

Municipality of Chatham-Kent
Infrastructure and Engineering Services
Parks and Open Spaces/Recreation Facilities

To: Mayor and Members of Council

From: Jeff Bray, Manager,
Parks and Open Spaces/Recreation Facilities

Date: May 19, 2019

Subject: Council Arena Decision

Recommendations:

Based on survey results, feedback from a public information centre, benchmarking information and previous master plans, it is recommended that Council approves:

1. Replacing Chatham Memorial Arena and Erickson Arena with a 2,200 + 200 seat twin pad and an Indoor Multisport Community Centre at an estimated one-time gross capital investment of \$63.8 million and an increase in net annual operating and lifecycle costs of \$360,000 (investments in architectural design, land acquisition, outdoor sports fields, servicing and traffic mitigation costs are not included).
2. Upon completion of construction of “1,” both Memorial and Erickson Arenas will be closed and potentially demolished.
3. Project construction will commence only when the following sources of funding are secured:
 - a) 27% or \$17.2 million from Municipal reserves or if desired, debt financing
 - b) 73% or \$46.6 million from higher level government funding (application pending)
 - c) A tax increase of 0.24% is to support the \$360,000 increase in net annual costs from operations and lifecycle.

Any private donations or amounts from fundraising will be used to offset the Municipal funding portion described in “3a” and “3c.”

Administration to secure land options to accommodate recommendation “1” along with an incremental 60 acres for outdoor sports fields for baseball, rugby, hockey, cricket and soccer.

4. Administration to proceed immediately with next steps for the agreed upon facility option. This will include retention of architectural services, developing the required

footprint, site selection, property acquisition, parking, design for traffic mitigation, applications for senior government funding, promotion of private funding and further public engagement. These steps are necessary to achieve “shovel ready” status, a condition stated in the application for the upcoming senior level government funding program. The Federal/Provincial funding program for Community, Cultural and Recreation Infrastructure is expected to be released later in 2019. An update to Council will follow once the outcome of the funding application is known.

Note:

- i. Table 1.0 that follows has been developed to allow Council to make amendments that vary from the recommendations stated above.

Background

On December 17, 2018 Council approved the Twin Pad Arena Update and Public Consultation report and the following recommendation:

“Public engagement meetings be scheduled in 2019 to assist Council in their decision-making process of a potential future investment in a twin pad arena.”

In support of the recommendation, staff have completed the following:

- An online survey that was available from February 1 through February 23, 2019. The digital survey was advertised at all arenas, as well as through a press release via the municipal website, Facebook and the Let’s Talk portal. Paper copies of the survey were also made available at all arenas and Customer Service Centres. A total of over 2,500 responses were received and tabulated (Appendix A).
- A Public Information Centre (PIC) was held on February 28, 2019 from 5:00-7:00PM in the Civic Centre atrium and attended by 70 individuals. The intent of this PIC was to share the survey results and provide additional opportunities to share information and opinions (Appendix B).

The 2010 Parks and Recreation Master Plan (Appendix C) recommended that a new twin pad arena be constructed to replace Memorial and William K. Erickson arenas. The Master Plan stated that the proposed facility would be comprised of the following:

- Two ice pads of 85' x 200' each
 - One arena: 200 capacity
 - One arena: 2,000 capacity

Operationally, one twin pad facility versus two independent facilities provides costs savings and is more efficient in these areas:

- Refrigeration - One refrigeration plant versus two independent plants

- Resurfacing - One ice resurfacer/Zamboni with one back up versus two ice resurfacers and a back-up
- Staffing - One set of staff capable of handling both twin pad surfaces versus two sets of staff to operate two separate facilities. This would include operations, maintenance and concession workers
- Maintenance - One snow melt pit in the twin pad versus one snow melt pit in each facility; one skate rental operation for the twin pad versus one skate rental operation in each of the independent facilities

Comments

The following capital cost estimates are arena construction and parking costs only. Architectural, land acquisition, site remediation costs (if required), servicing and traffic mitigation are not included.

Table 1.0 Financial Summary of all Options

Option	Seating Capacity	Total Gross Investment (\$M)	Total Net Annual Increase (\$M)	CK Investment 27% (\$M)	Fed/Prov Investment 73% (\$M)	% Avg Tax Increase
Memorial / Erickson Status Quo	2,500 / 500	0.0	0.00	0.0	0.0	0.00
Memorial Renovation / Erickson Status Quo	1,800 / 500	16.0	0.06	16.0	0.0	0.04
Memorial Renovation / 200 Seat Twin	1,800 / 200	25.4	0.06	18.5	6.8	0.04
Memorial Status Quo / 2,200 Seat Twin	2,500 / 2,200	44.0	0.30	11.9	32.1	0.20
2,200 / 200 Twin Pad	2,200 / 200	48.4	0.06	13.1	35.3	0.04
3,500 / 200 Twin Pad + S/E	3,500 / 200	66.5	0.65	18.0	48.6	0.43
4,000 / 200 Twin Pad + S/E	4,000 / 200	70.6	0.88	19.1	51.5	0.59
2,200 / 200 Twin Pad + Indoor Multisport	2,200 / 200 / 200	63.8	0.36	17.2	46.6	0.24
3,500 / 200 Twin Pad + S/E + Indoor Multisport	3,500 / 200 / 200	81.9	0.95	22.1	59.8	0.63
4,000 / 200 Twin Pad + S/E + Indoor Multisport	4,000 / 200 / 200	85.9	1.18	23.2	62.7	0.79
2,200 / 200 Twin Pad + Repurpose Erickson	2,200 / 200 / 200	53.4	0.36	18.1	35.3	0.24
3,500 / 200 Twin Pad + S/E + Repurpose Erickson	3,500 / 200 / 200	71.5	0.95	23.0	48.6	0.63
4,000 / 200 Twin Pad + S/E + Repurpose Erickson	4,000 / 200 / 200	75.6	1.18	24.1	51.5	0.79
2,200 / 200 Twin Pad + Indoor Multisport + Repurpose Erickson	2,200 / 200 / 200 / 200	68.8	0.66	22.2	46.6	0.44

Notes:

- The recommended option is highlighted in grey; S/E = Sports and Entertainment Centre includes suites and additional provisions for shows.
- Project cost estimates are based on similar structures recently constructed across Canada with inflation added where applicable. Actual costs may be 10% higher or lower based on final design and actual tendered amounts.
- The maximum amount of government funding is still to be confirmed.
- A 2,200 seat arena option includes a larger ice surface and additional floor space for a lobby, canteen, seating, storage, meeting rooms, washrooms, walking track, and change rooms over the Memorial Upgrade option. This option provides additional benefits in public accommodation that will not be attained in a Memorial arena upgrade.
- The 3,500 and 4,000 seat arena estimates assume a two-tier structure. Both options include incremental floor space for a larger lobby as well as additional

seating, washrooms, suites, and parking when compared to the 2,200 seat arena option.

- The Erickson Repurpose option converts the current arena into an indoor multisport facility with year round access. Ice making equipment will be idled. Suggestions for use include the development of a “Youth Activities Centre” with trampolines, climbing walls and activities designed for youth.
- “Total Net Annual Increase” and “% Tax Increase” noted are based on annual incremental net operational costs and lifecycle. Net operational costs are defined as “Operating costs less revenue.” Revenue assumptions are based on both 2019 budgeted amounts and market data of similar facilities where applicable. The tax increases noted assume the initial one-time investment will come from reserves and not from new taxes. A 1.0% tax increase equates to \$1.5 million.
- Lifecycle costs assume facility maintenance only. There is no allowance assumed for facility replacement.
- Renovations are not eligible for senior level government funding.
- An “Outdoor Sport Fields” category was also considered, however, costs could not be estimated as the major expense is the land acquisition price. This category comprises outdoor fields for baseball, cricket, rugby, and soccer. Estimated footprint based on community need is from 50 to 70 acres.

Strategies to Consider

A. Status Quo Strategy

This strategy assumes no new investment and the continuation of arena lifecycle replacements at Chatham Memorial and Erickson Arenas at the annual budgeted cost of \$80,000 for each facility. Recent market changes to arena equipment, infrastructure and repair costs have driven required lifecycles up by \$20,000 annually, to \$100,000 per facility.

Since 2015, repairs and upgrades to Memorial Arena have been minimal. Only upgrades to ensure public safety have taken place. Over the next 10 years it is expected that Chatham Memorial and Erickson Arenas will require \$1,905,000 and \$925,000 in funding respectively (\$2,830,000 in total – Appendix D). The 10 year spending plan for all arenas is included in Appendix E for additional reference.

Per the survey, 29.4% of respondents favoured the “Status Quo” strategy, which aligns closely to the 32.3% of respondents who do not use arenas, and the 35.3% who did not support a tax increase of any kind.

B. Renovation Strategy

This strategy assumes an upgrade to Memorial arena only at an estimated cost of \$16 million. Upgrades to the current building code and accessibility requirements will

take place. Renovations are not planned at Erickson arena, however, ongoing lifecycle investments are assumed.

Memorial Arena was constructed as a cement block building in 1949. The arena's single ice pad surface measures 180' x 85' and has a seating capacity of 2,500. The facility is wheelchair accessible via an existing service lift that can be utilized as needed on the west side of the building. The second floor boardroom/meeting room has a capacity for 45 people and is fully equipped with a kitchenette and bar.

The facility is well utilized by numerous hockey groups, including youth, adult, Junior B, in addition to school groups, participants attending walking club, stick and puck skills, tiny tot and public skating sessions. The ice season operates annually until the end of March/April. In the spring and summer, the arena floor becomes available for special events such as trade shows, dog shows, and fairs.

Since amalgamation, various upgrades totaling \$579,878 have been completed.

Facility users, particularly hosts and visitors of large tournaments, have consistently voiced concerns over the existing condition of Memorial Arena. They have offered suggestions with regard to improvements that should be made to meet their needs and ultimately improve usage. These recommendations include more dressing rooms, upgrading existing dressing rooms, a more functional canteen, accessible washrooms, an improved elevator and chaired seating in the arena bowl.

The following are upgrades to Memorial Arena required to meet current user needs:

- Phase One: Exterior Site Improvements
 - Relocation of water main, hydrant, light standards, sidewalks, drainage infrastructure
- Phase Two: Exterior Building Additions
 - 5 new dressing rooms, 2 new washrooms, lobby expansion, elevator replacement
- Phase Three: Floor Replacement
- Phase Four: Interior Building Renovations
 - New canteen area
 - Existing room consolidation into new dressing and referees rooms
- Phase Five: Seat Replacement and Girder Sandblasting/Cleaning
- Phase Six: Roof Replacement and Parking Lot Reconstruction

The above upgrades will meet current Building Code and Accessibility for Ontarians with Disabilities Act (AODA) requirements.

Upgrades will be completed in phased construction stages over a two to three year time period. Construction schedules will be planned to minimize disruptions to regular ice programs, however, the floor replacement may result in displacement of

users for one season due to the time required to prepare and reconstruct the surface.

Pros of Upgrading Memorial Arena:

- Chatham-Kent retains a historic venue
- Property is municipally owned and there are no land acquisition costs

Cons of Upgrading Memorial Arena:

- This upgrade will not be eligible for government funding.
- Ability to attain operating and energy efficiencies is lost
- Reduction in seating from 2,500 to 1,800
- Ability to host larger tournaments for sports tourism is limited
- The current ice surface is undersized per typical hockey rink regulations (180' x 85' versus 200' x 85')
- Based on existing structure, footprint shortfalls noted in dressing room sizes, storage, meeting rooms and lobby will remain a user concern

The "Renovation" strategy was not specifically covered in the survey, however, 70.6% of respondents supported investment in a new facility, and 64.7% were prepared to accept at least a \$15 average increase in property taxes per year to fund the expenditure.

C. Investment Strategy

This strategy assumes the development of a Community Centre, with investment in a twin pad facility of either 2,200 seat or 4,000 seat capacity, a secondary ice pad of 200, an indoor multisport complex and potentially surrounding sports fields. It also assumes the decommissioning of Memorial and Erickson Arenas.

i. New Twin Pad Arena with Indoor Multisport Community Centre

- 2,200 seats for primary pad; 200 seats for secondary pad
- 200 seat multisport complex for indoor soccer, tennis, pickle ball, walking track or other sports to be defined.

Per Table 1.0, the gross capital cost of this option is \$63.8 million and an increase in net annual costs of \$360,000.

Pros of Twin Pad Arena and Indoor Multisport Community Centre:

- Eligibility for senior level government funding
- Capital investment and operational efficiencies of 10% and 20% respectively
- The community centre approach will attract a greater demographic of users
- A regulation ice surface with additional floor space for a lobby, canteen, storage, meeting rooms, washrooms, walking track, and change rooms.

- Chatham-Kent will attain a new, fully accessible facility with energy efficient technology with an estimated 50 to 70 year life.
- Ability to host and manage larger tournaments on one site for sports tourism
- Economic spin offs due to increased visitors from tournaments
- Improved program options for community organizations and service providers

Cons of Twin Pad Arena and Indoor Multisport Community Centre:

- Potential requirement for land acquisition and traffic mitigation investment
- Upfront investment required for construction
- Increased operational costs primarily driven by the new indoor facility

The 2,200 / 200 twin pad arena was supported by 22.9% of survey respondents, and 49.1% supported a community centre concept that included amenities beyond an arena. Survey respondents were split virtually 50-50 on whether or not to wait for government funding prior to proceeding with a new arena.

ii. Sports and Entertainment Centre

- 4,000 seats for primary pad; 200 seats for secondary pad
- 200 seat multisport complex for indoor soccer, tennis, pickle ball, walking track or other sports to be defined

The gross capital cost of this option is \$85.9 million and an increase in net annual costs of \$1.18 million.

Operating Cost Estimates:

Operating costs have been estimated based on data and discussions with owners of similar facilities located in Ontario. Costs are highly contingent on the number of events held per year. For example:

- 82 large events are required each year to break even
- Securing a favourable anchor tenant will result in 36 events per year
- Non-anchor tenant events typically secure an additional 12 events per year
- The result is an annual shortfall of 34 events

A report written by PwC Canada for the City of Greater Sudbury identified the following recent operating deficits:

Arena Location	2016 Population	Seating Capacity	Operating Deficit Range 2014-2016	
			High	Low
Kingston	123,800	5,380	757,600	577,200
St. Catharines	133,100	5,400	735,000	430,900
Sault Ste. Marie	133,100	4,817	592,100	530,800
Sudbury	161,530	4,470	695,400	474,100
Average			695,025	503,250

Table 1.0 assumes a net operations deficit of \$700,000 due to Chatham-Kent's lower population density, risks associated with attracting and retaining events and inflationary increases since 2016.

Attracting and Retaining Events

There is a belief that if a suitable venue was available in Chatham, large acts would inevitably make up the annual events required to break even.

It should be noted that artists booking contracts have a "radius" or "exclusivity" clause that stipulates the distance and a timeframe within which artists cannot perform or promote other performances. For the Chatham Capitol Theatre, the radius is 150 km and six months. An artist contracted to perform at the Capitol Theatre on June 1, 2019 cannot perform in Windsor or London until December 1, 2019. If an artist chooses to accept another engagement that contradicts this clause, the original presenter has the right to break the contract without any penalty, that is, a full refund of the artist's fee deposit.

It has also been suggested that large acts will pass on London or Windsor to play in Chatham-Kent. With a 4,000 seat venue, the biggest artists Chatham-Kent can attract are the same ones that currently play at the Windsor Casino and London Budweiser Gardens. Therefore, Chatham-Kent would be in direct competition with those venues because of the aforementioned exclusivity clause. Additionally, to secure these artists, the performance fee to play in Chatham-Kent would likely be higher than the typical asking rate to address a risk of revenue shortfall due to a smaller gate. Presently, the Capitol Theatre loses several artists per year due to these conditions.

Although the Sports and Entertainment Centre would have a larger capacity, the possibility of direct competition with the Capitol and Kiwanis Theatres exists. Chatham based theatres will have lower performance fees than a Sports and Entertainment Centre. In addition, a larger facility's non-artist expenses (associated set-up crew, front of house staff, and possibly International Alliance of Theatrical Stage Employees union rates) will be much higher as well.

The PwC Canada report for Greater Sudbury suggested that a Sports and Entertainment Centre will require a staff complement of 35 full time employees. The report cites the following total annual personnel costs for the following sport event centres:

- Sudbury Community Arena (2015): \$670,000
- Essar Centre. Sault Saint Marie (2016): \$835,000
- GM Centre (Oshawa), Rogers K-Rock Centre (Kingston), Meridian Centre (St. Catharines): between \$1.0M and \$1.70M

Pros of Sports and Entertainment Centre and Multisport Community Centre:

- Eligibility for senior level government funding
- Additional entertainment options for Chatham-Kent residents
- Capital investment efficiencies of 10%; operational efficiencies exist but are offset by increased labour and risks for event planning
- The community centre approach will attract a greater demographic of users
- A regulation ice surface with additional floor space for a lobby, canteen, storage, meeting rooms, washrooms, walking track, and change rooms.
- Chatham-Kent will attain a new, fully accessible facility with energy efficient technology with an estimated 50 to 70 year life.
- Ability to host and manage larger tournaments on one site for sports tourism
- Economic spin offs due to increased visitors from tournaments and special events
- Improved program options for community organizations and service providers
- Enhancement of options for healthy lifestyles

Cons of Sports and Entertainment Centre and Indoor Multisport Community Centre:

- Higher capital cost requirements for construction and land acquisition (size dependent on associated amenities)
- An increased annual operating deficit and lifecycle costs driven by the increased size of the arena and Indoor Multisport Community Centre
- To maximize revenue, a facility of this size is normally located in the downtown core; land that meets this requirement will be difficult to attain
- Depending on the negotiated agreement with an anchor tenant, a large portion of the operations risk could be assumed by the Municipality

- Potential competition with existing Municipal venues, Windsor Family Credit Union Centre, Caesars Windsor and Budweiser Gardens could affect attracting large non-hockey/ice events

The 4,000 / 200 twin pad arena was supported by 34.0% of survey respondents, while 49.1% supported a community centre concept providing amenities beyond an arena.

Areas of Strategic Focus and Critical Success Factors

The recommendations in this report support the following areas of strategic focus:

☐ Economic Prosperity:

Chatham-Kent is an innovative and thriving community with a diversified economy

☒ A Healthy and Safe Community:

Chatham-Kent is a healthy and safe community with sustainable population growth

☐ People and Culture:

Chatham-Kent is recognized as a culturally vibrant, dynamic, and creative community

☐ Environmental Sustainability:

Chatham-Kent is a community that is environmentally sustainable and promotes stewardship of our natural resources

The recommendations in this report support the following critical success factors:

☐ Financial Sustainability:

The Corporation of the Municipality of Chatham-Kent is financially sustainable

☒ Open, Transparent and Effective Governance:

The Corporation of the Municipality of Chatham-Kent is open, transparent and effectively governed with efficient and bold, visionary leadership

☐ Has the potential to support all areas of strategic focus & critical success factors

☐ Neutral issues (does not support negatively or positively)

Financial Implications

Financing will be provided from new taxation, reserves, higher levels of government and private donors. Upon confirmation of the approved direction from Council, project design and land acquisition will be initiated. "Shovel ready" status is a condition stated in the application for the upcoming senior level government-funding program. The Federal/Provincial funding program for Community, Cultural and Recreation Infrastructure is expected to be released later in 2019. An update to Council will follow once the outcome of the funding application and overall financing plan is known. Construction will not begin until all funding has been secured. Any funds raised in advance can be put toward the capital cost requirements thereby reducing the need for financing.

The estimated one-time gross capital investment of \$63.8M for the recommended option does not include investments in architectural design, land acquisition, outdoor sports fields, servicing, and traffic mitigation. With Council direction, staff will be able to proceed with firming up these cost estimates to include in the government funding program application. The 2019 Budget included a base budget increase of 0.17% (\$250,000 per year) for an arena rebuild.

With the recommended option, new taxation required for operations and lifecycle results in a tax increase of 0.24%, which equates to \$6.90 on the average assessed household valued at \$168,300.

Prepared by:



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Reviewed by:

Thomas Kelly, P.Eng., MBA
General Manager
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Attachments: Appendix A – Arena Survey Summary
 Appendix B – February 28, 2019 PIC Comments Summary
 Appendix C – 2010 Arenas Section - Parks and Recreation Master Plan
 Appendix D – Chatham Memorial and Erickson Arenas 10-Year
 Lifecycle Forecast
 Appendix E –Arenas 10-Year Lifecycle Forecast

Consulted and confirmed the content of the consultation section of the report by:

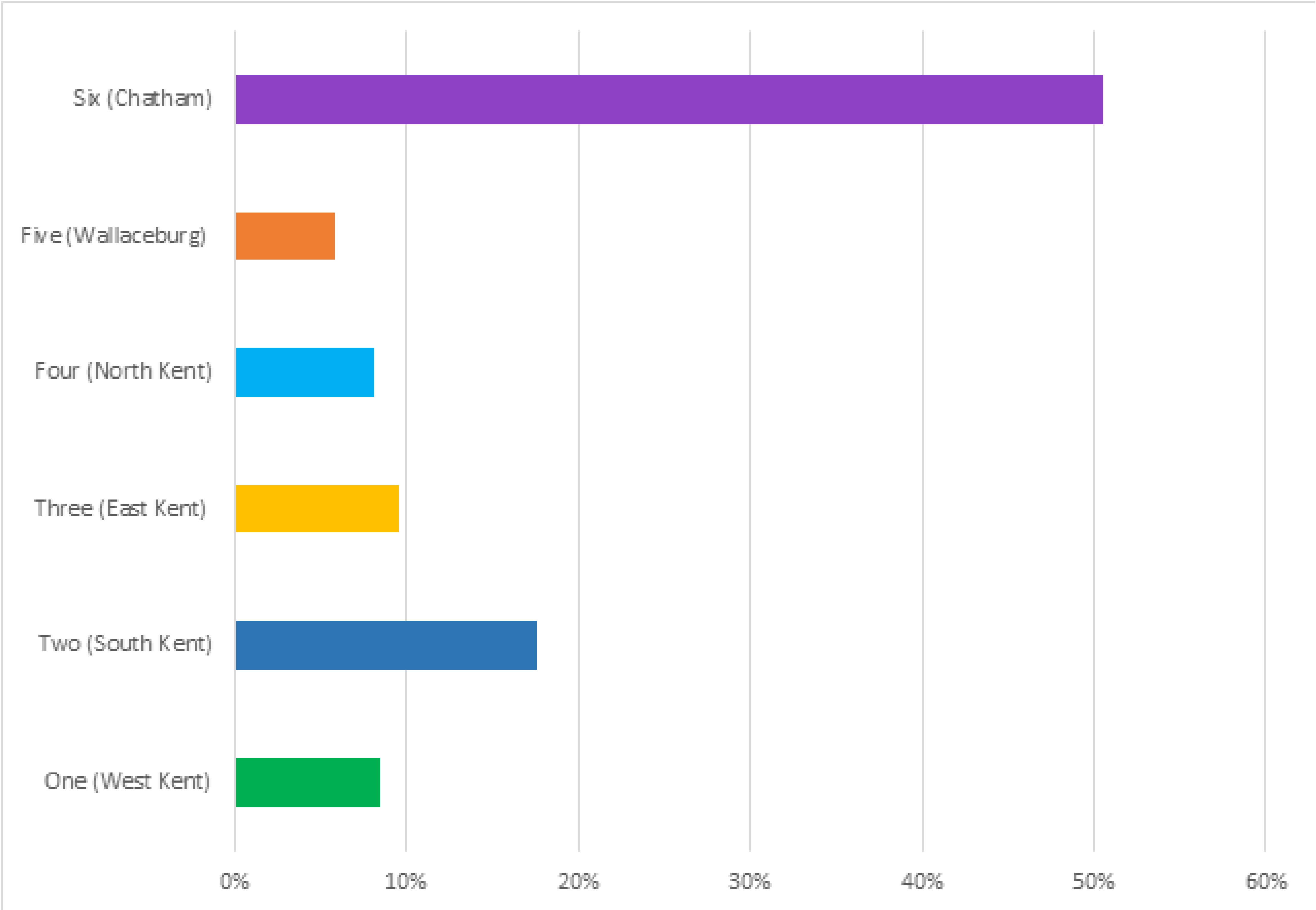
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Arena Development in Chatham

Summary of Survey Results

I Live in Ward...

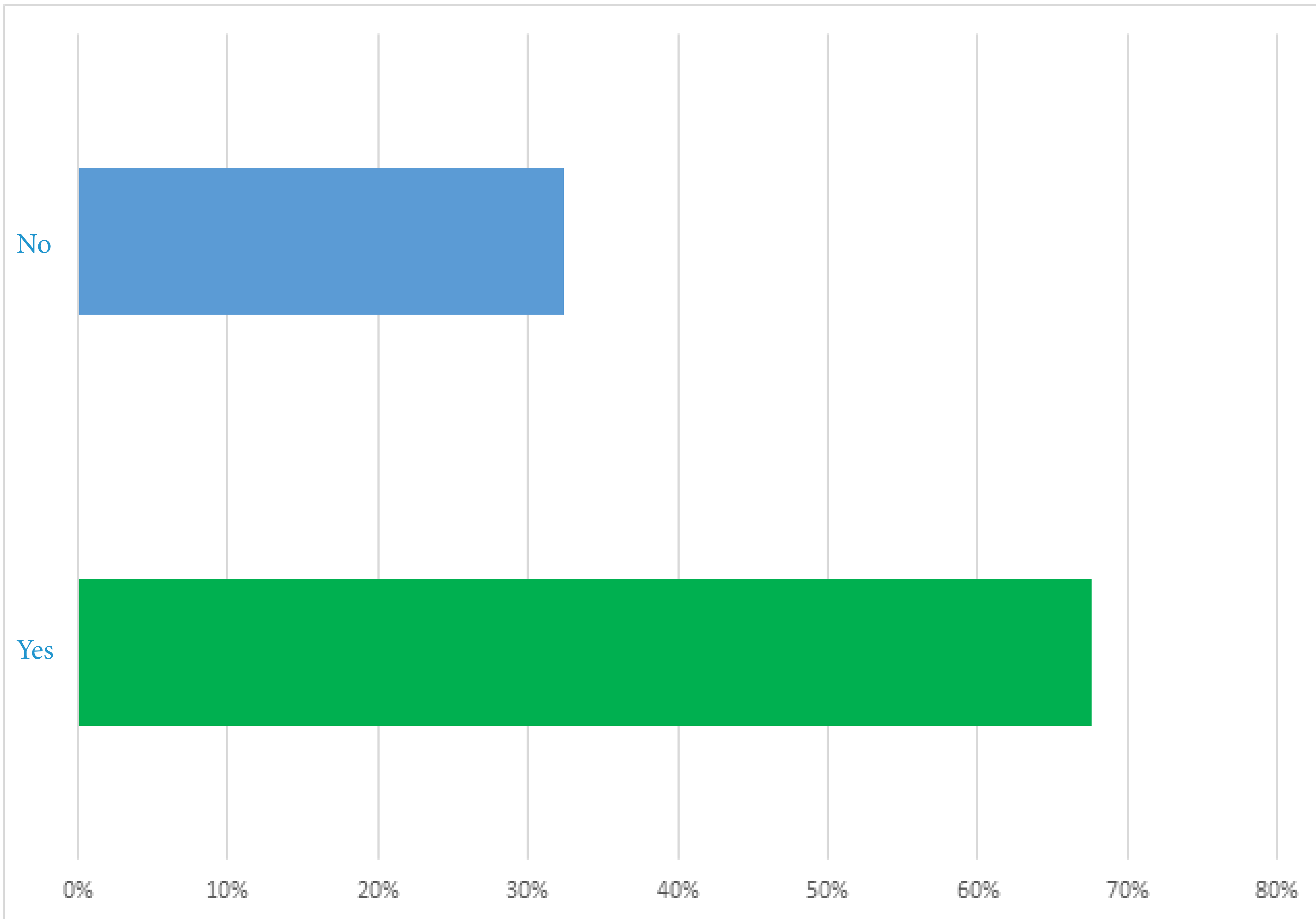


Answer Choices	% Responses	# of Responses
One (West Kent)	8.42%	214
Two (South Kent)	17.55%	446
Three (East Kent)	9.56%	243
Four (North Kent)	8.07%	205
Five (Wallaceburg)	5.82%	148
Six (Chatham)	50.57%	1285
Total		2,541

Arena Development in Chatham

Summary of Survey Results

Are you presently an arena user?

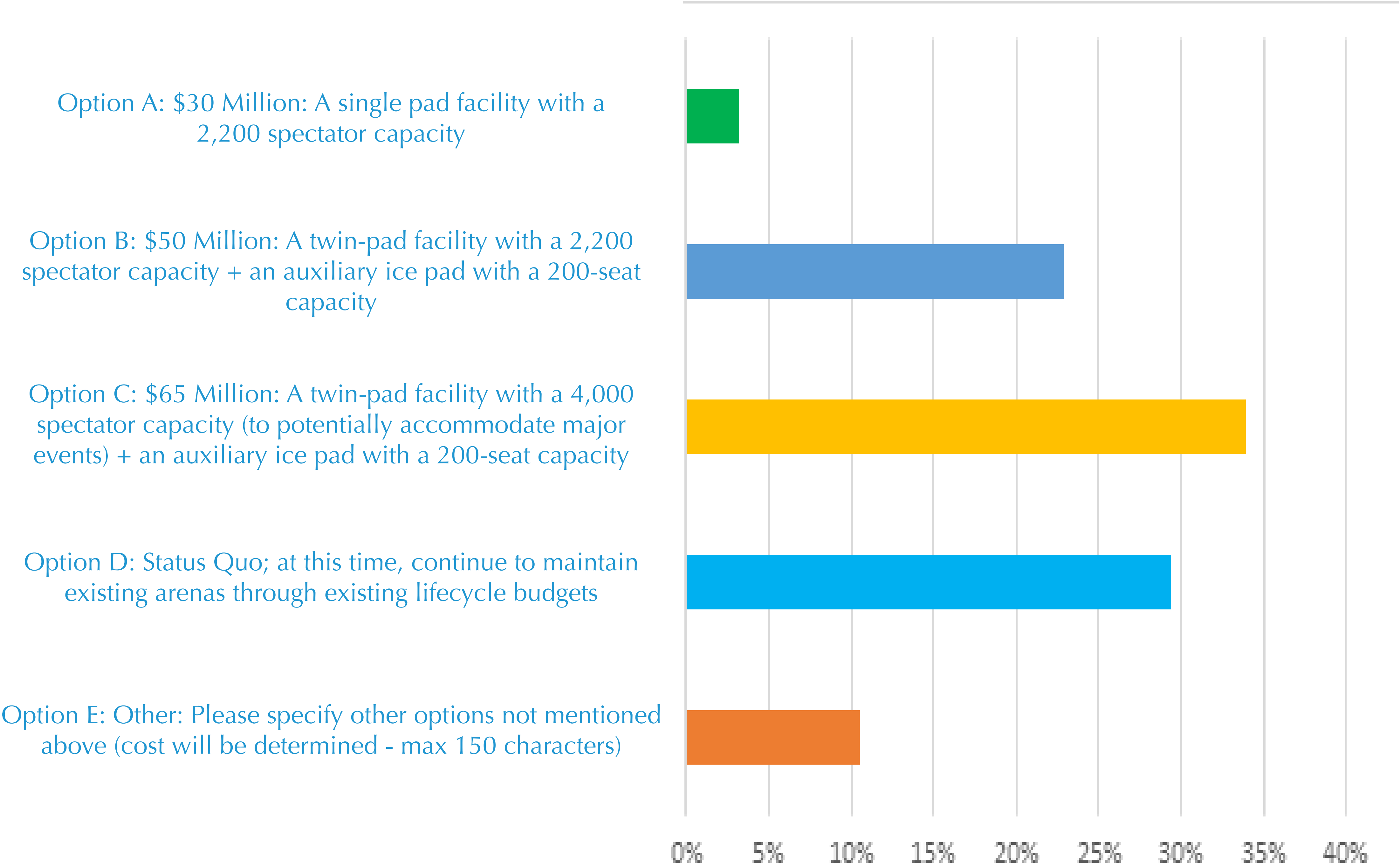


Answer Choices	% Responses	# of Responses
Yes	67.65%	1719
No	32.35%	822
Total		2,541

Arena Development in Chatham

Summary of Survey Results

What size arena would you like the municipality to proceed with?
Note property acquisition and operating costs are not included.



Answer Choices	% Responses	# of Responses
Option A \$30 Million: A single pad facility with a 2,200 spectator capacity	3.14%	80
Option B \$50 Million: A twin-pad facility with a 2,200 spectator capacity + an auxiliary ice pad with a 200-seat capacity	22.91%	583
Option C \$65 Million: A twin-pad facility with a 4,000 spectator capacity (to potentially accommodate major events) + an auxiliary ice pad with a 200-seat capacity	33.95%	864
Option D Status Quo; At this time, continue to maintain existing arenas through existing lifecycle budgets	29.43%	749
Option E Other: Please specify other options not mentioned above (costs will be determined - max 150 characters). See a summary of comments in attachment A of the handout.	10.57%	269
Total		2,545

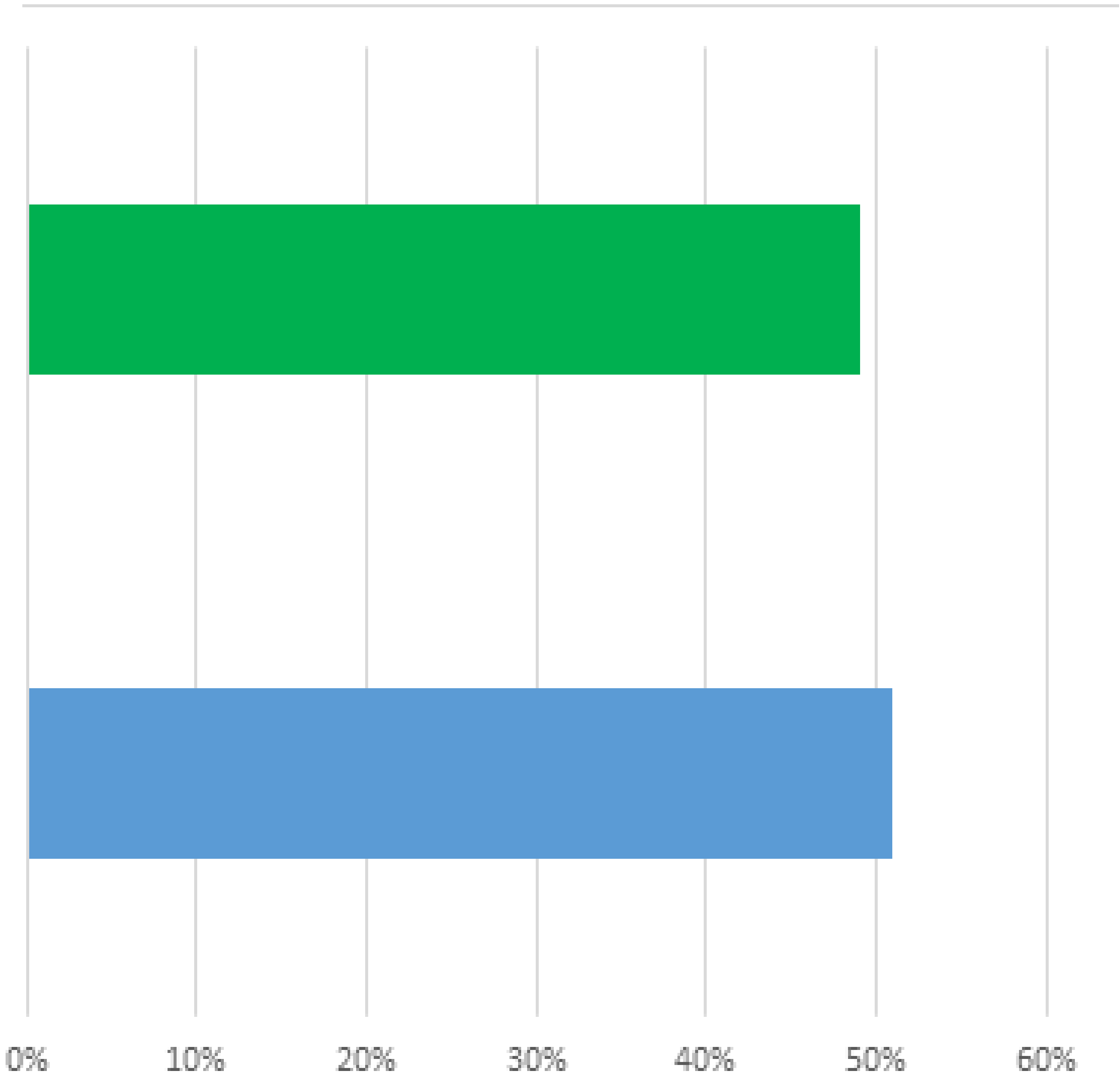
Arena Development in Chatham

Summary of Survey Results

Many municipalities are developing “community centres” that include amenities such as arenas, libraries, fitness centres, and sports fields for cricket, soccer, and baseball fields. Would you prefer this type of development over just an arena replacement? If yes, please specify preference.

Yes
See summary of comments in attachment B for the handout

No

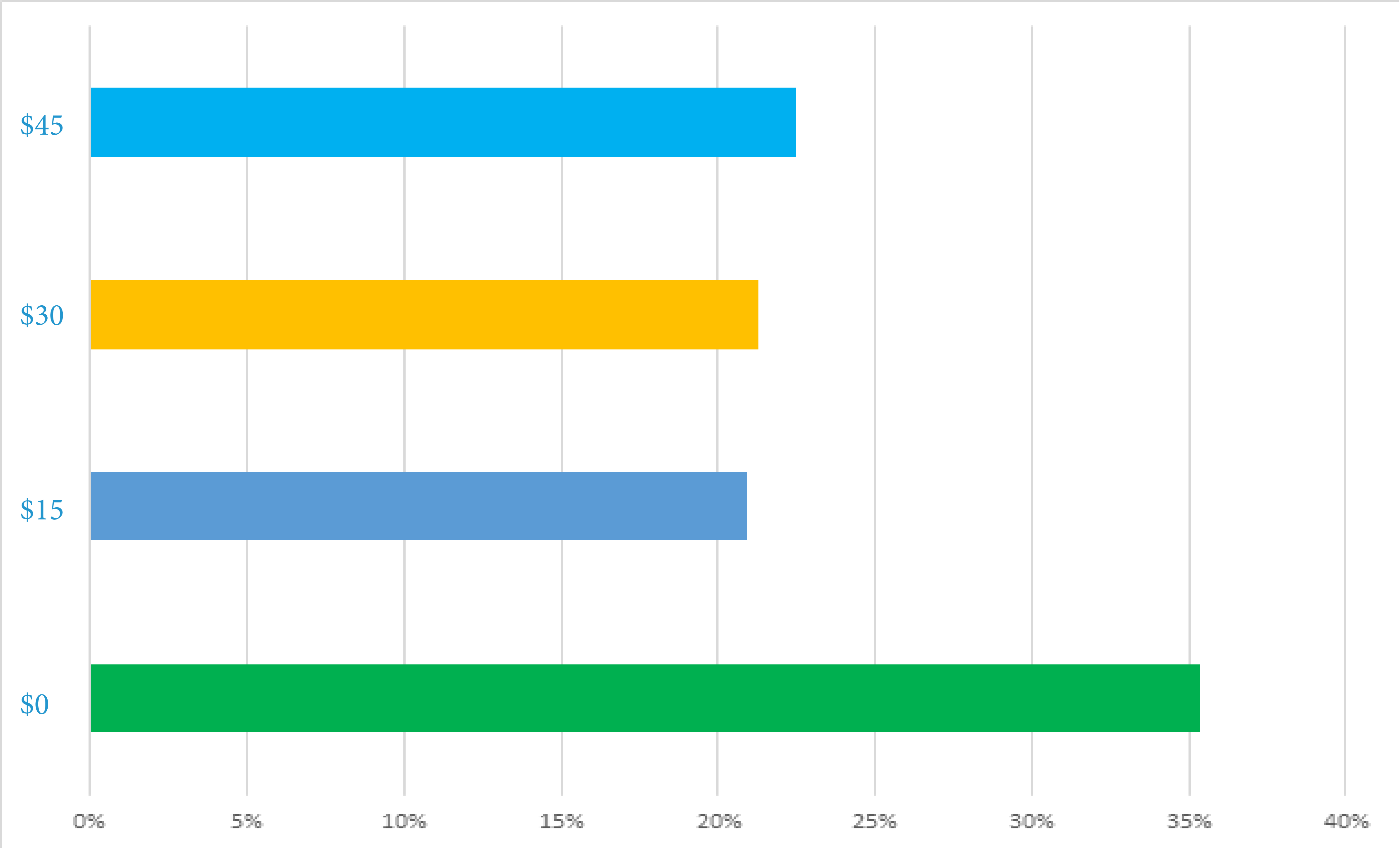


Answer Choices	% Responses	# of Responses
No	50.92%	1295
Yes See a summary of comments in attachment B of the handout.	49.08%	1248
Total		2,543

Arena Development in Chatham

Summary of Survey Results

What level of tax increase are you prepared to pay to support a new facility? Please note the figures noted are based on an average annual home assessment of \$168,300

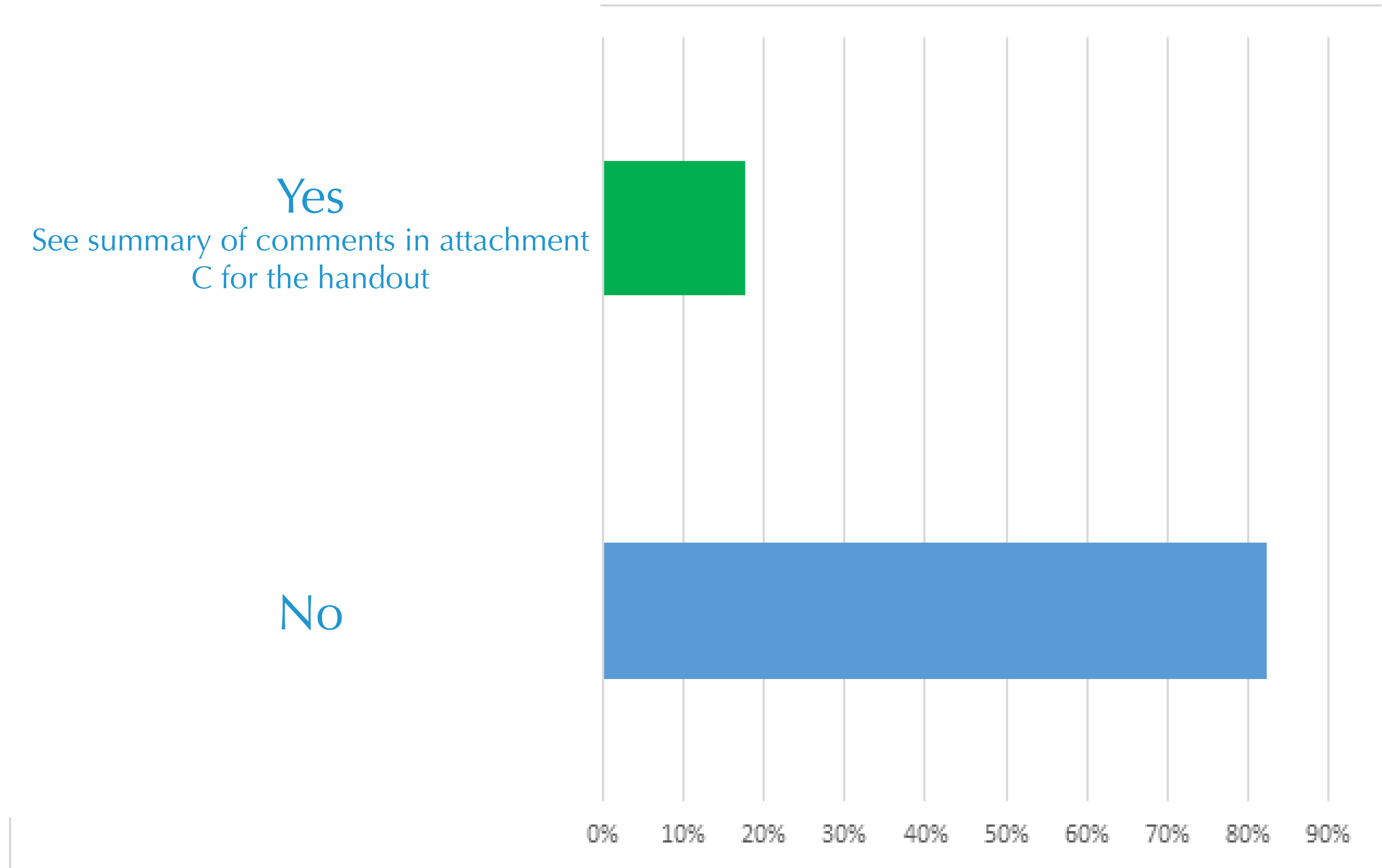


Answer Choices	% Responses	# of Responses
\$0	35.31%	899
\$15	20.93%	533
\$30	21.25%	541
\$45	22.51%	573
Total		2,546

Arena Development in Chatham

Summary of Survey Results

Instead of a tax increase to fund a new facility, would you prefer to cut other services and use the savings to support a new arena or event centre?
If yes, please specify which services should be cut.

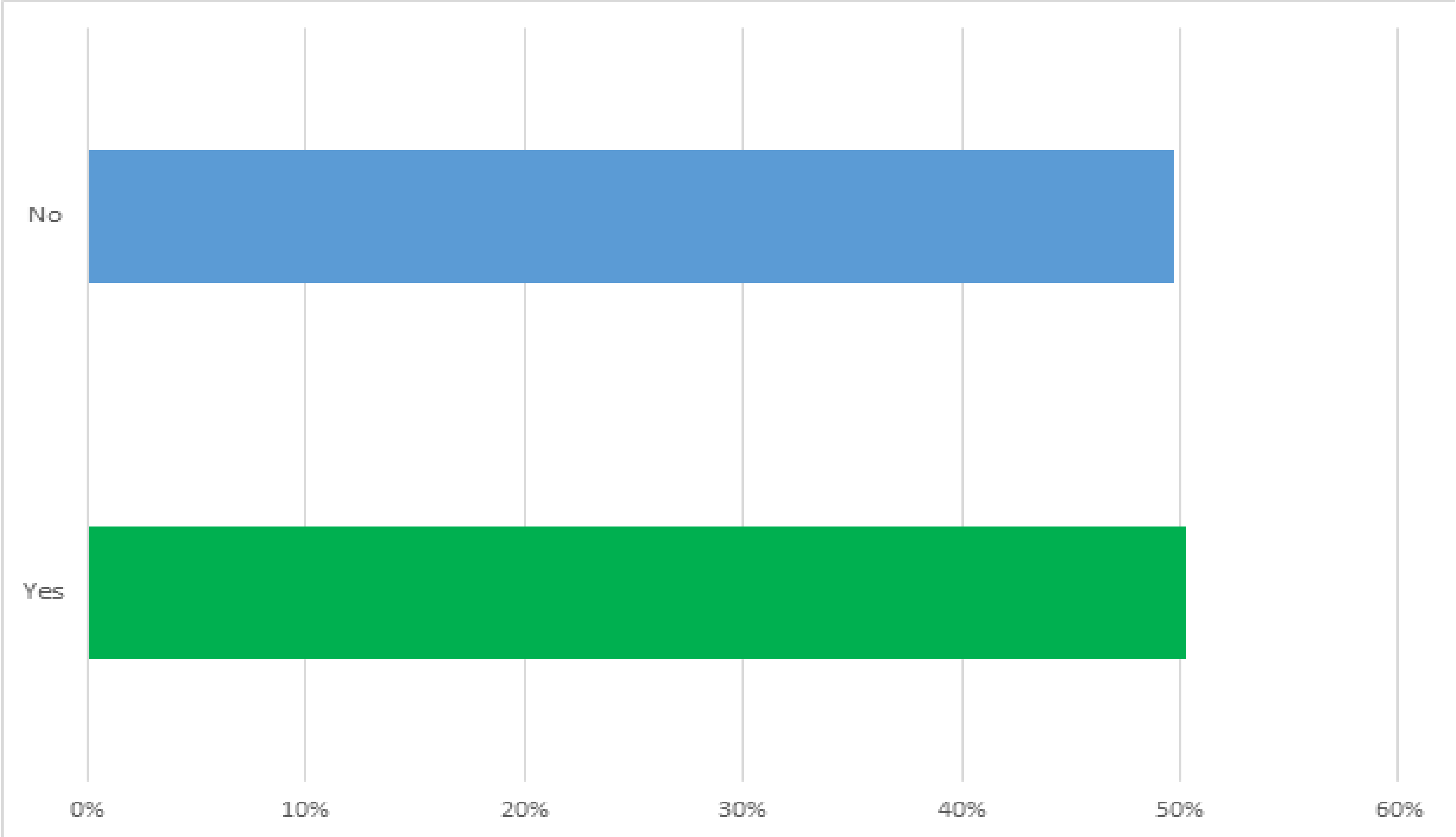


Answer Choices	% Responses	# of Responses
No	82.37%	2093
Yes See a summary of comments in attachment C of the handout.	17.63%	448
Total		2,541

Arena Development in Chatham

Summary of Survey Results

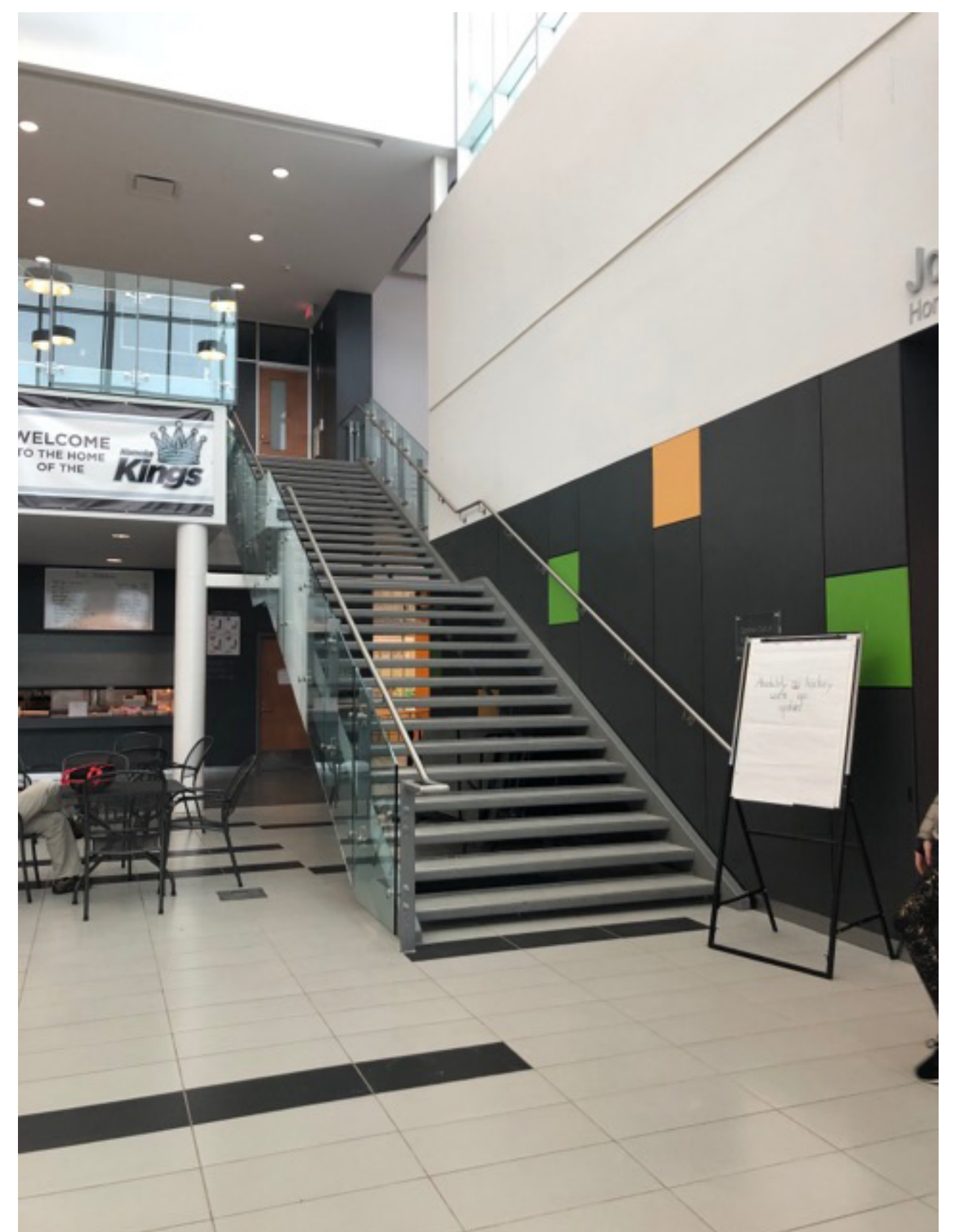
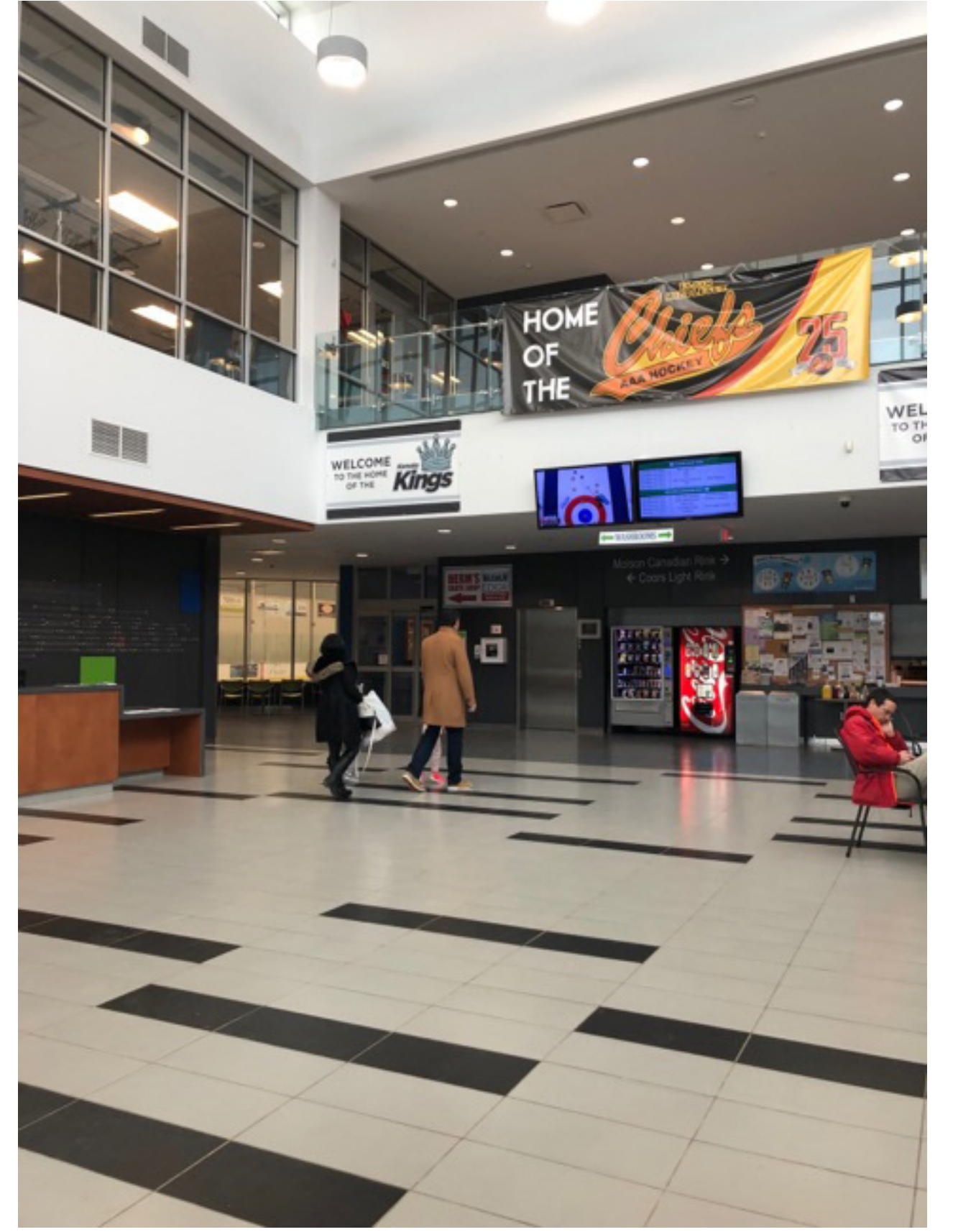
Would you prefer to wait until funding is available from the provincial and/or federal governments prior to building a new arena (note that funding is currently not available)?



Answer Choices	% Responses	# of Responses
Yes	50.24%	1278
No	49.76%	1266
Total		2,544

Arena Development in Chatham

Summary of Survey Results



Appendix B

February 28, 2019 Public Information Session Arena Development Synopsis of Comments Received

# Responses	Option	Comments
9	Opposed to New Arena	<ul style="list-style-type: none"> • Instead of new arena pour money into fixing current arenas • Chatham is not a place many people want to stay to raise their families because there is nothing available for the community to do • Chatham-Kent already has 3 arenas not being maintained; this should be the priority instead of wasting money for “fun stuff” that only a small percentage of people can do • Invest the money in health care instead • After renovating current arenas, invest remaining budgeted money for a shelter for the homeless people or fix the roads, or something important • Already paying too much in tax dollars • Not everyone uses arenas • An arena should be an outcome of a successful, growing community, not a catalyst; Chatham-Kent is an aging community • Upgrade Chatham Memorial Arena
13	Multi-purpose Facility	<ul style="list-style-type: none"> • Arena • Indoor tennis • Indoor running track • Swimming pool • Fitness centre • Soccer fields • Tennis courts • Basketball nets • Offer activities for free • Something that will benefit more than hockey players and skaters • Turn it into something fun for Adults & Kids in Chatham • Include business space and housing • Will draw industry and commerce • Sports and health are a large part of young people’s lives • Attract private investment
1	Community Centre	<ul style="list-style-type: none"> • No arena, just a community centre
3	New Arena Only	<ul style="list-style-type: none"> • Chatham needs to develop another arena • Make arena large enough to hold concerts, performances, special events • ‘Go big or go home’; bigger events will bring money in • 4,100 + seating capacity for an OHL team

# Responses	Option	Comments
6	Miscellaneous	<ul style="list-style-type: none"> • Chatham needs more basketball courts and to have the current ones improved; would create more inner-community in town • Turn the arena into fun arcades and trampoline place; free 3D printers, music room; attract people from other cities to come and visit Chatham and to have fun • Create indoor paint ball course; something for teens/young adults so Chatham-Kent is not so boring • Use Navistar site or property at Sass & Park Ave W, close to the 401 • The rail station should be high-platform; fully accessible • Chatham Memorial Arena is a dump • Raise money with fundraising, have a separate committee and ensure money raised will not go into Municipal coffers

Parks and Recreation Master Plan – Arenas Section (Pages 4-28 to 4-34)

4.7 Recreation Facilities

4.7.1 Arenas / Multi-Use Recreation Centre

Chatham-Kent has ten arenas that are all single pad with various amenity, hall and other use configurations. Three of the sites are built to the ice surface standard of 85' by 200', one is larger, four have slightly smaller ice surfaces and two in Wallaceburg and Bothwell have the smallest ice surfaces. Area construction dates from 1949 in Wallaceburg to 1992 in Tilbury. Three of the ice pads are located in Chatham and the seven others are distributed throughout the Municipality. In terms of overall provisioning, there is one arena per 10,800 residents in Chatham-Kent, placing Chatham-Kent in the middle of service provision in comparison to surrounding municipalities, which are typically in the 8,000 to 15,000 range.

A review of the number of hours used from 2001 to 2007 showed an increase of 16.8% across the Municipality with an increase of 38.5% in Tilbury and a reduction in use of 7% at the Thames Campus Complex and for the William Erickson Arena. Overall, ice utilization ranged from 76.1% to 79.5% from 2001 to 2005. Prime time use rates in 2006 and 2007 show prime time usage ranging from 71% to 100%, with an average of just over 90% for prime time. Based on these standards, Chatham-Kent has sufficient ice capacity to reasonably serve existing needs and some limited increase in future needs.

Twin pad arenas have become the primary means to deliver indoor ice resources in communities across Ontario. There has been significant development of new twin pad arenas for several reasons:

- Potential annualized operational cost savings of up to 25% compared to operating two stand alone single ice pad facilities.
- Up to 25% reduction in capital costs in comparison to building two stand alone single ice pad facilities.
- Improved program operations for volunteer community organizations / service providers.
- Increased capacity and attraction related to sport tourism activities, such as youth and adult hockey tournaments, skating shows, off-season floor utilization and entertainment and related uses depending on seating capacity and facility amenities (lighting, audio and visual systems, etc.)

Twin pad facilities are being developed in most communities based on several key demand / use rationales:

- Continuing growth in girls and women's hockey.

- Lower than expected reductions in men's adult hockey due to the introduction of leagues for sixty and seventy year old age groupings.
- The sustainability of ringette in some areas.
- Growth in specialized uses, such as sledge hockey, master's skating, etc.
- Replacement of aged existing arena facilities in order to overcome significant operating cost inefficiencies and capital cost reinvestment needs related to both building code and OWDA requirements, energy use inefficiency and aged systems and building components.

Twin pad facilities, especially if they have sport tourism and entertainment capacities, typically have the following space profiles:

- Two ice pads of 85 feet by 200 feet.
- Ten to twelve dressing rooms to facilitate female participation and sport tourism needs;
- Two referee rooms to facilitate mixed gender refereeing teams.
- A combined large concession area and foyer.
- A tournament organizer's room that can double as a meeting room to support fifteen to twenty individuals.
- Often includes a program / meeting room that can support fifty to one hundred individuals.
- A warm viewing area for seniors, the disabled and others.
- Highly variable seating levels, ranging from no seats to one of the pads having 500 to 3,000 seats depending on junior team play, sport tourism and entertainment applications.
- Possibly a walking track and fitness rooms.

In many municipalities, there is also interest to link a twin pad arena facility with other community facilities, such as a community centre, indoor swimming pool, branch library, seniors centre, daycare / early years centre and other types of uses. This is undertaken principally due to the following perspectives:

- Increased operational and capital cost efficiencies.

- Creation of a single destination, multi-use perspective that supports user convenience, marketing and related features.
- Often results in enhanced facility quality and greater multi-use opportunities.
- Can be located on arterial or other roads with potential public transit links.
- Can be located close to commercial services to support sport tourism and other activities.

Another variable that needs to be considered when planning a major recreation facility development initiative is whether it is beneficial from operational, program, sport tourism, marketing and other perspectives, to also incorporate outdoor facilities such as soccer, baseball and other sports fields. There has been indication of future demand in Chatham-Kent for soccer which continues to grow at the youth level, and is anticipated to grow significantly over the next decade as more youth transition to adults and continue their participation in soccer within men's and women's adult leagues. Proposals have been identified by the Kinsmen Club and others for the possibility of developing a number of sports fields in conjunction with a major indoor recreation facility as a centralized recreation destination on a major travel route that would also have linkages to community trails, parks and open space and related features along with commercial services. The potential exists based on the site design to gain operating and capital economies of scale, such as the twin pad arena dressing rooms supporting season use of the sports fields, a large concession, reduced parking need, etc., depending on the use schedule of the twin pad in the non-ice core season.

From a community perspective, a number of major recreation facility proposals with both indoor and outdoor elements have been identified by the Kinsmen Club and various community proponents, some who have offered land for sale or as a donation in support of the development of such an initiative. Through the course of wide ranging discussions with respect to a ConEx facility, identification of the need for a new twin pad arena facility as a replacement for Memorial and Erickson Arenas, as well as an adjoining multi-use recreation component and outdoor field capacity has evolved as a significant community-supported project. Such an initiative would address a number of key considerations:

- Displaces the need for over \$3 million in capital repairs and system replacements to the Memorial Arena, an investment that would not enhance capacity or quality but only address basic building requirements.
- Increasing interest in sport tourism relative to tournaments, skating shows, soccer and baseball events and related activities which cannot be hosted at this time or are less attractive to teams due to the limited quality of the facilities available.

- The potential loss of sports fields with the expansion of the St. Clair College field house.
- The ongoing challenges to secure regularized and scheduled recreation program and activity space for early years, seniors, teens, specialized programs for the disabled and general purpose programming that supports health, wellness and socialization benefits across various resident audiences.
- The aging perspective and capacity limitations of the Erickson Arena as an ice facility that will need significant reinvestment without any capacity or qualitative outcomes. It could be repositioned to address the growing interest in indoor soccer, lacrosse, roller hockey and other types of uses which could be undertaken on re-adaptive use basis within this facility.
- With the planned elimination of Kinsmen Auditorium, there will be some need for replacement program spaces for the early years, the limited recreational activity that occurs there and for the Kinsmen Fair, which a new multi-use recreation facility could both support and enhance.

The convergence of various community proposals, user trends, the presence of an array of aged and high re-investment requiring facilities, the loss of some sports fields and user and facility trends in sport and recreational activity, provides sound rationale to undertake a significant assessment and investigation into the development of a comprehensive, integrated recreation and sports complex to better serve the broad array of activity interests of Chatham-Kent residents.

Chatham-Kent is at a point in time, where it needs to consider major investments in recreation infrastructure in light of its significantly aged facilities and the lack of positive outcomes that major re-investments would result in, the impacts of losing some sports fields and the benefits that such facilities can contribute to employment and business economic development initiatives. Such a facility could also enhance resident quality of life experiences that attracts and retains residents, builds community volunteer capacities and organizational sustainability and contributes to a growing positive community spirit.

The key benefits that would be achieved through this significant investment, based on senior government and municipal funding support, as well as community fundraising, would involve the following:

- Significant contribution to broadening the array of leisure, recreation and wellness opportunities for Chatham-Kent residents.
- Provide a facility of contemporary quality, capacity and design that would encourage additional use and participation.

- Enhance the community's ability to pursue sport tourism events, on a more competitive basis.
- Eliminate aged facilities that have significant re-investment costs, will require additional investments to meet evolving Ontarians With Disabilities Act requirements and are inefficient in their operations, relative to energy, the environment, capacities, etc.
- Create a destination for recreation, sports and leisure within the community and a potential gateway / attraction upon entering the community.
- Provide for re-adaptive use of the Erickson facility that would extend the range of recreation activities that could be available by using existing infrastructure to support growth in boys, girls, men's and women's indoor soccer, lacrosse, roller and ball hockey, gymnastics and other potential users.

In addition to the above rationales, the potential exists to upgrade the twin pad arena facility to also have an entertainment capacity for travelling productions, concerts and related activities. This need has been identified by a number of proponents as there is limited opportunity in the community with the seating capacity necessary for the small to intermediate size entertainment and events market. Such an initiative would need to be further assessed relative to the upgraded investments required, which would focus on enhanced seating volumes, lighting, sound systems and acoustics, some surface finishes and specialized support spaces.

Facilities Recommendation 4-18: Arenas / Multi-Use Centre

That Chatham-Kent undertake the following investment in its arenas and a multi-use centre based on timelines associated with need, funding availability and community support.

- To invest in selected existing arena buildings to achieve energy conservation; accessibility and equipment maintenance benefits.
- To develop a new twin pad arena facility that will replace the Erickson and Memorial Arenas with the following potential features:
 - Two ice pads of 85' x 200' with seating in one arena for approximately 200 individuals and the other arena up to 2,000 individuals, along with an appropriate number of dressing rooms, heated viewing areas, etc.;
 - Design parameters to be incorporated that would allow for the seating to be increased to 4,000 to 6,000 seats in total based on a future primary tenant and / or consistent larger seating event demand;
 - Develop within the arena a tournament / show operations room, a meeting room and related amenities;
 - Develop a year round indoor walking / running track;
 - Ability to consider two additional ice pads in the future if ice demand and sport tourism activities warrant and a centralized arena venue is preferred.
- To attach a multi-use recreation space to the twin pad arena of 10,000 square feet to 15,000 square feet to support early years, seniors, teens, people with disabilities and other specialized audiences, as well as appropriate space to support sport tourism, entertainment and a broad array of other recreational uses and programming.
- To initiate in 2010 a Business Plan and Site Selection analysis for the proposed twin pad arena and multi-use recreation space, focusing through the technical analysis and community consultation with user groups and the public, on:
 - Twin pad arena features related to number of dressing rooms and seating;
 - The primary uses and space configurations for a multi-use facility component;
 - Capital and operating cost requirements, as well as potential sources of funding from governments and community fundraising;
 - Identifying a preferred site location with 18 to 20 hectares (45 to 50 acres) if the outdoor sports fields are to be incorporated based on a site selection analysis;
 - The benefits associated with developing sports fields components with the recreation complex or, as an alternative, to develop a second site for a future sports fields complex development;

Incorporating a site master and staging plan for the long term development of the project, ensuring adequate lands for future growth, buffering and the provision of open space areas for walking, playgrounds and other amenities that would support both other outdoor recreational activities and people using the sports venue

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 - Incorporating a site master and staging plan for the long term development of the project, ensuring adequate lands for future growth, buffering and the provision of open space areas for walking, playgrounds and other amenities that would support both other outdoor recreational activities and people using the sports venue.
- That in support of the Business Plan's development, a Community Project Steering Committee be formed by the Division to directly or through subcommittees overtime, undertake:
 - To work with staff and others on the Business Plan's project development, site analyses and related components;
 - To facilitate community consultation and communications on the project;
 - To organize and undertake community fundraising as the project evolves;
 - To participate in the development of recommendations to Council.
 - To undertake the re-adaptive development of Erickson Arena as a potential indoor active sports venue for indoor soccer, lacrosse, roller hockey and related activities.
 - That a Community Steering Committee of nine to twelve people be formed involving up to nine residents and three municipal staff, which would also be organized around three subcommittees; site selection and design, fundraising and communications.
 - That the Community Steering Committee include a core group of representatives involving facility proponents, user groups, community organizations, residents at large and staff, and that any subcommittees be supplemented by additional community representatives and staff.

The 2,000 seat recommendation has been based on the following rationales from municipal staff and consultation inputs:

- Capacity that supports the needs of the Chatham Maroons at reasonable peak attendance (playoffs).
- A size that would support shows, concerts, productions and sport tourism events that do not directly compete with facilities in Windsor, Sarnia and London.
- Provide for the ability to expand the arena seating in the future if warranted by achievement of an OHL or other team / use requiring a larger seating capacity.
- Adequate seating to ensure Chatham has a large seated venue for community uses and celebrations as a replacement for Memorial Arena, and which reflects a larger market population than when Memorial Arena was originally constructed.
- Respond to the preferred seating capacity identified by project proponents, such as the Kinsmen Club of Chatham, the Chatham Maroon Hockey Club, community sports groups and sport tourism proponents.

Seating of less than 2,000 would reduce current and future event and use opportunities for the community.

Seating of over 3,000 is not viewed as economically justified unless a primary tenant, i.e.: OHL Junior A team exists and is signed to a reasonable facility rental contract. A 2,000 seat figure represents a feasible investment level for multi-use prospects, with expandability if a primary tenant or regularized higher seating use is achieved, sustained and is economically viable.

Appendix D
Chatham Memorial and Erickson Arenas: 10-Year Lifecycle Forecast

Chatham Memorial Arena Built 1949	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	Total 10 yr Forecast
Compressor				\$90,000							
Brine Pump								\$35,000			
Condensor			\$80,000								
Control Panel											
Chiller					\$200,000						
Parking Lots	\$200,000										
HVAC-arena	\$50,000										
Floor & Headers				\$1,000,000							
Boards & Glass											
Roof											
Dehumidifiers	\$125,000							\$125,000			
Lights											
Interior											
Exterior											
Windows & Doors											
Low E-Ceiling											
Ice Levelling Machines											
Total	\$375,000	\$ -	\$80,000	\$1,090,000	\$200,000	\$ -	\$ -	\$160,000	\$ -	\$ -	\$1,905,000

WK Erickson Arena Built 1972	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	Total 10 yr Forecast
Compressor											
Brine Pump											
Condensor											
Control Panel											
Chiller									\$200,000		
Parking Lots											
HVAC-arena			\$50,000								
HVAC-community rooms				\$35,000							
Boards & Glass		\$175,000									
Roof		\$400,000									
Dehumidifiers											
Lights		\$65,000									
Interior											
Exterior											
Windows & Doors											
Low E-Ceiling											
Ice Levelling Machines											
Total	\$ -	\$640,000	\$50,000	\$35,000	\$ -	\$ -	\$ -	\$ -	\$200,000	\$ -	\$925,000

Appendix E

10-Year Lifecycle Forecast

Arena Location	Yr. Built	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	10 Year Subtotal
Chatham Memorial	1949	\$375,000	\$ -	\$80,000	\$1,090,000	\$200,000	\$ -	\$ -	\$160,000	\$ -	\$ -	\$1,905,000
WK Erickson	1972	\$ -	\$640,000	\$50,000	\$35,000	\$ -	\$ -	\$ -	\$ -	\$200,000	\$ -	\$925,000
Blenheim	1978	\$115,000	\$400,000	\$235,000	\$50,000	\$1,000,000	\$40,000	\$ -	\$ -	\$ -	\$175,000	\$2,015,000
Bothwell	1972	\$ -	\$50,000	\$ -	\$1,125,000	\$ -	\$ -	\$115,000	\$ -	\$ -	\$40,000	\$1,330,000
Thames Campus	1991	\$ -	\$125,000	\$200,000	\$1,225,000	\$35,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$1,585,000
Dresden	1982	\$200,000	\$100,000	\$200,000	\$ -	\$ -	\$1,175,000	\$35,000	\$ -	\$40,000	\$125,000	\$1,875,000
Ridgetown	1954	\$ -	\$ -	\$1,000,000	\$480,000	\$120,000	\$ -	\$175,000	\$ -	\$200,000	\$ -	\$1,975,000
Tilbury	1992	\$200,000	\$500,000	\$520,000	\$315,000	\$110,000	\$ -	\$50,000	\$ -	\$1,550,000	\$ -	\$3,245,000
Wallaceburg	1948	\$215,000	\$25,000	\$320,000	\$50,000	\$210,000	\$50,000	\$ -	\$ -	\$755,000	\$ -	\$1,625,000
Wheatley	1974	\$ -	\$625,000	\$1,410,000	\$ -	\$60,000	\$50,000	\$200,000	\$145,000	\$200,000	\$ -	\$2,690,000
Grand Total		\$1,105,000	\$2,465,000	\$4,015,000	\$4,370,000	\$1,735,000	\$1,315,000	\$575,000	\$305,000	\$2,945,000	\$340,000	\$19,170,000

Appendix A

What size arena would you like the municipality to proceed with? Note property acquisition and operating costs are not included.

Category	Number of Responses	Comments
Option A Single Pad 2,200 Spectator Capacity \$30 Million	15	<ul style="list-style-type: none"> • 1,000-6,000 spectator capacity with auxiliary pad with a 400 seat capacity • No auxiliary ice pad • Cost less than \$30 million • Keep the Erickson Arena • Close Erickson, Tilbury, & Bothwell Arenas and build a new arena to replace Memorial Arena • Build beside Memorial Arena and then at a later update Memorial Arena to make twin pad • Close all 3 Chatham Arenas • Build 2 single arenas to replace the ones that need to come down • Add in community centre
Option B Twin Pad 2,200+200 Spectator Capacity \$50 Million (As most responses do not include a \$ figure it could be Option B or C)	110	<ul style="list-style-type: none"> • 15,000 spectator capacity with seating all around the ice surface, plus additional ice pad with minimal spectator seating • No auxiliary ice pad • 25'x45' pad for goaltender training • Make Thames Campus Arena or Memorial Arena a twin pad • Build at YMCA or with new LKDSB High School or Wheatley Arena property or by Countryview or Wallaceburg • Don't close any arenas • Shut down Chatham Arenas only not Rural • Shut down Rural and have one arena in Chatham • Pay no more than \$20 Million and get the rest from the Provincial Government/Federal Government/Corporate Donations/Service Clubs); don't increase taxes • Add in community centre • Build to LEED standards with features such as passive solar gain, geothermal heating, xeriscaping, waterless urinals, etc.

Attachment A

Category	Number of Responses	Comments
Option C Twin Pad 4,000+200 Spectator Capacity \$65 Million	23	<ul style="list-style-type: none"> • 5,000 - 9,000 spectator capacity to have Jr. A Team and big name concerts • Additional auxiliary pad • No auxiliary ice pad • 3 pads total • Keep Memorial Arena open • Don't have Rural areas pay for Chatham Arena • Add in community centre with free wifi • Build outdoor pad and have Zamboni at each for Wallaceburg, Tilbury, Blenheim, & Wheatley
Option D Status Quo	79	<ul style="list-style-type: none"> • Put money towards other things in community (Community Centre, road repair, hospitals, Riverview Gardens) • Use funds to make full use of existing arenas; incentive pricing for lower used arenas • Close Erickson Arena and update Memorial Arena; use the rural arenas more • Close some of the existing arenas since declining enrolment; have 7-8 arenas in Chatham-Kent • Address arena needs based on needs of each community; increase lifecycle budget • Don't spend any money • Close all arenas to reduce taxes • If taxes are increasing then no options • Bigger playing surface in Wallaceburg and attach a fitness center
Option E Additional Comments	26	<ul style="list-style-type: none"> • 2,200 – 14,000 spectator capacity with 2 auxiliary pads with 200 – 2,200 spectator capacity • 2 pads with no spectator capacity and have at discounted rates • Sell Thames Campus Arena to St. Clair College and close Tilbury, Erickson, & Memorial Arenas • Build near 401 and close Bothwell, Memorial, Erickson, & Ridgetown Arenas

Attachment A

Category	Number of Responses	Comments
Option E Additional Comments		<ul style="list-style-type: none">• Build close to Wallaceburg, Ridgetown, & Bothwell• Add in community centre• Able to host more events and tournaments• Something to accommodate all user groups under one roof