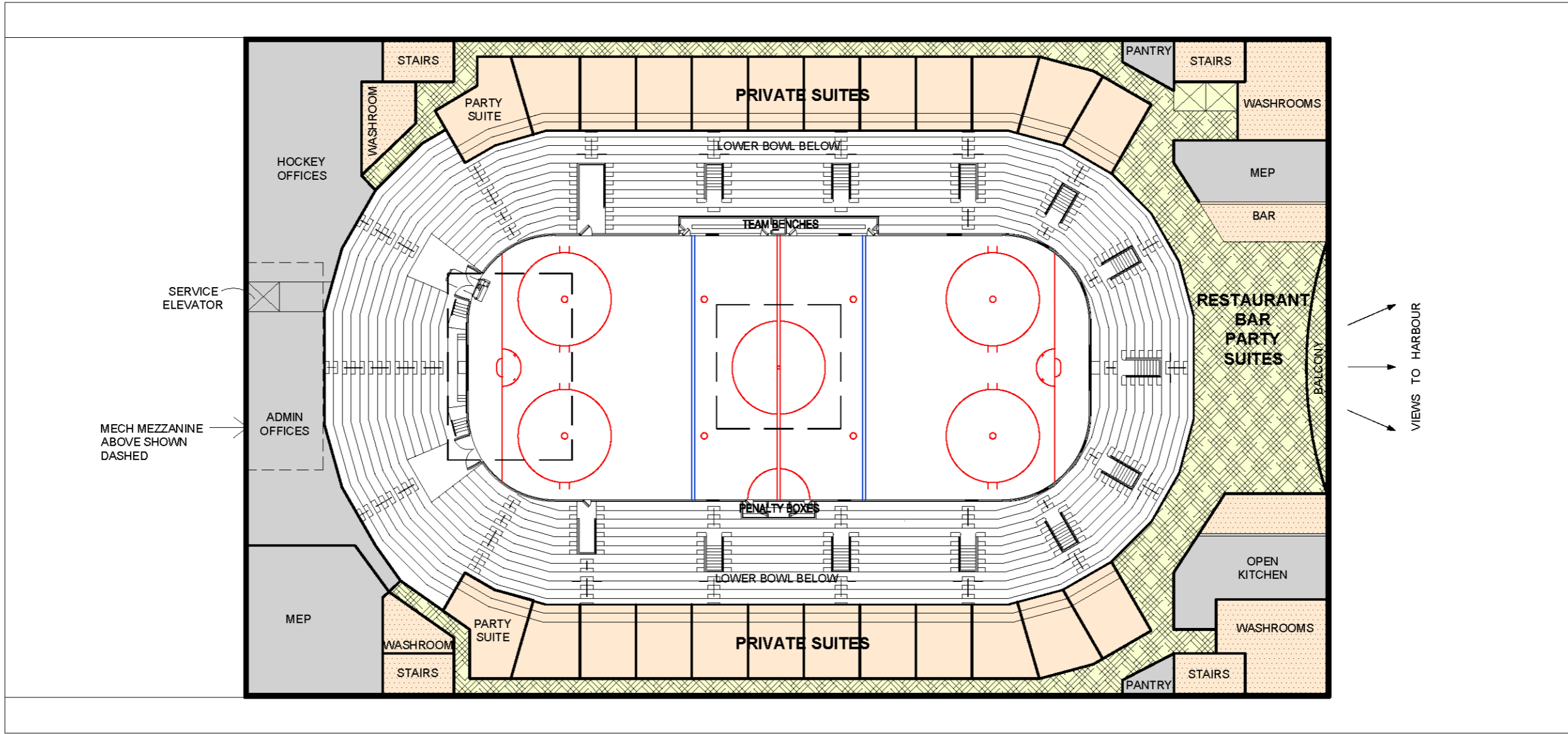
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**Founded in Vancouver in 1977**

**\$25 Billion in Construction**

**Relevant Experience includes:**

- **Vancouver & Calgary Olympics**
- **Pan Am Games**
- **St Catherines Arena**
- **Gatineau Arena**
- **Edmonton Arena**
- **Niagara Falls Arena**

# COST PLANNING & COST CONTROL

## 1. Cost Planning

- Establish a realistic budget to which the design process can commence.
- Estimate is developed based on conceptual drawings.
- The various elements are measured (e.g. structure, exterior, interior partitions & doors, M&E, etc.) and priced accordingly based on the architects preliminary outline design specifications.
- The estimate is then benchmarked against other similar projects taking into account the location, market conditions and anticipated escalation.
- It is the beginning of the design process but a very critical step to ensure the budget is realistic to reflect the client's needs and desires.

## 2. Cost Control

- The next process is the development of the design in conjunction with the project budget.
- Working with the project team analysing the design to determine the optimum material selection and method of construction.
- This is achieved through many value analysis studies, life cycle costing and feasibility studies.
- The aim is to produce the best design based on the realistic budget developed in the cost planning stage.
- During the course of the design process, there are a series of estimates prepared to ensure the design stays on budget.

# DEVELOPMENT COSTS

**The majority of the development costs are the construction costs which include:**

- **Base Cost for actual Construction materials & labour**
- **The Contractor's General Conditions & Fee**
- **Design & Construction Contingencies**

**In addition there are costs for:**

- **Professional fees and disbursements for architects, engineers, lawyers, etc.**
- **Video Boards & Scoreboard, graphics , signage & art.**
- **Loose furniture fixtures and equipment (FFE) including the Zamboni**
- **Testing & Inspections**
- **Pre-Opening Operating Expenses**

# DEVELOPMENT COSTS

**As outlined in Phase 1, the cost excludes:**

- Land.
- Parking that is in addition to the 100 spaces on-site in the Service Area
- Legal, Accounting & Costs for Municipal Staff.
- Building permits and service hook-up fees, etc.
- Financing.
- Costs for services, roads and other infrastructure that aren't on the site.
- Sewer Line relocation.
- 
- Demolition (where applicable).

# DEVELOPMENT COSTS

<b>Base Project Cost</b>	<b>\$69.8M</b>
<b>Option A</b>	<b>9.6M</b>
<b>Option B</b>	<b>7.2M</b>
<b>TOTAL Development Cost</b>	<b>\$86.6M.</b>

- Above includes a soft cost allowance that is 20% of the construction cost or \$14.4M.
- Escalated to May 2018

## **Richard Oriolo**

Principal, Stafford Sports



Richard Oriolo has more than 35 years experience in the sports and entertainment industry & leads Stafford Sports business and strategic planning for projects including the following venues:

- Sasktel Center (WHL Blades)
- Xfinity Center (WHL Silvertips)
- Wells Fargo Arena (AHL Wild)
- XL Center (AHL Wolfpack)
- BB&T Center (NHL Panthers)
- Madison Square Garden Transformation (NHL Rangers)
- T-Mobile Arena (NHL Black Knights)
- Proposed Seattle Arena (New NHL Franchise)
- Nassau Coliseum Transformation (NHL Islanders)



- **Stafford Sports is one of North America's leading advisory firms and provides strategic planning and consulting services for governments, sports franchises and universities.**
- **Stafford's menu of services include development of business plans and operating proformas, market feasibility studies, negotiation of management, development and team lease agreements.**
- **Stafford's Principals have served as development consultants & Event Centre operating executives including:**

**SaskTel Centre – Saskatoon,  
SK**

**Save-On-Foods Memorial  
Centre – Victoria, BC**

**BC Place – Vancouver, BC**

**Canadian National Exhibition  
– Toronto, ON**

**TD Place – Ottawa, ON**

**Mosaic Stadium – Regina, SK**

**Amway Center – Orlando, FL  
(NBA Magic)**

**Agganis Arena – Boston,  
Ma.**

**Berry Center Complex –  
Cypress, TX**

**Bon Secours Wellness  
Arena – Greenville, SC**

**Blue Cross Arena –  
Rochester, NY**

**HEB Center - Cedar Park, TX**

**Community Choice Credit**

**Union Convention Center –**





# PHASE 2

**In this Phase 2 report to be presented to Council on Dec. 19th, 2016, it has been determined by North American arena/event centre experts Stafford Sports that the new Event Centre :**

- Would operate in year 1 and 2 needing a small city subsidy of less than \$50,000/yr.
- Projected in year 3 to show a better than a break even number in net profit. The EC would gross over \$3m.
- Would continue to show a profit in the remaining years of a 10 year projected business plan.
- Would host 114 events in year 1; 127 events in year 2; and 128 events in year 3.
- Financial analysis does not include debt service or insurance.
- Naming rights and premium seating would be included in operational revenue.
- Included in these projected numbers is a substantial life cycle allowance for annual repairs and replacement.
- An average of a \$2 per ticket facility charge would go towards operational expenses.
- 20 Full time management and staff positions, exclusive of tenant staff and 175 part time positions with a part time labour pool of close to 300 people.



# ECONOMIC & COMMUNITY IMPACTS

**Table A: Economic Impacts of Development of the Base Project (\$ in millions)**

	Output	GDP	Employment (FTEs)	Federal Tax	Provincial Tax	Municipal Tax
<b>Direct</b>	\$69.00	\$28.96	384	\$3.67	\$2.13	\$0.00
<b>Indirect &amp; Induced</b>	\$51.39	\$30.36	321	\$3.75	\$2.72	\$0.86
<b>Total</b>	<b>\$120.39</b>	<b>\$59.32</b>	<b>705</b>	<b>\$7.42</b>	<b>\$4.85</b>	<b>\$0.86</b>

**Table B: Economic Impacts of the Recommended Facility (\$ in millions)**

	Output	GDP	Employment (FTEs)	Federal Tax	Provincial Tax	Municipal Tax
<b>Direct</b>	\$84.00	\$35.26	468	\$4.46	\$2.60	\$0.00
<b>Indirect &amp; Induced</b>	\$62.56	\$36.96	391	\$4.56	\$3.31	\$1.04
<b>Total</b>	<b>\$146.56</b>	<b>\$72.22</b>	<b>859</b>	<b>\$9.02</b>	<b>\$5.91</b>	<b>\$1.04</b>



# ECONOMIC & COMMUNITY IMPACTS

**Table C: Annual Economic Impacts of the Operation of the Proposed Event Centre (\$ in millions)**

	Output	GDP	Employment (FTEs)	Federal Tax	Provincial Tax	Municipal Tax
<b>Operation of the Event Centre (Annual)</b>						
<b>Direct</b>	\$3.86	\$2.16	45	\$0.26	\$0.14	\$0.00
<b>Indirect &amp; Induced</b>	\$3.26	\$2.03	21	\$0.25	\$0.19	\$0.07
<b>Total</b>	<b>\$7.12</b>	<b>\$4.19</b>	<b>66</b>	<b>\$0.51</b>	<b>\$0.33</b>	<b>\$0.07</b>
<b>WHL Team Including Spending by Visiting Team (Annual)</b>						
<b>Direct</b>	\$1.92	\$1.09	32	\$0.13	\$0.06	\$0.00
<b>Indirect &amp; Induced</b>	\$1.49	\$0.92	9	\$0.11	\$0.09	\$0.03
<b>Total</b>	<b>\$3.41</b>	<b>\$2.01</b>	<b>41</b>	<b>\$0.24</b>	<b>\$0.15</b>	<b>\$0.03</b>
<b>Total Annual Impacts</b>						
<b>Direct</b>	\$5.78	\$3.25	77	\$0.39	\$0.20	\$0.00
<b>Indirect &amp; Induced</b>	\$4.75	\$2.95	30	\$0.36	\$0.28	\$0.10
<b>Total</b>	<b>\$10.52</b>	<b>\$6.20</b>	<b>107</b>	<b>\$0.75</b>	<b>\$0.48</b>	<b>\$0.10</b>



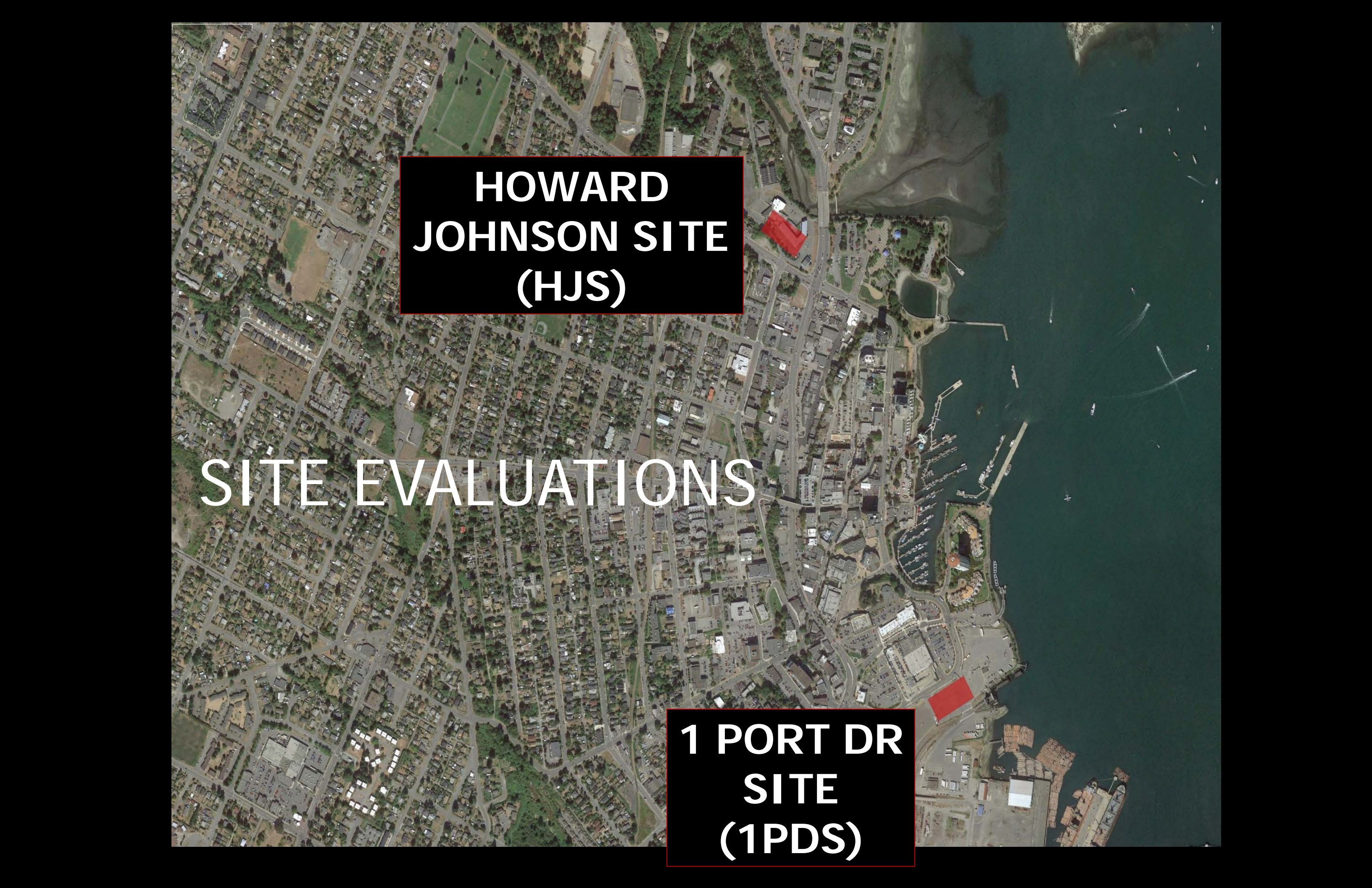
# ECONOMIC & COMMUNITY IMPACTS

## **Economic Impacts per 1000 Visitors**

- \$0.25 million in economic output in BC.
- \$0.15 million in GDP in BC.
- \$0.035 million in revenue for all three levels of government.
- 2.1 FTE's of total employment.

## **Projected Economic Impacts from Visitors**

- \$6.75 million in economic output.
- \$4.05 million in GDP in BC.
- \$0.95 million in revenues for all three levels of government.
- 40.5 FTE's of direct employment and 56 FTE's of total employment.



**HOWARD  
JOHNSON SITE  
(HJS)**

**SITE EVALUATIONS**

**1 PORT DR  
SITE  
(1PDS)**



**Howard Johnson Site –  
Approximate Event Centre  
Location**

# HJS

8 Acres

Steep Slope from SW to SE

Access on Comox

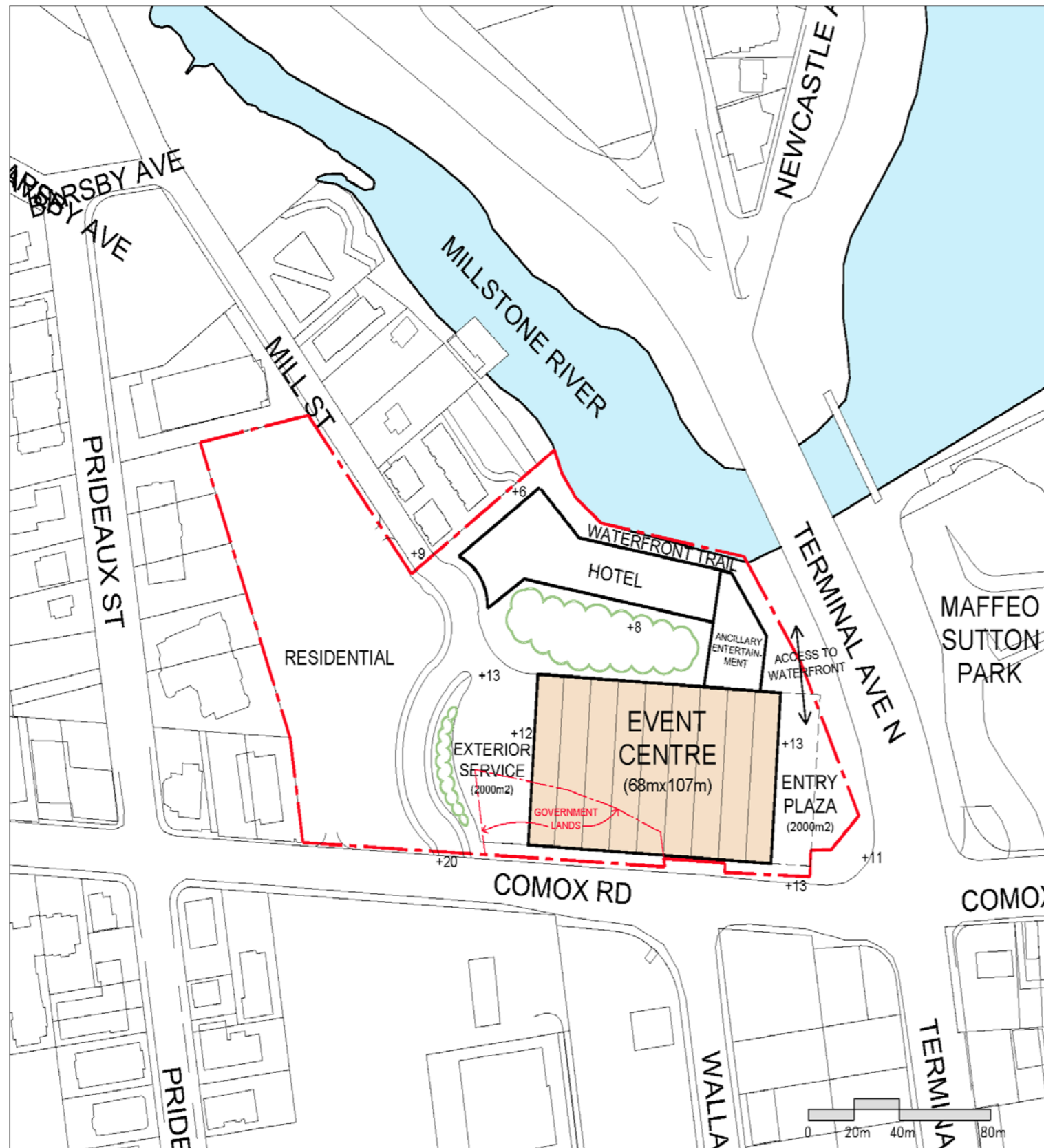
Provincial Gov't Land Issue

Event Centre at  
Intersection

EC Service Area on West

Residential on West

Hotel on River or West









**1 Port Drive Site – Approximate  
Event Centre Location**

# 1 P D S

**City Owned**

**3 Acres for Event Centre**

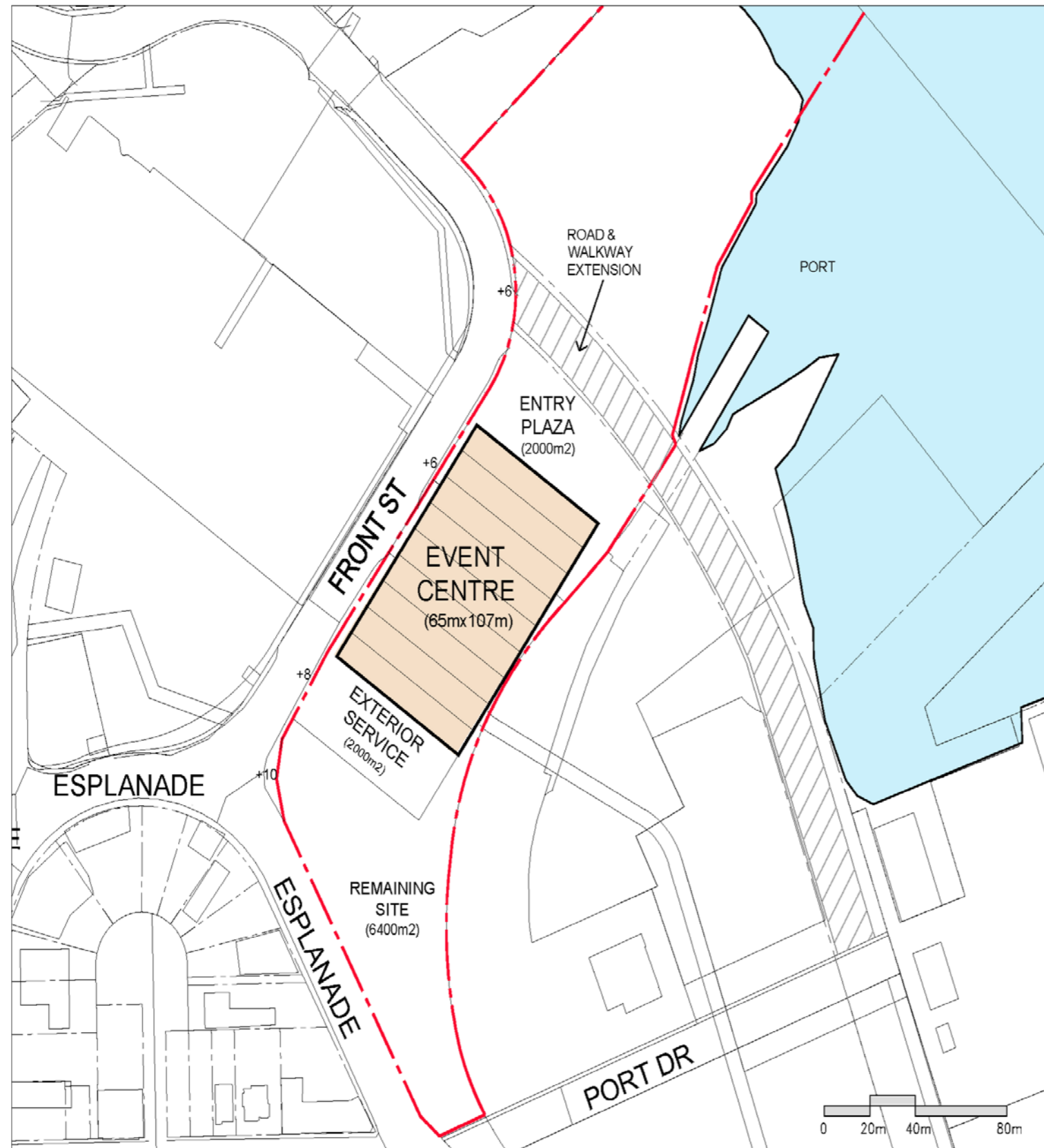
**Additional Lands to NE & SW**

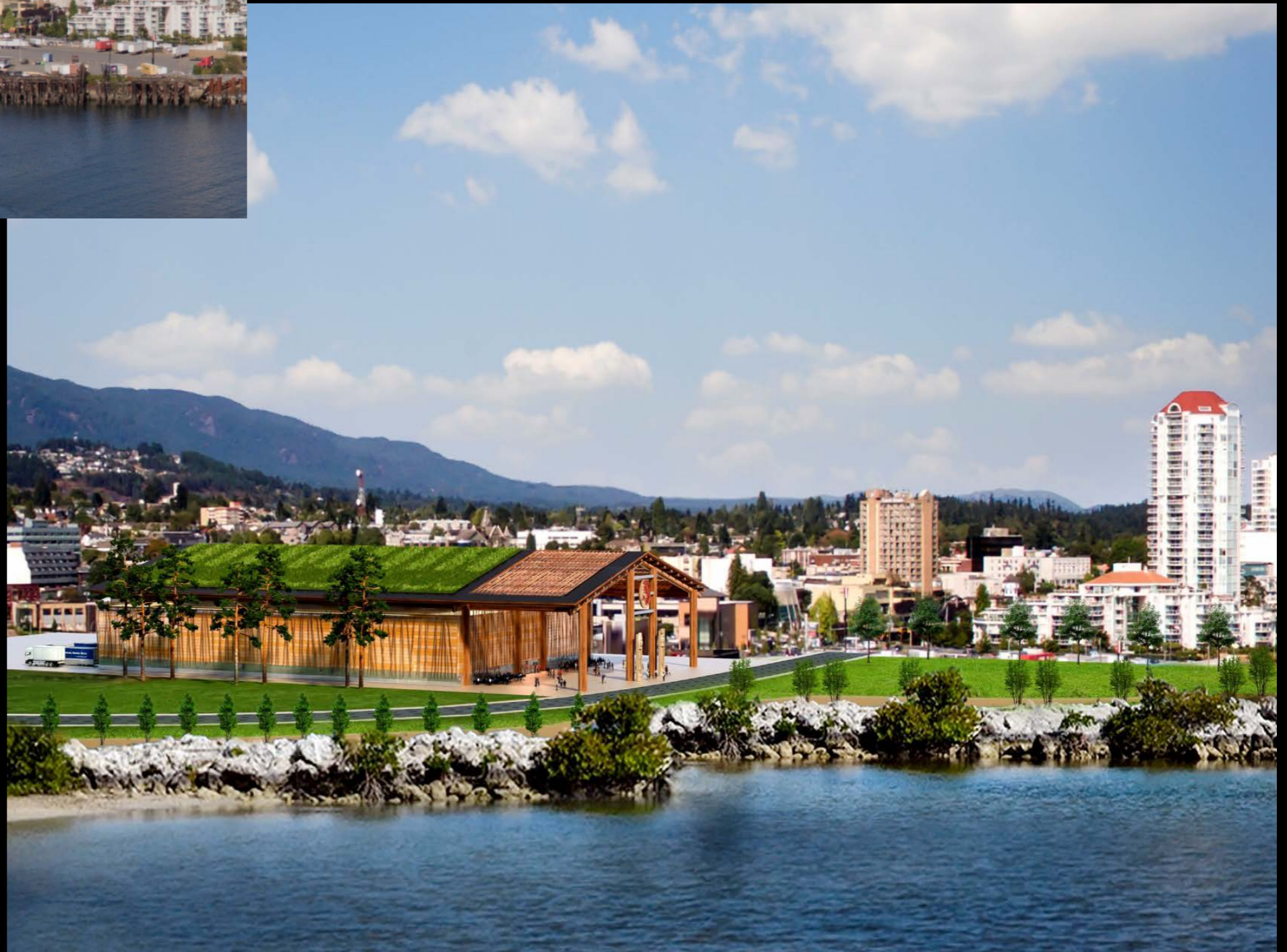
**Flat Site**

**Access from Front & Port Dr**

**Seaspan Lands to SE**

**EC Service on SW**





# **HJS & 1PDS - COMMON POSITIVES**

- 1. Large enough**
- 2. Prominent Gateways**
- 3. Downtown for accessibility, economic benefits & exposure**
- 4. Significant available existing parking & traffic capacity**
- 5. Not undermined by coal workings (further geotech tests)**
- 6. Reasonable geology below**
- 7. Space for complimentary development**
- 8. Celebrate the First Nations History**
- 9. Accelerate Waterfront Rehabilitation & Trail Extension**

# **HJS & 1PDS – COMMON CHALLENGES**

- 1. Both sites are former Snuneymuxw First Nation village sites**
- 2. Archaeological issues that will have to be addressed**
- 3. Underground services will have to be relocated**

# HOWARD JOHNSON SITE POSITIVES

- 1. Close proximity to Maffeo Sutton Park to support its many events. This may also apply to the Newcastle initiative**
- 2. Zoned for a multiuse spectator arena & proposed adjacent developments**
- 3. The HJS owners propose their private sector development will occur immediately if the Event Centre is built.**
- 4. Probable Comox Road dedications should not impact site's viability.**

# HOWARD JOHNSON SITE CHALLENGES

- 1. Significant on-site grade differential will lead to additional design challenges & costs**
- 2. Completion of public/private sector agreements where different components will be under different ownership or control will take time.**
- 3. Immediately adjacent residential may challenge the development because of disruption**
- 4. Further environmental studies & approvals will be required, especially with respect to acceptable setbacks from the Millstone River.**
- 5. Securing the Provincial Gov't lands will take time.**

# 1 PORT DRIVE SITE - POSITIVES

1. City Owned
2. Environmental approvals to subdivide secured.
3. Positive anchor to south end of Waterfront Trail.
4. Closer proximity to Convention Centre to support its operations.
5. Close to Port Theatre to support an Entertainment Arts & Culture district.
6. A catalyst for more additional development
7. Supports 2013 South Downtown Waterfront Initiative's Guiding Principles
8. Limited train movements will not require special acoustic mitigation.
9. Proven EC design will not require removal of large amounts of on-site fill



# 1 PORT DRIVE SITE - CHALLENGES

- 1. Required masterplanning & rezoning will take time although can be completed quickly.**
- 2. Final design of Front Street may impact final EC design**

**Both HJS & 1PDS have many Positives**

**But 1PDS is preferred for these main reasons:**

- 1. City owns 1PDS while HJS discussions have just begun**
- 2. City will incur additional costs to secure HJS lands**
- 3. 1PDS should be a catalyst for more development**
- 4. Less disruption to local residents**
- 5. The HJS's steep grades will be more expensive to deal with.**
- 6. Adjacency to Convention Centre will bring more success**
- 7. A new bus station hub in south downtown will improve access**



# PARKING TRAFFIC & TRANSIT

- 1. Established in 1993**
- 2. Transportation Planning & Engineering Consulting Services**
- 3. Offices in Vancouver, Victoria, Calgary & Edmonton.**
- 4. Related Project Experience:**
  - Rogers Place, Edmonton**
  - Rogers Arena, Vancouver**
  - Downtown Vancouver Entertainment District Transportation Study**
  - 2010 Olympics Transportation Strategic Plans**
  - Vancouver PGA Tournament Transportation Plan**



# PARKING TRAFFIC & TRANSIT

## PARKING

- 1. Up to 1,450 parking spaces available in the evening period within a 10 minute walk.**
- 2. Major event parking demand requires up to 1,500 spaces (off site), nearly all of which can be accommodated with a 10 minute walk.**
- 3. Larger attendance events will require remote parking & shuttle bus as setout in an event specific Transportation Management Plan.**



# PARKING TRAFFIC & TRANSIT

## TRAFFIC

1. Evening period traffic loads in the downtown area are 40% to 60% lower than the mid afternoon peak, & 75% lower in the later evening post event period.
2. Event traffic will be distributed across the downtown rather than concentrated at the venue itself.



# PARKING TRAFFIC & TRANSIT

## TRANSIT

**A future transit hub in the south portion of downtown will provide improved access to the facility & venue generated transit use will serve to boost community awareness of transit connections to the downtown.**

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