

SportHamilton Multi-Sport Indoor Facility Feasibility Study & Business Plan

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1 | EXECUTIVE SUMMARY

EXECUTIVE SUMMARY

Since the 1960's, the City of Hamilton has played a predominate role in delivering indoor community recreation facilities. The boom of recreation facility development in Hamilton and throughout Ontario was through the 1970's. In the City of Hamilton, these facilities were typically community based, and mostly consisted of single pad arenas and recreation centres. The recreation facilities usually consisted of a 25-meter square tank swimming pool, general purpose rooms, and shared use of a gymnasium belonging to the Hamilton-Wentworth District School Board.

Despite competing demands for municipal funds, the City of Hamilton has implemented strategic plans over the years to renew and modernize aging recreation facility infrastructure. These community recreation facilities continue to provide valuable programs and services for the general public of all ages. However, they are not able to meet the needs of rapidly growing community sports programs like basketball, volleyball and other court sports. This problem has been further aggravated with the trend by both school boards to build larger super schools – closing several older smaller schools and reducing the valuable inventory of community gymnasiums. This is a trend that will continue in the future and further increase the demand for gymnasium facilities. The end result is that many organizations have not been able to meet program growth demands and many youth in our community are being denied the opportunity to participate in minor sports programs.

With the lack of adequate gymnasium facilities, the City of Hamilton is also lagging far behind other communities in Southern Ontario to host various sports tournaments. The consequences are two-fold:

- 1) tournaments are often a revenue source for the host sports organization – that is used to reduce individual program registration fees; and
- 2) the local Hamilton economy misses out on the very lucrative sport tourism industry.

As an example, the Ontario Basketball Association Provincial Championships were in Hamilton on a regular basis through the 1980's and 90's bringing thousands of athletes and their families to our community. As the tournament grew in size and other communities were able to offer better quality facilities, Hamilton was no longer able to host this lucrative sport tourism event.

Supported by our initial needs analysis, the Hamilton track and field sports community also desperately lacks an indoor training and competition facility. This facility can also be used as an indoor walking track for adults, seniors, and individuals with various physical challenges – which is also greatly lacking in our community. Under a proposed multi-use facility model, the indoor

hard courts make a good synergetic fit with an indoor track. There are numerous existing successful models of these type of mixed multi-use facilities throughout North America.

Recognizing this problem, SportHamilton, a volunteer official sport council for the City of Hamilton that helps to provide a voice for all amateur sport groups, were made aware of these issues by various sport groups and as a result formed a task force “SportHamilton Multi-Sport Indoor Facility Task Force” to assist and help solve these concerns.

The task force, under the leadership of SportHamilton, applied for and was successful in receiving a Seed Grant through the Ontario Trillium Foundation to fund a feasibility study and business plan for a multi-sport indoor facility to meet the needs of the sport groups in the Hamilton and area community. The team of Architecture49 (A49) and Nustadia Recreation Inc. (NRI) were retained by the Task Force to complete the feasibility study. The Task Force members included:

- Ron Foxcroft – Honorary Chair
- Helen Downey – Co-chair
- Kevin Gonci – Co-chair
- Gord Vignault
- Denise Christopherson
- Dave Strecker.

The Task Force worked on the initial Trillium funding application. The A49/NRI project team reported through this committee while preparing the study.

A49 is one of the leading sports architectural firms in Canada, and has completed numerous community and educational facilities from the initial feasibility and business planning stage to the finished product. NRI is the largest and most experienced company in Canada providing development and operating services for community recreation facilities. As former sister company under the Cochrane Group, NRI and A49 have worked together as a team on numerous similar type projects – including the very successful Mohawk 4 Ice Centre in the City of Hamilton.

From the multiple needs analysis that was gathered, the following was determined:

- Need for a competition level indoor 200m track & field facility
- Need for multi-sport, multi-court gymnasium
- Facility to deliver sport tourism day events
- Interest from private sector to lease space to provide ancillary services to the facility

From the needs analysis, the following building program has been recommended by the study team:

- 9 hard court gymnasium that can be used for mainly basketball and volleyball.
- One of the gymnasiums will have seating and will be used for hosting main events.
- 200-meter indoor track with space for the various field events – this facility will be used for training purposes and will include some seating to be able to host sanctioned track & field competitions.
- Lease space to provide revenue generating services through the public sector.
- General purpose community space to allow for various revenue programming and services.

To accommodate the above recommended building program, two different building options with preliminary concept drawings have been presented in this report.

The estimated cost to deliver a proposed facility that would accommodate the identified building program will be approximately \$52 million. Suggested preliminary funding sources could include the following:

- \$24 million through debt financing and paid through facility net profit estimated to be \$1.5 million per year.
- \$5 million through a community fundraising campaign.
- \$23 million in government funding from the three levels of government.

The proposed multi-sport indoor facility will meet the “City of Hamilton’s Strategic Commitment” that includes the following:

1. **Enhance Community Well-Being** - Sports and recreation facilities, like the proposed multi-sport indoor facility will contribute directly to community quality of life, as well as personal health and social cohesion. For this reason, community sports and recreation facilities are highly valued and supported by the general public.

2. **Enhance Economic Well-Being** - Community sports and recreation facilities like the proposed multi-sport indoor facility are sought after community resources to attract and retain new businesses and residents to the City of Hamilton. The proposed multi-sport facility will also have an **estimated economic impact of \$26.8 million for the first full year of operations** through sport tourism (\$18.2 million) and facility spending (\$8.6 million). **Over a five-year period, the total projected combined economic impact will be \$146.3 million** (\$101.5 million in sport tourism and \$44.8 in facility spending). The proposed facility will also provide an estimated 1,040 short-term construction jobs and 13 FTE permanent jobs.

- 3. Enhance Environmental Well-Being** – We are recommending that the proposed multi-sport facility be built to meet equivalent LEED Gold Certification Standards. This will ensure the proposed facility will have a minimal carbon footprint in our environment; while also making the facility financially sustainable to maintain and operate over its project life span of 40 to 50 years. Meeting LEED Gold Certification Standards will also ensure a greater likelihood of getting funding from the Provincial and Federal levels of government.

To move the project forward to the next level, it is recommended that SportHamilton engage all the identified project stakeholders and present the findings of this study to allow for further consultation and commitment to the project.



2 | NEEDS ASSESSMENT

2.1 INTRODUCTION

NRI and A49 assessed the probable demand through a set of surveys and face-to-face interviews with sports groups in Hamilton and the surrounding area. The surveys found that there is a demand for indoor track space, multi-use courts and leasable space that is not being met by current facilities in the area with respect to the type of facilities, the availability of time in the facilities and the cost of facilities.

Media Event and Study Kick-off

On Thursday February 6, 2017, SportHamilton hosted a media event in the Tourism Hamilton Community Meeting Room at the Lister Block Building, 28 James Street North, Hamilton to announce the successful application for a Seed Grant provided by the Ontario Trillium Foundation, and to kick-off the feasibility study to assess the needs of all Hamilton sports groups and the viability of constructing a year round, multi-sport, multi-use, indoor training and competition facility for the Hamilton and area community.

Speakers included:

- Andrea Horwath, Member of Provincial Parliament, Hamilton Centre
- Russ Powers, Ontario Trillium Foundation
- Ron Foxcroft, Honourary Chairperson, Indoor Multi-Sport Facility Task Force
- Helen Downey, President SportHamilton and Co-Chairperson, Indoor Multi-Sport Facility Task Force

2.2 SURVEYS AND PUBLIC CONSULTATION PROCESS

Four on-line surveys were completed and posted on the SurveyMonkey web site April 21, 2017 – consisting of the following categories and on-line links provided:

Survey A: Official Representative of a Community Sports Group or other Not-for-Profit

Organization: https://www.surveymonkey.com/r/SportHamilton_SurveyA

Survey B: General Public/Individual User:

https://www.surveymonkey.com/r/SportHamilton_SurveyB

Survey C: Private Sector – Commercial Lease Partners:

https://www.surveymonkey.com/r/SportHamilton_SurveyC

Survey D: Other Potential Project Stakeholder Partners:

https://www.surveymonkey.com/r/SportHamilton_SurveyD

Public Consultation Process

In order to reach out to the largest number of sports user groups as possible and to give the general public a voice in the study, the following steps were taken:

- An extensive database of potential survey respondents was completed and a survey link sent to all contacts on the database between April 24, 2017 and May 23, 2017.
- On-line survey link was posted on SportHamilton Website and advertised on social media through various Facebook pages. <http://www.sporthamilton.com>.
- Advertisements in the local newspaper.
- Media event and study kick-off open to the public.
- Surveys were reviewed and face-to-face interview meetings with various organizations were completed.

Survey Responses

Survey	Group	# of Respondents
Survey A	Official Representative of a Community Sports Groups or other Not-for-profit Organization Consulted	71
Survey B	General Public / Individual User	314
Survey C	Private Sector – Commercial Lease Partners	7
Survey D	Other Potential Project Stakeholder Partners	8

Survey Results

Survey A: Official Representative of a Community Sports Groups or other Not-for-Profit Organization Consulted				
Group Name	# of Member	Female	Male	Level of Play
SportHamilton	1000			
Pickleball Hamilton	115	50	65	Recreational to Competitive
Hamilton Lacrosse Association	600	100	500	House League and Rep
Ancaster Masters Swim Club	50	30	20	Masters
Flamborough Fire Basketball	341	127	114	House League, Competitive
Hamilton Sparta Sports Club	1100	550	550	Competitive
Hamilton Hornets Rugby Football	300	125	75	Competitive
Redeemer University College	125	60	65	Post-Secondary Level
Hamilton CANUSA Games	N/A			Competitive
91st Highlanders Athletic Association	1400	700	700	Competitive
Hamilton Olympic Club	120	60	60	Recreational to Competitive

Group Name	# of	Female	Male	Level of Play
Guido de Bres Track and Field Team	70	30	40	
Hamilton Gymnastic Academy	1014	897	152	Recreational to Competitive
The Golden Horseshoe Track & Field	N/A			
Stoney Creek Athletics	25	15	10	Recreational to Competitive
UPLAY CANADA	180	0	180	Rep
Ontario Basketball	16,000	6,000	10,000	
Burlington Track and Field Club	96	45	51	Competitive
Dundas Badminton Club	35	12	23	Recreational to College
Bishop Tonnos CSS Track Team	75	20-50	25	Invitational to OFSAA
Athletiques International Track and Field Club	25	14	11	Playground to National
Haldimand Huskies Basketball	172	70	102	Recreational
Monte Cristo Track Club	14	8	6	Provincial & National
Hamilton Olympic Club	200	100	100	All levels
St Mary CHS Hamilton	20	10	10	High School
Stoney Creek Athletics and Monte	16	13	3	Competitive
Blessed Sacrament Yellow Jackets	700	300	400	House League to Elite
Ancaster Basketball Club	350	150	200	Rep, House League
Blessed Sacrament/CM Sports	24	0	12-24	AA+
Hamilton Accessible Sports Council	N/A			
Mountain Athletic Club	140	80	60	Club / Rep
Hamilton-Wentworth CDSB	N/A			All levels
Special Olympics Hamilton	190	55	135	Beginners / Advanced
Maga Basketball Camps	400	200	200	Recreational to Competitive
Hamilton Aquatic Water Polo Club	120	40	80	Recreational to Competitive
Westdale Fencing Club	38	20	18	Recreational to National Team
Governor Simcoe Secondary School	36	20	16	Varsity
Ancaster Lions Volleyball Club	120	80	40	Youth to Competitive
Hamilton Aquatic Club	200	100	100	Learn to Swim to National
Stoney Creek N Youth Basketball	22	11	11	Rep
Thorold Elite Track Club	40	10	30	Competitive
Stoney Creek Rugby Club	290	140	150	Recreational / Competitive
Burlington Synchronized Swimming	218	219	0	Recreational / Competitive
Hamilton Elite Athletics Team	11	3	8	Competitive
Steel City Patriots Football	62	0	62	Semi-pro
Hamilton Smash Volleyball Club	140	120	20	Club / Rep
Hammer City Roller Derby	N/A	100	60	Beginners to Elite
Reach Forth	1400	400	1000	Recreational
GHAC Swimming	??	75%	25%	Development to Pro
Hamilton Ultimate Club	834	330	425	Beginner to Competitive
Ontario Volleyball Association	10,854	7,205	3,649	Recreational / Competitive

Group Name	# of	Female	Male	Level of Play
Volleyball Canada	12,500	9,000	3,500	Competitive
Hamilton Football Association	580	0	580	Tyke to Senior Varsity
Hamilton Varsity Ticats	N/A			Rep
Athletics Ontario	N/A	2,471	3,085	Rec to High Performance

Organizational title of official representative that responded to Survey A:

- 59.15% Executives
- 35.21% Coaches
- 5.63% Volunteers

Survey A Select Questions	YES	NO
6. Are you satisfied with the quality and available inventory of sports facilities in Hamilton to meet the needs of your organization?	4.23%	95.77%
7. Do you feel that Hamilton in comparison to other communities in Ontario, offers high standard and quality facilities and which provides a level playing field for your athletes to train and compete?	19.12%	80.88%

Survey B: General Public / Individual User		
Survey B Questions	YES	NO
1. Do you support the development of the proposed multi-sport facility?	96.83%	3.17%
5. As an adult (18 years and over), do you intend to be an individual user of the facility?	87.17%	12.83%
10. Will you support a user-pay model to make the facility financially sustainable?	95.16%	4.84%

Of the 314 respondents for Survey B:

- 96.83% support the development of the proposed multi-sport facility.
- 87.18% intend to be a user of the facility.
- 95.16% would support a user-pay model.
- 69.84% are parents of children age 4 to 17 years involved in a sports programs.
- 65.00% have two children or more involved in a sports program.

Survey C: Private Sector – Commercial Lease Partners			
Respondents	Interested in investigating commercial tenant lease space	Nature of existing or proposed business	Lease Space Required (Square Feet)
Extreme Dodgeball Hamilton (EDH)	Yes	Own EDH and End2EndBallHock	50,000 – 60,000 SF
Coszcan Sports & Entertainment	Yes	Arena Pro	17,000 SF
ALP Training Institute	Yes	High performance	12,000 – 15,000 SF
Crossroads Karate	Yes	Martial Arts	4,000 SF
Determination Martial Arts	Yes	Martial Arts	2,100 SF
First Dundas Leasing Limited	Yes	Sell / lease land	56,000 SF
Stoke Strength and Conditioning	Yes	Strength & Conditioning	2,000 – 4,000 SF

Survey D: Other Potential Project Stakeholder Partners		
Respondents	Interest in a Partnership	Nature of Potential Partnership
Mountain Volleyball Club	Yes	Rental for practice & tournaments
ALP Training Institute	Yes	High performance training
Wishbone Athletics	Yes	Rehab & sports medicine clinic
Ontario Basketball	Yes	Ontario Basketball League host
McMaster Family Health Team	Yes	Health & wellness programming
Commonwealth Games Canada	Yes	2030 Commonwealth Games
Hamilton United Basketball Club	Yes	Home & practice facility
Hamilton Board of Approved Basketball	Yes	Officials training

2.3 SUMMARY – FACE-TO-FACE MEETINGS WITH VARIOUS SPORTS GROUPS

Reach Forth (Not-for-profit community youth and adult recreation programs)

- Interested in moving entire program to proposed new facility
- Program for hardcourt sports at current capacity and could grow by approximately 25%
- Currently program is at multiple elementary school facilities (HWDSB) throughout the city
- Full gymnasium times requirement 16 hours per week for the winter season
- Office and storage lease space about 300 sq. ft.
- Also interested in running 3 to 4 tournaments per year

U Play Basketball (boys elite level basketball academy program)

- Interested in moving entire program (55 hours per week) to proposed new facility
- Program runs consecutively 11 months of the year
- Current program at multiple locations
- With the right facility, program could easily expand by another 50% (including adding girls' teams)
- Basketball court gymnasium requirement - approximately 70 to 80 hours per week over 11 months.
- Office and storage lease space about 400 sq. ft.
- Also interested in running 2 to 4 tournaments per year

Extreme Dodgeball (adult dodgeball leagues)

- Over 4,500 members and program has been in existence since 2005.
- Program operates year-round.
- Program currently operating out of 12 different elementary school gymnasiums throughout the city – being out of one location would certainly allow an opportunity for significant program growth.
- With current and additional programs, there is potential for approximately 160 hours of gymnasium time per week.
- Interested in starting youth programs and branching off into additional sports such as pickleball.
- Interested in making a capital equity investment into a proposed new facility.
- Office and storage lease space about 400 sq. ft.
- Expecting to run 8 to 10 tournaments a year.

Hamilton Smash Volleyball Program (youth and adult program)

- Operate both indoor and beach volleyball programs
- Current program offered at various school locations and at Hillfield Strathallan College
- Full gymnasium requirement 10 to 12 hours per week (assuming three volleyball courts per gym)

Ancaster Lions Youth Volleyball Program

- Program has been running for five years
- 7 Competitive teams and development program with 150 players
- With additional gym times and quality facility – program can easily expand to at least 12 rep teams in the first year
- Ability to lease office and storage space – 200 to 300 sq. ft.
- Full gymnasium requirement 10 to 12 hours per week (assuming three volleyball courts per gym)
- With right facility, would also host 1 to 2 tournaments per year

Mountain Youth Volleyball Club

- Youth rep, house league, development program and summer camps
- Program is spread out over 8 plus high school gymnasiums (mostly Catholic Board)
- Lack of gym time has prevented program growth
- Opportunity to offer a women’s recreation league with adequate gym times
- Full gymnasium requirement 16 to 20 hours per week (assuming three volleyball courts per gym)
- With right facility, would also host 1 to 2 tournaments per year

Volleyball Canada (Sandra de Graaff – Director Domestic Programs)

- Lack of quality facilities to host National Club Competitions
- To host will require 15 to 20 courts at one location and be climate controlled
- Event will attract 800 to 900 teams (12 player per team plus family members)
- Opportunity to also host one of the National Team Programs – 3 year term
- Full gymnasium requirement 16 to 20 hours per week (assuming three volleyball courts per gym)
- With right facility, would also host 1- 2 tournaments per year

Ontario Volleyball Association (Alishia Lidmus – Director Volleyball Operation, OVA)

- There are 25 to 30 OVA annual qualification tournaments every week-end throughout Ontario from September to the end March.
- Every week through the volleyball season there are 25 to 30 OVA club hosted tournaments.
- Lack of quality facilities to host these tournament in Ontario.

Ontario Basketball Association (Tyler Hardening Manager League Development and Mike Barbin OBA Club & Competitions)

- In recent years, Hamilton has not hosted any OBA championship Tournament because of the lack of quality facilities with double gyms.
- With a proper quality facility that has multiple court (two or more) there is an opportunity to host an OBA sanctioned tournament every weekend from early January to the end of May.
- With proper facility and given our preferred location, a facility with multiple court could host some type of OBA tournament every week.
- Host of provincial team tryouts – require 8 courts for entire month of July each year.

Ancaster Magic (youth recreational & competitive basketball program)

- One of the largest and longest running youth basketball programs in the City Hamilton.
- Including house league and rep programs totals about 600 players registered.
- Currently booking over 120 hours per week through the winter basketball season, Spring house league and summer camps.
- Program is currently delivered at various school gymnasiums across the entire city.
- Finding adequate times and quality facilities has been a challenge and mostly at the house league level, interested new players are being turned away.
- With proper facilities out of one location, program could easily grow another 25%, adding approximately 150 players at various levels.
- Current tournaments are capped because of the lack of gymnasium availability.
- Would commit to moving entire program to new proposed facility – currently about 120 hours per week and likely grow another 20 hours per week within the first years.
- Currently running about 8 to 10 tournaments per year, with a multi-court facility would likely run 10 to 12 tournaments per year.
- Foreseen ability to lease office and storage space – 300 to 400 sq. ft.

Blessed Sacrament Basketball Clubs (youth recreational & competitive basketball program)

- The largest and one of the longest running youth basketball programs in the City of Hamilton.
- 700 players registered.
- Finding adequate times and quality facilities has been a challenge for this program in recent years and specifically related to delivering tournaments.
- Currently running 6 major tournaments per year from mid February to the end of April each year, and on average 8 courts per tournament.
- Tournaments have been some of the longest running youth basketball tournaments in the province.
- Above tournaments are capped to the number of teams because of the lack of gymnasium availability.
- Basketball court gymnasium requirement - approximately 80 to 100 hours per week over winter basketball season.
- Extremely interested in moving all existing tournaments to a new facility with multiple gymnasiums, with the possibility of additional tournaments.
- Will also require multiple courts for week-long camps during the summer.
- Foresee ability to lease office and storage space – 300 to 400 sq. ft.

Redemeer University – David Mantel, Athletic Director and Ed Bosvell Interim V.P. of Administration & Finance.

- Current athletic complex does not meet regulations for both basketball and volleyball varsity programs.
- Interested in a possible partnership arrangement for a new multi-sports complex with gymnasium to meet the needs of both varsity and student recreational programs.
- University grounds could potentially be used for a proposed multi-use sports complex.
- At the university's request, discussions were also held with representatives of the Silvestri Group, private developers that own a significant amount of property across the street from the University on Gardner Road.
- The Silvestri Group were extremely interested in further investigating a potential partnership arrangement.

Canadian Basketball League – Butch Carter

- A new professional basketball league established by Butch Carter (former professional NBA player and coach).

- A team from this league played this past season at Mohawk College, but due to lack of facility use and parking restrictions, this team ceased operations and is currently looking for a new location in Hamilton.
- Team would provide rental income through weekly home games and daily practices during the week-day, non-prime time hours.
- With this team there is an opportunity to bring facility naming rights.

Aquatic Sports Group Representatives

On September 26, 2017, the SportHamilton Task Force hosted a community consultation meeting for area aquatics groups with the following in attendance:

1. Mr. John Vadeika, Executive Director, Swim Ontario.
2. Hamilton Aquatics Club.
3. Hamilton Aquatics Waterpolo Club.
4. The Golden Horseshoe Aquatics Club.
5. Burlington Synchronized Swimming Club.
6. Ancaster Masters Swim Club.

Those in attendance provided details of the community need for a new aquatics facility development including the recommended facility design, community user groups model and other amenities which would support both competitive and recreational aquatics programs.

An update was provided with regards to the results of recent current community consultations including a review of a previous City of Hamilton Indoor Recreation Study (2008) and City of Oakville Report (2013) which noted the following:

- There are currently 17 indoor pools within the City of Hamilton with an estimated \$1,649,080 in backlog repairs.
- Average year of construction of each facility is 1969.
- The City of Hamilton currently has an oversupply of indoor pools per capita average.
- There was strong community support for indoor pools with most, 42% preferring a leisure pool design.
- The proposed aquatics facility development between Oakville, Mississauga and Milton had been discontinued due to the major operational and capital development costs associated with such a facility development.
- The three options reviewed within the Oakville Study identified the projected development costs between \$25,900.00 and \$45,700,000.

Recommendations:

Due to the projected costs of the proposed field house development, the estimated costs of an aquatics facility development as part of a combined initiative, would make this option cost prohibited and therefore not recommended as part of the SportHamilton facility development proposal. It was suggested that the best case scenario for an aquatics facility development would be to include this project as part of a future phased development adjacent the proposed field house facility and that funding for such a facility is best achieved through a "legacy funding" program (Commonwealth or PAN AM Games bid).

It was further recommended that for such a community initiative to move forward, local and even regional aquatics programs should come together to form an Aquatics Council organization to represent their interests.

2.4 SUMMARY OF SURVEY RESULTS & CONSULTATION FINDINGS

- Strong demand for a competition level indoor 200 metre track for training and events.
- Strong demand for multi-sport, multi-court gymnasium space for youth basketball, and volleyball programs.
- Local community sports organization have not been able to expand existing programs due to the lack of adequate training and competition facilities – this has resulted in many individuals being denied the opportunity to participate.
- As participation levels for youth basketball and volleyball programs have considerably increased over the past few years – the inventory of facilities has decreased due to school closures.
- Strong market for a multi-court facility to host various sport tourism events.
- Need for quality sports facilities for competitive training.
- In the City of Hamilton, premier high school double gymnasiums with hardwood flooring are virtually at full capacity for after school community use.
- Need for sports group community office space.
- Interest from private sector to lease space and provide ancillary services in a proposed facility.
- Weekend gymnasium rental market rates for school gymnasium rentals due to added cost of covering school caretaking staff is approximately \$60 per hour.
- Gymnasium market rental rates for non-public and Catholic school facilities is in the \$65 plus dollar range.

2.5 INDUSTRY TRENDS FOR THE DEVELOPMENT OF COMMUNITY RECREATION FACILITY INFRASTRUCTURE

Multi-Use Facilities

Community sports and recreation facilities over the past 40 years have evolved from single-use local neighbourhood based facilities to larger regional multi-use facilities. These facilities provide the user the convenience of choice and one stop watching for the entire family. Larger multi-use facilities also provide the following benefits:

- Economies of scale of constructing one larger multi-use facility as opposed to several small facilities.
- Operational efficiencies – mainly in staffing.
- Increased revenue opportunity through ancillary services like food and beverage, sport retail, etc.
- Increased opportunities for sport tourism.
- Opportunity to deliver a “Community Hub Model” and provide non-sport and recreation services.
- Ability to meet the ever-growing user needs and demands of our aging population. Indoor running/walking tracks are very popular with this age demographic.

Partnership Opportunities

Through “Community Hub Models” there are various creative partnership opportunities. Not only do these models help improve service delivery in the community, it also increases the opportunity to make the facility financially sustainable. Potential partnership models investigated by our study project team include the following:

- McMaster University and Redemeer University College to provide research and hands on work experience for students and the delivery of wellness programs.
- Hamilton Health Sciences for the delivery of community outreach patient programs.
- Reach Forth, CityKidz, Kiwanis Hamilton Boys and Girls and other similar organizations to help deliver sports and recreation programs for youth-at-need.

There are also partnerships with the private sector similar to that in place with the Mohawk 4 Ice Centre. Private partner can provide development expertise to reduce the initial capital cost and operational expertise to maximize revenues and reduce operating expenses. The private sector can also provide ancillary services like food and beverage, sport retail, sport injury and physiotherapy clinics, etc.

Aging Infrastructure

Many community recreation facilities in Canada and including the City of Hamilton were built in the late 1960's through to the 1980's. Many of these facilities require costly repairs and are much more costly to maintain. On the programming delivery side, they often don't meet the needs of community sports user groups, and specifically, ability to host various larger tournaments that attract out of town visitors. There is an opportunity that the proposed facility, depending on location, could replace an existing aging recreation facility in the City of Hamilton.

The City of Hamilton has officially adopted the "Option 4" approach as recommend by Monteith Brown, that is, "the strategic renewal of aging recreational infrastructure and new development as required."

Skill Development and Year-Round Play

Most present-day baby boomers in their youth grew up playing various sports based on the summer or winter season. Present day competitive amateur sport today is tiered based on ability and to excel to the higher play levels, youth are concentrating on one sport year-round. This has resulted in the increased demand for summer ice surfaces, indoor playing fields, and indoor track and field facilities during the winter season. Competitive basketball and volleyball players also require year-round training facilities. Though this has placed on overall increase in sports and recreation facilities, it also is an opportunity for increased facility revenues, and in some cases have made many sports and recreation facilities financially sustainable. An example of this is the Mohawk 4 Ice Centre, as the result of added revenues generated during the summer season.

Coinciding with year-round training, competitive sport athletes also require strength conditioning which are also an important consideration for facility planning and can also provide increased revenue opportunities – typically by leasing space to third-party provider.

Energy Efficient Facility Design

Advances in building science technologies have made facilities more energy efficient and have helped to reduce utility consumption. While these approaches and techniques require additional capital investment during the construction phase of the project, there is normally a payback over time because of cost economies and a reduction in long term operating expenditures.

There are also civic, social and financial benefits of the greening trend. To ensure operational efficiencies, it is recommended the proposed multi-sport facility will be built to meet the equivalent LEED Gold Certification Standards for new building construction, and utilize some or all of the following energy saving technologies:

- Rooftop solar panels to provide electrical power for the facility, and combined power storage – where energy produced during the day is stored and used during the evening hours.
- Co-generation units using natural gas to produce electrical power.
- Waste heat from co-generation units is used to heat the building in the winter and also used to heat domestic hot water for the facility.
- During the summer months, waste heat from the facility cooling system is also used to heat domestic hot water for the facility.
- Ground source facility heating and cooling.
- Energy efficient facility heating and cooling systems.
- Tankless domestic hot water heaters.
- Energy efficient LED lighting to illuminate the entire facility – including all playing surfaces.
- Through effective use of glazing, utilize natural lighting to reduce electrical power during the daytime.
- Building envelope insulated to the highest industry standards.
- Waterless urinals.

2.6 BUILDING PROGRAM & CONCEPTUAL DESIGN PLANS

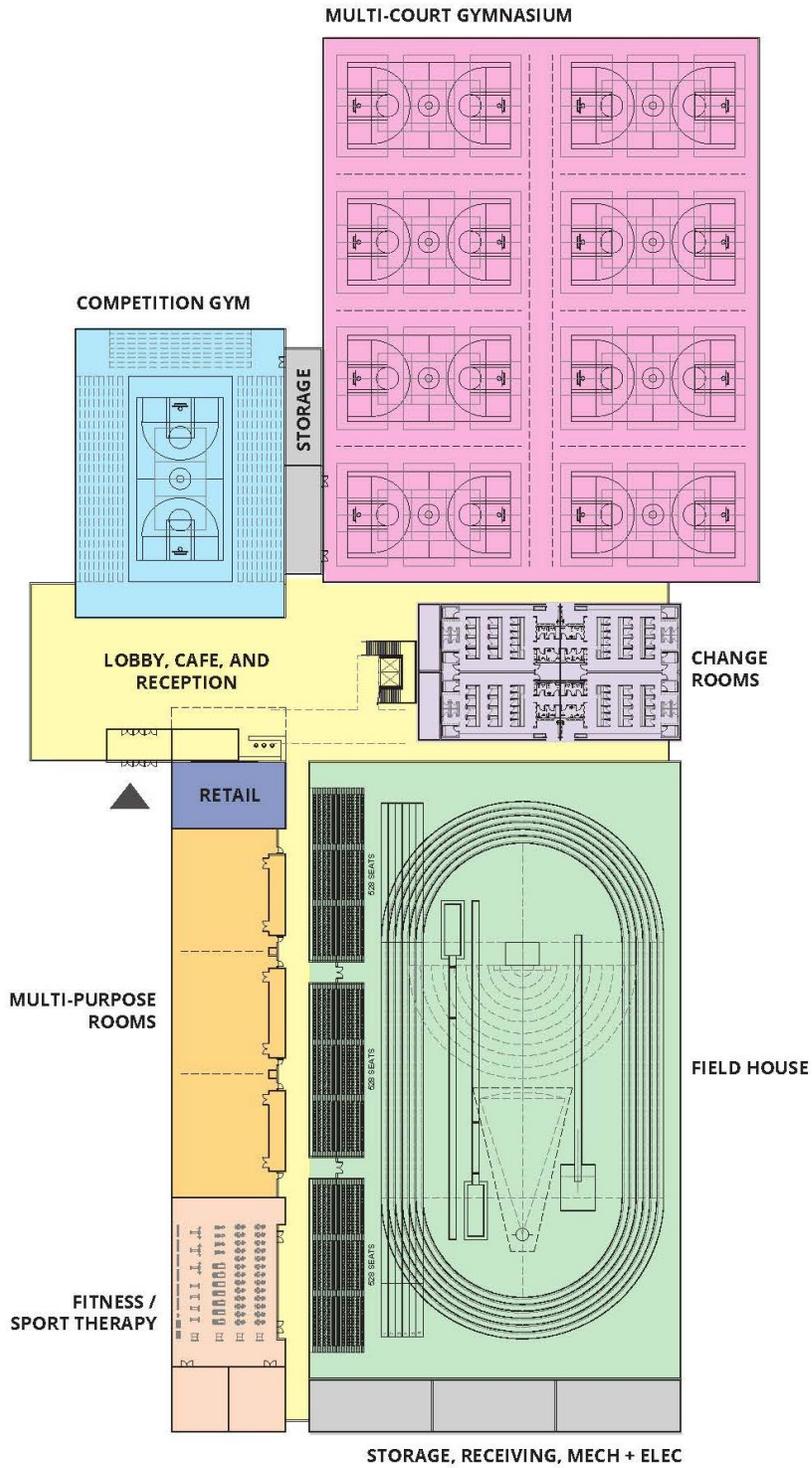
Based on the consultation process findings the following building program was developed centered on two main elements; a multi-court gymnasium with 8 basketball courts, and a 200m indoor track with spectator seating. While the general building program is similar for the two layout options, two schemes were developed to compare the resulting building area and capital costs.

Option 1: Was designed with a separate competition gymnasium space with spectator seating, and the indoor track straightaway incorporated into the track oval to minimize the track footprint and building volume.

Option 2: This design does away with the competition gymnasium as a separate volume and incorporates three basketball courts in the center of the indoor track oval, making use of the underutilized space in the track oval and the spectator seating required at the track.

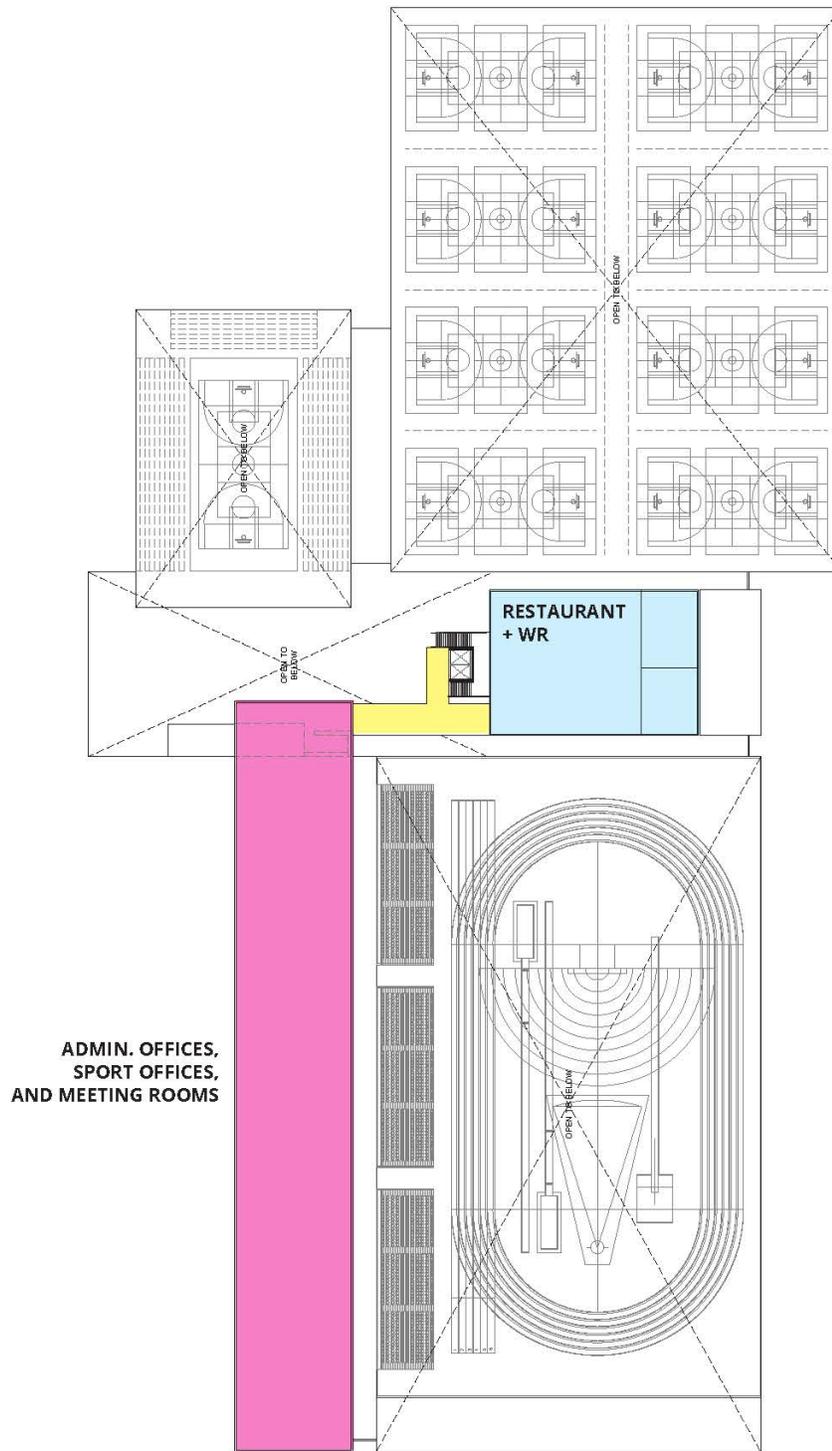
Building Program	Option 1		Option 2	
	Square Meters	Square Feet	Square Meters	Square Feet
Level 1				
Field House with 200M Track & Seating for	7,122	76,660	9,822	105,723
Competition Gymnasium: 1 Court / 2000 seats	1,850	19,914	N/A	N/A
Multi-Court Gymnasium (8) Basketball Courts	7,373	79,362	5,470	58,879
Change Rooms: Male/Female/Family	1,107	11,916	1,107	11,916
Fitness / Sport Therapy	834	8,977	834	8,977
Multi-Purpose Rooms	1,300	13,993	1,155	12,432
Retail	228	2,454	277	2,982
Lobby, Café, Reception, Circulation	1,800	19,375	1,795	19,321
Storage / Receiving / Mechanical / Electrical	249	2,680	689	7,416
Sub-Total Level 1	21,863	235,331	21,149	227,646
Level 2				
Admin/Sport Offices/Meeting Rooms	3,018	32,485	1,962	21,119
Restaurant & Washrooms	915	9,827	1,079	11,614
Sub-Total Level 2	3,933	42,312	3,041	32,733
Total Building Area	25,796	277,643	24,190	260,379

BUILDING LAYOUT - OPTION 1



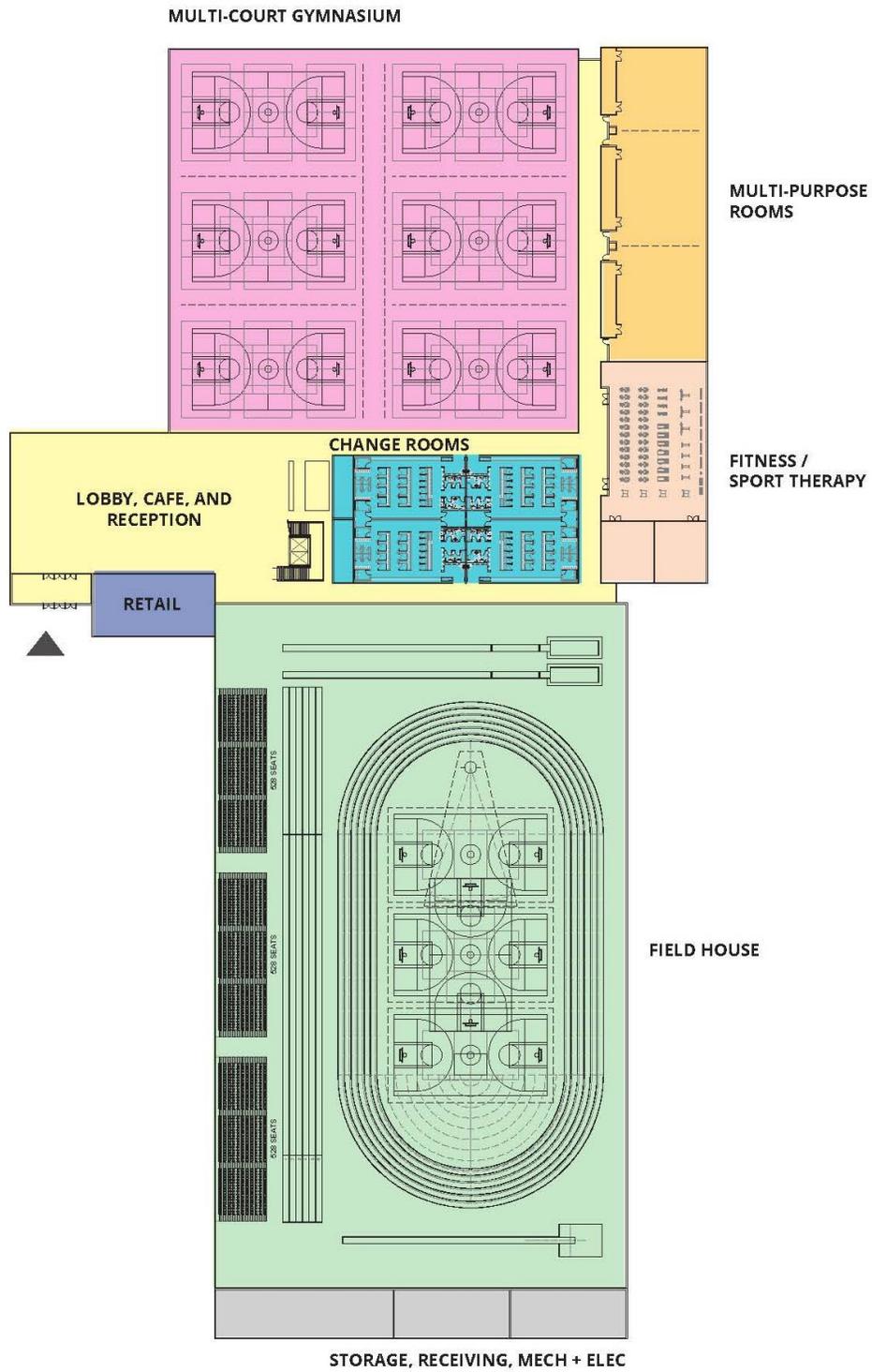
OPTION 1 – GROUND FLOOR PLAN

BUILDING LAYOUT - OPTION 1



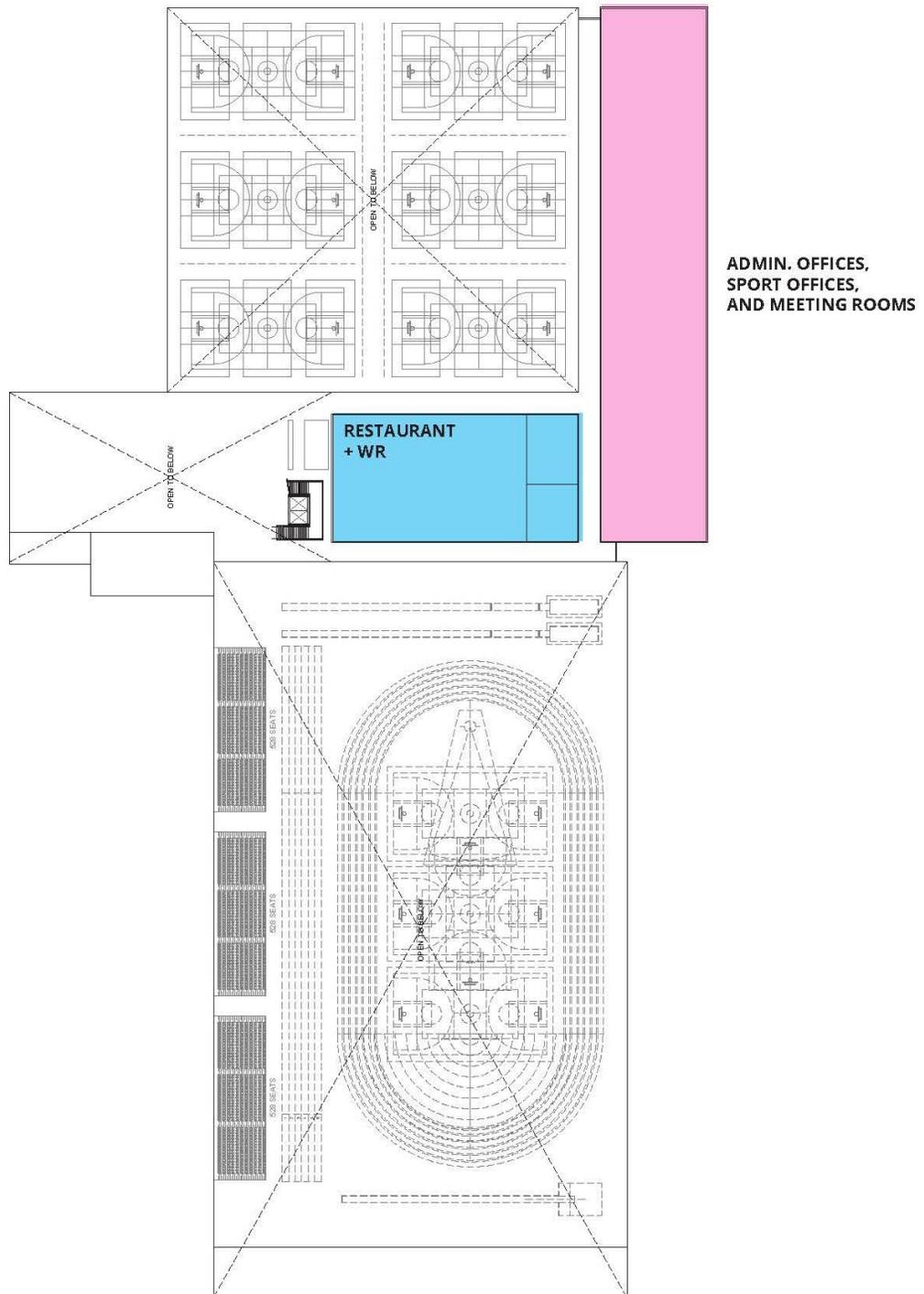
OPTION 1 – SECOND FLOOR PLAN

BUILDING LAYOUT - OPTION 2



OPTION 2 – GROUND FLOOR PLAN

BUILDING LAYOUT - OPTION 2



OPTION 2 – SECOND FLOOR PLAN

3 | BUSINESS PLAN

3.1 PROJECT OBJECTIVES - SPORHAMILTON MULTI-SPORT INDOOR COMPLEX

- Meet current and future needs of indoor amateur sports groups in the City of Hamilton.
- Provide sport tourism opportunities that will provide positive economic impact on the City of Hamilton economy.
- Collaborative community partnership approach model for the development and operations of the proposed facility with the following stakeholders:
 - SportHamilton
 - Local Community Sports Groups
 - City of Hamilton
 - Hamilton Educational Institutions
 - Private Sector
- Best practices approach for the development and operations of proposed facilities, that includes industry benchmarking of successful similar type facilities in other communities.
- Deliver a long-term financially sustainable model.

3.2 RECOMMENDED BUSINESS MODEL

The proposed SportHamilton Multi-Sport Indoor Complex, will serve two primary functions:

1. Meet the community sports programming needs of the different track and field, volleyball and basketball organizations and any other amateur sports organization. The times for community use should be Monday to Thursday and Sunday evenings.
2. Ability to host various sport tourism events. Under this model, various teams, player, and their families that will generate revenue for the facility and to create economic impact through direct spending in the City of Hamilton community.

It is roughly estimated that this type of facility will have more than a million visitors per year. Due to this large volume of people, it will provide the ideal market for various ancillary services. Third party, private businesses will lease various space in the facility to deliver services. This typically includes food and beverage, sport retail, athletic training and sport injury rehabilitation clinics. The benefits of these ancillary services are:

- 1) provide value revenues for the facility, and
- 2) provide a valuable benefit of ancillary services for the users of the facility.

3.3 COMPARABLE LOCAL MARKET FACILITY ANALYSIS

The existing inventory of gymnasium facilities in the City of Hamilton are owned and operated mainly by the following institutions:

1. Hamilton-Wentworth District School Board
2. Hamilton Wentworth Catholic District School Board
3. City of Hamilton Community Services Department
4. Other – Hillfield Strathallan College (private school)

Hamilton-Wentworth District School Board (HWDSB)

HWDSB has currently fourteen high schools with full gymnasium (also identified as double gymnasium) and a second smaller secondary auxiliary gymnasium (single gymnasium) and all are predominately hardwood floors. Three of these schools are slated for closing over the next few years – Sir John A. Macdonald, Delta, and Nora Henderson. With the closing of these three schools, two new schools will be built on the south-central Hamilton Mountain and a second in central-east downtown Hamilton. Two schools – Sir Winston Churchill and Sir Allan MacNab are attached to a community recreation facility operated by the City of Hamilton under a reciprocal agreement, and not typically available for community sports group rentals.

Within the next few years, this will bring the current inventory of full size high school gymnasiums to eleven. All current high school gymnasium facilities are near full capacity with annual booking preference going to existing users. At the present time, there is virtually no availability of a double gymnasium from Mondays to Thursdays.

There are 87 elementary schools with gymnasiums operated by the HWDSB. These are all predominately PVC tile and flooring on hard concrete surface. Several of these gymnasiums are under 2,000 SF and not suitable for community sports organizations. Gymnasium facilities at the Dalewood, Ryerson, and Sir Wilfrid Laurier are attached to community recreation facility, operated by the City of Hamilton under a reciprocal agreement, and not typically available for community sports group rentals. Of the remaining facilities, the prime gymnasium facilities are also near full capacity. The HWDSB is also working on future plan to close several older schools and replacing them with larger super schools. In coming years, this will also greatly reduce the number of elementary school gymnasiums for community sports group rentals.

Hamilton-Wentworth Catholic District School Board (HCDCSB)

The HCDCSB has fifty-six schools with gymnasium facilities available community sports group rentals. Seven of these are high schools and they all have double gymnasium with a secondary auxiliary single gymnasium with the exception of Sir Jean de Brebeuf that has two double

gymnasiums, all are all hardwood flooring. Between existing school use during evenings and week-ends and existing users, there is virtually no availability for community sports group rentals.

The HWCDSB also has forty-nine elementary school gymnasiums that are also predominately PVC tile and flooring on hard concrete surface. Several of these gymnasiums are under 2,000 SF and not suitable for community sports organizations. The prime gymnasium facilities are also at near full capacity. Like the HWDSB, the HWCDSB is also working on a future plan to close several older schools and replacing them with larger super schools. In coming years, this will also greatly reduce the number of elementary school gymnasiums for community sports group rentals.

Post-Secondary Schools

There are three main post-secondary schools in Hamilton; McMaster University (two triple gymnasiums and single auxiliary gym for a total of 7 full size gymnasiums), Mohawk College (3 full size gymnasiums) and Redeemer University (2 full size gymnasiums).

During the academic school year at all the above educational institutions, gymnasium is geared for student use and there is minimal or no availability for community sports group rentals. With the minimal availability the rental rate is substantially higher at about \$65 per hour plus daily parking fees.

City of Hamilton Community Recreation Facilities

The City of Hamilton has twenty community recreation facilities across the City with different size gymnasium facilities. Most of these gymnasiums are booked with organized community programs, and availability is extremely limited.

Gymnasium Rental Rates:

Gym Rental Rates – HWDSB

Single Gym	\$30 per hour
Double Gym	\$60 per hour

Non-profit youth groups are eligible for 75% discount for organizations that offer free or low cost to participants.

Non-profit adult groups are eligible for 50% discount for organizations that offer free or low cost to participants.

Week-end custodial staff fees are \$39 per hour on Saturday and \$52 per hour on Sundays with a three-hour minimum.

Gym Rental Rates – HWCDSB (as of October 1, 2018)

Non-profit community programs:

Single Gym	\$9.09 per hour
Double Gym	\$18.18 per hour

Cost recovery related programs:

Single Gym	\$18.18 per hour
Double Gym	\$36.37 per hour

Weekend custodial staff fees are \$30 per hour with a three-hour minimum.

Gym Rental Rates – Post Secondary Schools

McMaster University Gym Rental Rates

Burridge Gym

Full Gym – 3 Courts	\$125 per hour \$750 for 6 to 10 hours \$1,000 for than 10 hours per day
Single Court	\$65 per hour \$390 for 6 to 10 hours \$520 for more than 10 hours per day

Sport Hall

Full Gym	\$125 per hours \$750 for 6 to 10 hours \$520 for more than 10 hours per day
Single Court	\$65 per hour \$390 for 6 to 10 hours \$520 for more than 10 hours per day
Smith Gym	\$65 per hour \$390 for 6 to 10 hours \$520 for more than 10 hours per day

*Parking fees - \$8.00 per day after 6pm and weekends

Mohawk College Gym Rental Rates

\$75 per hour
\$135 per hour for two gyms
\$180 per hour for three gyms

(all rentals are a four-hour minimum)

* Parking fees - \$7.50 per day per vehicle after 6pm and weekends

City of Hamilton – Gymnasium Rental Rates

Depending on the size any type of gymnasium the rates will vary between approximately \$26 to \$52 per hour. If the rental is outside of normal staff hours, additional staff rate of approximately \$50 to \$60 dollars per hour will added to the rental fee.

Hillfield Strathallan College – Gymnasium Rental Rates

Single Gym	\$65 per hour
Auxiliary Gym	\$55 per hour

Overall Challenges with Existing Gymnasium Inventory in the City of Hamilton:

- Mainly in the HWDSB, the closure of schools and a movement towards larger super schools will continue to put strain of adequate gym times for community sports groups
- Inventory of adequate size hardwood floor gymnasiums preferred my most community sports groups is very limited or just not available
- Tournaments require multiple gymnasiums, inventory of multiple gymnasiums is very limited and often require costly daily parking fees

3.4 COMPARABLE FACILITIES FROM OTHER COMMUNITIES

Saville Community Sports Centre, Edmonton Alberta



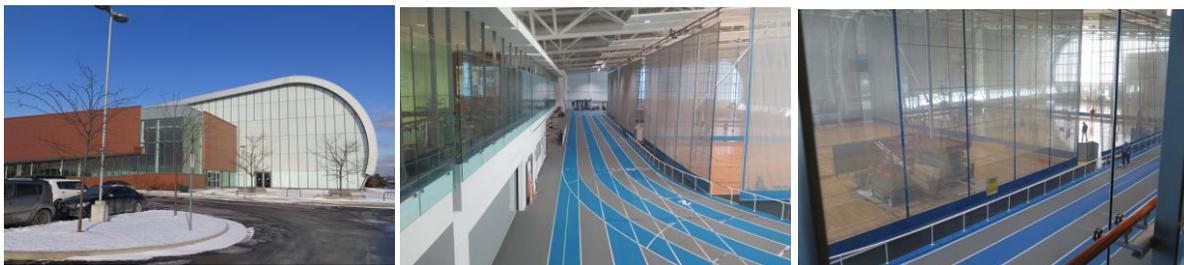
- Construction Cost \$42 million (not including land)
- Opened September of 2011
- Facility was added to an existing curling and indoor tennis facility owned and operated by the University of Alberta
- Community Partnership between the University of Alberta, Ortona Gymnastics Club, various amalgamated basketball and volleyball organizations.
- Reporting through an independent Board of Directors, facility is managed and operated by University of Alberta personnel
- 350,000 sq. ft. multi-use hard wood flooring surface that can be configured to provide the following playing surface amenities:
 - 12 FIBA-size basketball courts
 - 25 Volleyball courts
 - Competition main gymnasium with 2800 retractable seats
 - 30 Badminton Courts
- Ortona Gymnastics Centre
- Multiple conference rooms
- 200 Meter upper balcony track
- Facility is financially sustainable and has been since it opened
- City of Edmonton contributed \$9 million, Government of Canada 14.8 million, \$10 million Province of Alberta, remaining was loan financing and capital fund raising
- Rental Rates: full basketball court \$65 per hour
- Rental Rates: volleyball court (adult) \$55 and (youth) \$44 per hour, a full gymnasiums with three volleyball courts fully booked would net out three times the money

Markham Pan Am Centre – Markham Ontario



- Built for the 2016 Toronto Pan Am / Para Pan Am Games that hosted badminton, table tennis, water polo, and para table tennis
- Construction cost of \$80 million
- 147,000 sq. ft. multi-sport centre Feature facility amenities include a 50 meter aquatic centre and three full size gymnasiums
- During the weekday facility is used to service local community sports organizations, and on the week-ends mostly for sport tourism events
- In 2016 facility hosted 43 week-end events and in 2017 hosted 49, and with over 60% of these events being held in the gymnasiums
- Gym rental fee is \$100 per gym per hour
- Week-end tournaments \$1875 for two gyms per day (most book minimum of two days)
- Facility is operating at close to full utilization during prime-time hours

Abilities Centre – Whitby Ontario



- Facility opened in June of 2012
- Construction cost of \$40 million
- Funding for project came from Federal Government \$18 million, Province of Ontario \$3 million, Town of Whitby \$1 million with remainder coming from community fund raising and loan financing.
- 125,000 sq. ft. multi-use sports facility, with the feature amenities consisting off:
 - Three full size gymnasiums
 - Six-lane, 200 meter walking/running track
 - State of the art fully accessible fitness centre

- Multiple fitness are aerobics training areas
- Theatre
- General purpose programming space
- Facility is membership based and with other main operating revenues coming from donations, program fees and facility rentals
- Operated as a not-for-profit (registered charity) community hub model operated through Board of Directors
- Gymnasium rental Rates: \$90 per hour
- Track Rental Rates: \$60 per track lane per hour

Toronto Indoor Track and Field Centre – At York University, 4700 Keele Street, Toronto ON



- Opened in 1979, the facility is used by both professional and amateur athletes
- This facility is a partnership between York University and the City of Toronto
- Main facility features are:
 - 5-lane, 200 meter banked oval track with a separate sixth lane for joggers
 - 8-lane, 60-meter sprint and hurdle runaway
 - Warm-up area on a 3-lane, 30m runway
 - 30-foot vertical pole vault clearance
 - 2 long/triple jump runways into a common sand pit
 - 2 high jump areas
 - Curtain practice area for discuss and hammer throw
 - Shot put throwing circle and cage
 - To host competitions, seating for 900 spectators
- Combined with the outdoor track facility, the facility hosts about 80 special event competitions per year
- User fees include daily passes and full season memberships
- Various rental rates are also available for the different amenities in the facility

University of Guelph Gryphon Fieldhouse – Guelph Ontario



- Opened in the summer of 2012
- This indoor facility consists of
 - a 4 lane 200-meter indoor track.
 - 60-meter spring lanes.
 - Designated areas for high jump, long jump, triple jump, pole vault and throw.
 - Interior of the track is indoor green space for various type field sports like soccer and football, lacrosse, ultimate Frisbee etc.

3.5 TRACK AND FIELD FACILITY NEEDS ANALYSIS

All the local track field clubs in the City of Hamilton under the umbrella of the Golden Horseshoe Track & Field Council is made-up of the following local clubs:

- 91st Highlander Athletic Association
- Hamilton Olympic Club.
- Hamilton Elite Athletic Team
- Stoney Creek Athletics
- Monte Cristo Track & Field Club
- Hamilton Special Olympics
- Hamilton CAUSA Games (track and field team)
- Dundas Valley Track & Field Club
- Athletiques International (Caledonia)

The above clubs representing approximately 350 track and field athletes were all consulted and had input into this study, and all share the following common challenges:

- Starting in the fall to mid-Spring, there are no suitable training facilities in Hamilton for track and field training.
- McMaster University does have an indoor track categorized as indoor recreational jogging track, and primarily caters to the needs of staff and students and community use is

secondary and restrictive. It also lacks all amenities for the field events and can't accommodate any type of competitions.

- Hamilton track and field athletes who wish to train during the winter season have to travel either to the University of Guelph (distance of 50 km away) or York University (distance of 75 km).
- Barrier to proper indoor training facilities has a negative impact on program capacity and growth and hinders the development of athletes who follow the prescribed "Long Term Athlete Development" (LTAD) for athletics in Canada.
- Unable to host competitions and events, above clubs can't generate revenues that help offset individual program registration fees.

In addition to meeting the needs of the above category of competitive athletes, an indoor track and field facility would also serve the following groups and organization and provide revenue generation for the facility:

- Recreational athletes of all ages and abilities not competing at an elite level
- Para Athletic Programs
- Local and regional elementary and secondary school track and field training and competition
- Seniors health and wellness programming
- Recreational walkers
- Recreational running groups
- Healthcare and rehabilitation programs
- Regional track and field clubs that may consist of the following:
 - Niagara Olympic Club
 - Niagara Region Track & Field Club
 - Burlington Legion Track & Field Club
 - Burlington Track & Field Club
 - Brantford Track & Field Club

3.6 TRACK & FIELD FACILITY REVENUE PROJECTIONS

Projection revenues based on financial data from the Louis Riel Indoor Track and Field Facility – Ottawa Ontario, and the University of Windsor Indoor Track and Field Facility – Windsor, Ontario

Daily User Admissions:

- Daily admission rate: \$10.00 per person
- Number of participants/day: 50 participants
- Number of indoor program days: 149 days
- \$74,500

Indoor Winter Membership Fee.

- Membership fee (Golden Horseshoe Track & Field Council Member Groups): \$125
- Number of passes sold (Golden Horseshoe Track & Field Council Member Groups): 350
- Membership fee – Adult: \$200
- Memberships sold – Adult: 250
- Membership - Youth/Senior fee: \$150
- Membership – Youth/Senior sold: 250
- Total Membership fees: \$131,250

Track and Field Facility Rentals

- Track & field facility daily rental fee (9am to 5pm): \$1,200 day
- Days: 20
- Total: \$24,000

Total Projected Indoor Track & Field Facility Revenue: \$229,750

3.7 HARD COURTS FACILITY NEEDS ANALYSIS

Summary of User Group Facility Court Time Requirements / Allocation (Sept. 01 to April: 33 weeks)

Group	Time (In hours - Full Gymnasium) per Week
Reach Forth	16
U Play Basketball	70
Extreme Dodgeball	80
Smash Volleyball	10
Ancaster Lions Volleyball	10
Mountain Volleyball	16
Ancaster Magic Basketball	70
Blessed Sacrament Basketball	60
Other	24
Tournaments	148
Total	504

Estimated Rental Time Requested for Tournaments

Group	# of Events	# of Gyms	Hr/Gym	Total Hrs
Reach Forth	2	4	22	176
U Play Basketball	2	4	22	176
Extreme Dodgeball	4	4	22	352
Smash Volleyball	2	4	22	176
Ancaster Lions Volleyball	2	4	22	176
Mountain Volleyball	2	4	22	176
Ancaster Magic Basketball	6	8	22	1056
Blessed Sacrament Basketball	6	8	22	1056
Ontario Volleyball Assoc.	4	4	22	352
Ontario Volleyball Assoc.	2	8	22	352
Ontario Basketball Assoc.	3	4	22	264
Ontario Basketball Assoc.	3	8	22	528
Other	4	4	22	352
Total				

*Over 36 Week Period = 148 hrs per Week for Tournaments.

3.8 HARD COURTS FACILITY REVENUE PROJECTIONS

Rental Revenue Projections - 9 Hard Courts Surfaces								
	Hourly Rate	# of Courts	Hrs/Wk/ Court Sold	Total Hrs /Week Sold	Season (weeks)	Total Annual hrs	Total Revenue	Notes
Prime Time (Winter)	\$65	9	52	468	36	16,848	\$1,095,120	1
Non-Prime (Winter)	\$40	9	8	72	32	2,304	\$92,160	2
Non School Days Winter	\$40	9	20	180	4	720	\$28,800	3
Prime Time (Summer)	\$50	9	20	180	16	2,880	\$144,000	4
Non-Prime (Summer)	\$45	9	6	54	8	432	\$19,440	5
Non-School Days Summer	\$50	9	25	225	8	1,800	\$90,000	6
Total Rental Revenue/Year							\$1,469,520	

Notes:

1. Mon-Fri 5-10pm; Sat & Sun 8am-10pm - 48hrs / gym
2. Mon-Fri 9 to 5pm - 45hrs / gym
3. Mon-Fri 9 to 5pm - 45 hrs / gym
4. Mon-Fri 6-10pm; Sat & Sun 8am-10pm 48 hrs / gym
5. Mon-Fri 9 to 5pm - 45 hrs / gym
6. Mon-Fri 9 to 5pm July & Aug - 45 hrs / gym

Total Projected Hard Courts Facility Revenue: \$1,469,520

3.9 ESTIMATED LEASE SPACE REQUIREMENTS / ALLOCATION

Summary of Proposed Lease Space Partners:

ALP Training (high performance fitness training) – Adam Lloyd

- Has a current fitness training facility located at Barton and Grays Road in Hamilton.
- Proprietor - Adam Lloyd has a kinesiology background.
- Interested in leasing 12,000 to 15,000 sq. ft.

Wishbone Athletics Inc. (Sport Injury & Therapy Clinic) – Surinder Budwal

- Established existing business in West Hamilton.
- Proprietor is a registered Kinesiologist, certified athletic therapist orthopaedic & functional bracing.
- Has a wealth of experience working with various amateur, Olympic, and professional athletes.
- Would be interested in leasing around 3,000 sq. ft. in proposed facility.

Crossroads Karate – Sharon Phillips

- Existing established business delivering martial arts programs.
- Would be interested in leasing up to 4,000 sq. ft.

Determination Martial Arts – Emily Kulpaka

- Existing established business delivering inclusive martial programs.
- Currently delivering programs in various locations in the City.
- Would be interested in leasing up to 2,100 sq. ft.

Full Service Restaurant

- Suggesting 11,000 SF based on the size of the facility.
- No interested lease partner at this point, but believe one can easily be sourced should the project move forward.

Sport Retail

- Suggesting about 3,000 SF based on the size of the facility.
- No interested lease partner at this point, but believe one can easily be sourced should the project move forward.

Group / Description	Sq. Ft.	Cost/Sq. Ft.	Total Amount
Reach Forth	300	\$15	\$4,500
U Play Basketball	400	\$15	\$6,000
Extreme Dodgeball	400	\$15	\$6,000
Ancaster Lions Volleyball	200	\$15	\$3,000
Ancaster Magic Basketball	400	\$15	\$6,000
Blessed Sacrament Basketball	400	\$15	\$6,000
Sport Retail	3,000	\$16	\$48,000
Food Services	6,000	\$16	\$96,000
Fitness Training Centre	12,000	\$16	\$192,000
Sport Injury Clinic	3,000	\$16	\$48,000
Combined Other	8,000	\$16	\$128,000
Total	34,100		\$543,500

3.10 REVENUE PROJECTIONS

Revenues

	Year 1	Year 2	Year 3	Year 4	Year 5
Hard Courts -Prime Time (Winter)	\$1,095,120	\$1,139,363	\$1,185,393	\$1,233,283	\$1,257,949
Hard Courts - Non-Prime (Winter)	\$92,160	\$95,883	\$99,757	\$103,787	\$105,863
Hard Courts School Days Winter	\$28,800	\$29,964	\$31,174	\$32,433	\$33,082
Hard Courts - Prime Time (Summer)	\$144,000	\$149,818	\$155,870	\$162,167	\$165,411
Hard Courts Non-prime Summer	\$19,440	\$20,225	\$21,042	\$21,893	\$22,330
Hard Courts - Non School Days Summer	\$90,000	\$93,636	\$97,419	\$101,355	\$103,382
Gym - Drop-in Programs (gyms)	\$150,000	\$156,060	\$162,365	\$168,924	\$172,303
Combined Track & Field Facility	\$229,750	\$239,032	\$248,689	\$258,736	\$263,911
Other Events - Trade Show etc.	\$75,000	\$78,030	\$81,182	\$84,462	\$86,151
Meeting Room Rentals	\$15,000	\$15,606	\$16,236	\$16,892	\$17,230
Lease Space	\$543,500	\$554,370	\$565,457	\$576,767	\$588,302
Facility Naming Rights	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000
Advertising Revenues	\$125,000	\$125,000	\$125,000	\$125,000	\$125,000
Food & Beverage Machine Vending	\$36,000	\$37,454	\$38,968	\$40,542	\$40,542
Total	\$2,793,770	\$2,884,441	\$2,978,553	\$3,076,241	\$3,131,455

Expenses

Salaries & Wages	\$649,795	\$662,791	\$676,047	\$689,568	\$703,359
Utilities	\$250,000	\$255,000	\$260,100	\$265,302	\$270,608
Facility Management Fee	\$150,000	\$153,000	\$156,060	\$159,181	\$162,365
Repairs, Maintenance, & Supplies	\$100,000	\$102,000	\$104,040	\$106,121	\$108,243
Insurance	\$50,000	\$51,000	\$52,020	\$53,060	\$54,122
Marketing & Advertising	\$36,000	\$36,720	\$37,454	\$38,203	\$38,968
Other	\$50,000	\$51,000	\$52,020	\$53,060	\$54,122
Total Expenses	\$1,285,795	\$1,311,511	\$1,337,741	\$1,364,496	\$1,391,786

Net Profit (Loss)	\$1,507,975	\$1,572,930	\$1,640,812	\$1,711,745	\$1,739,669
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3.11 SALARIES & WAGES TO OPERATE THE FACILITY

Facility Staffing						
General Administration Salaries						
General Manager					\$ 95,000	
Operations Manager					\$ 65,000	
Scheduler					\$ 55,000	
Accounting Staff (Part time)					\$ 12,000	
Employee Payroll Costs @ 20%					\$ 45,400	
Sub-Total General Administration Salaries						\$ 272,400
Operations & Program Staff						
Days of the Week	Time	Total Hours	# of persons	# of Days		Total Hours
Mon -Fri	8am - 4pm	8	3	5		120
Mon -Fri	4pm - 12am	8	3	5		120
Sat	8am -12 am	16	3	1		48
Sun	8am -12 am	16	3	1		48
Total Hours per week						336
Number of weeks						52
Total Annual hours						17,472
Average Hourly Rate / Hour	\$18					
Total Pre-Payroll Costs					\$ 314,496	
Employee Payroll Costs @ 20%					\$ 62,899	
Sub-Total Operations and Program Staff						\$ 377,395
Grand Total Salaries & Wages per Year						\$ 649,795

3.12 ESTIMATED PROJECT CAPITAL BUDGET - Hamilton Multi-Use Indoor Facility

Concept Option	Total SF	Estimated Capital Cost
Option Layout #1	277,655	\$55,531,000
Option Layout #2	260,379	\$52,075,800

3.13 PROJECT FUNDING

It is projected the facility should be able to generate \$1.5 million in gross revenues prior to debt financing. With an interest rate of approximately 4%, this will carry an annual debt of about \$24 million. To finance the project with an estimated capital cost of \$52 million. Provided are some projected funding sources for the remaining \$28 million:

- \$5 million through a community fundraising campaign.
- \$23 million government funding through all three levels of government.

3.14 COMMUNITY SOCIAL BENEFITS

Personal Health Benefits

It's well known that people are less physically active in Canada. Combined with proper diet, participation in sports and other active recreation programs can reduce rates of some types of chronic diseases including type-2 diabetes and heart disease. Proposed facility that includes an indoor walking/running track will provide increase opportunity for City of Hamilton residents to be physically active.

Investment in Reducing Public Medical Care Costs

As the Canadian population ages, the benefits of leading a healthy lifestyle, including physical activity, will become increasingly important. Physical activity can prevent and reverse the symptoms of chronic disease, particularly those associated with aging. Investment in sports and recreation facilities can reduce the financial costs associated with medical care, as well as the social costs associated morbidity and mortality.

Benefits - Physical Activity Participation for Youth

An alarming statistic is that the vast majority of our youth are not getting near the recommended daily physical activity. An Ontario Public Health report in 2014, stated that youth participation in minor sports beyond the benefits of regular physical activity include the following:

- Improved social interaction/integration and social skills.
- Stay in school longer and have higher graduation rates than their non-sport peers, have higher educational and occupational aspirations, physical activity and sport contribute positively to academic achievement in all levels of education.
- Less likely to be involved in criminal activity that will help reduce costs to our criminal justice system.

Investment in community sports and recreation facilities, is an investment in helping shape our youth to become future valuable adult citizens in our community.

Physical Activity Participation for Youth-At-Need

From a 2013 Sport Canada study, youth from lower income households participate less than children from higher income households. Our proposed facility will help increase participation for youth in lower income households by the following:

- Increase overall participation opportunities in sports activities like track and field, volleyball and basketball. These types of sports require minimal or no investment in costly equipment and participant registration fees are also traditionally lower compared to sports like ice hockey, figure skating, and football.
- As previously stated in this report the overall availability of school gymnasium during the weekdays is limited. Our proposed facility will increase the availability of low cost school gymnasiums right across the City that can be made available to deliver low cost sports and physical activity programs across the City.
- At the proposed facility and partnering with various community agencies like Reach Forth, CityKidz, Kiwans Boys and Girls Club, etc. various sports programs and physical participation activities can be geared to youth from low income households.

Physical Activity Participation for Youth Females

From various studies, it is well known that youth females are much more less active compared to youth males. It is also a current Ontario Government action plan to advancing opportunities for women and girls sports. It is also worth noting in that from recent studies, playing volleyball is one of the leading participation sports for females.

Physical Activity Participation for Newcomers to Canada

Most of the current newcomers to Canada have are unfamiliar with the traditional Canadian winter sports like ice hockey, figure skating, curling, etc. As immigration continues to grow in Canada, our proposed facility with hard court sports and track and field facility will be more adaptable for sports participation for newcomers to Canada.

Physical Activity Participation for Para-Sport Participants

The proposed facility will also be fully designed to meet all the accessibility needs and provide increased opportunity for various para-sport participants.

Physical Activity Participation for Seniors & Community Wellness Programs

Our study met with Laura Harrington, Managing Director of the McMaster Institute for Research on Aging (MIRA), and with Dianne Moroz, Chair of the Department of Kinesiology and Physical Education at Redeemer College. Both of these organizations’ representatives, under a “Community Hub” model, are interested in potential partnership and on collaborating on objectives such as:

- Investigating the needs and desires for such a facility by seniors in the community, as well as the best way to structure the space and programming to meet these needs.
- Understanding the impact of the facility on activity levels of older adults, once the facility has been built.
- Relating activity profiles to disease risk and healthy aging recommendations.
- With the addition of a small lab space in the facility, there would be numerous other opportunities for research and education. For example, investigating the effectiveness of various exercise/activity regimes on populations such as older adults, patients with dementia, or those with chronic conditions or disease.
- Educating and offering services to the community through the proposed facility. For example, seminars for the community might be a great way to attract people to the facility and engage more of the community in activity through sport and games. Healthy aging seminars with exercise recommendations, instruction on proper walking technique, footwear, clothing, hydration etc. could be part of such a holistic facility.

- The same lab area could be used to evaluate fitness parameters and nutrition assessments specific to elite athletes followed by recommendations. Other populations and even the general public are also interested in these services, which can be revenue generating activities of the facility. They may also offer experiential learning opportunities or practical hours for certificates for Kinesiology and Physical Education and Health Sciences students at both McMaster and Redemeer.
- These and other partnership opportunities would require additional resources.

Meeting the Objectives of the Long-Term Athlete Development Program

The Canadian Sport for Life movement aims to improve the quality of sport and physical activity for all Canadians. A central component of the Sport for Life Movement is Long-Term Athlete Development – a multi-stage training, competition and recovery framework that guides athlete’s experiences from infancy through all phases of adulthood. Since 2005, the Canadian Sport for Life – Long-Term Athlete Development framework has been adopted by every national sport organization in Canada (Canadian Sport for Life, 2015). The proposed facility will help meet the Federal objectives as identified through the Long-Term Athlete Development Program.

Meeting City of Hamilton Strategic Commitment

The proposed facility will meet the current City of Hamilton Strategic Commitment and consisting of the following:

- Community Well-Being will be enhanced – recreation facilities are highly valued by Hamilton residents.
- Environmental Well-Being will be enhanced - proposed facility will be designed to meet or exceed current City’s energy efficiency standards.

Economic Well-Being will be enhanced – proposed facility is a sought after community resource when attracting and retaining businesses and residents to the community. It will also play a significant role in attracting visitors to our community through hosting various sport tourism events that will also provide economic benefit to the overall local economy.

3.15 ECONOMIC IMPACT – HAMILTON MULTI-USE INDOOR FACILITY

In addition to the many social benefits participating in amateur sports can bring to the individual and the greater community, there is also a significant economic impact for the host community of amateur sport tourism events. According to the Canadian Sport Tourism Alliance, sport tourism is a \$5.3 billion plus industry in Canada (according to 2014 figures).

Depending on the type of event, most sport tourism events attract participants, parents and relatives, coaches, and officials for both daily visits and overnight stays. These sport tourism visitors will purchase meals, shop, fill their vehicles with gasoline, spend on personal entertainment and some requiring overnight hotel accommodation – usually one to two nights for week-end events. There are numerous studies and reports indicating that daily visitors to a sport tourism event will spend on average of \$125 per day traveler and overnight travelers will spend on average of \$225 per traveler.

In a recent economic impact study completed by Blessed Sacrament Yellow Jackets Basketball Organization in conjunction with Tourism Hamilton, it was concluded that in hosting eight week-end minor basketball tournaments in 2011 provided an estimated economic impact of over \$3.5 million for the local business community. These eight tournaments attracted 746 teams with 9,146 participants plus family members.

During this past year, Blessed Sacrament Yellow Jackets Basketball Organization hosted six tournaments with 460 teams and 6,000 participants. The Ancaster Magic Basketball Organization also currently hosts six tournaments per year that are of similar in size teams and participants.



The decrease in tournaments from 2011 to the present for the Blessed Sacrament Yellow Jacket Basketball Organization is for various reasons. Mainly the Ontario Basketball Association is also running their tournaments. These Tournaments are mainly in communities with multiple courts in one location – this currently lacking in Hamilton.

Another comparable economic impact study was completed by the Canadian Sport Tourism Alliance for the 2015 Ontario Volleyball Association (OVA) Provincial Championships. Events were hosted at the RIM Park Sportsplex in Waterloo, Ontario - utilizing 28 courts (the proposed facility will have an estimated 27 courts). Over three consecutive weekends from April 10 to 26

2015, it attracted a 647 youth teams of various age groups from across the Province. Attracting a total of 8,411 participants and coaches and with an additional 16,149 spectator family members. The total economic impact for these three events to the Kitchener-Waterloo economy was \$4.5 million. The proposed facility will have the ability to host the OVA Provincial championships.



Rim Park Sportsplex, Waterloo ON

The City of Hamilton 2008 Use Renovation and Replacement Study for the Hamilton Recreation and Public-Use Facilities identified that Sport Tourism because of its economic benefit for the host community should be a consideration in developing future community sports and recreation facilities. The challenge is minimizing distribution of regular programs and users. The Hamilton Tourism Strategy 2015-2020 also indicated the same challenge in developing a sport tourism strategy for the City. It is again worth noting the proposed facility will be dedicated to hosting sport tourism events during all weekends.

Through benchmarking similar type studies of sport tourism events, it is estimated 30 to 40% of all sport tourism visitors will be overnight visitors requiring overnight hotel accommodations. Using an estimated blended average of 35% for overnight visitors, it can be concluded that the combined average spend per traveler for sport tourism event is $(67.5\% \text{ of } \$125 \text{ plus } 32.5\% \text{ of } \$225) = \$157.50$ per person.

Estimated Economic Impact for Hard Court Tournaments for Proposed Facility

Host Group	# of Events	# of Gyms	# of Teams	# of Part.	Less 20% Local	Spectators (x1.9)	Total Spend/Day	Total Spend/ 2 days
Reach Forth	2	4	96	1152	922	1751	\$275,789	\$551,578
U Play Basketball	2	4	96	1152	922	1751	\$275,789	\$551,578
Extreme Dodgeball	4	4	192	2304	1843	3502	\$551,578	\$1,103,155
Smash Volleyball	2	4	96	1152	922	1751	\$275,789	\$551,578
Ancaster Lions Volleyball	2	4	96	1152	922	1751	\$275,789	\$551,578
Mountain Volleyball	2	4	96	1152	922	1751	\$275,789	\$551,578
Ancaster Magic Basketball	6	8	576	6912	5530	10506	\$1,654,733	\$3,309,466
Blessed Sacrament Basketball	6	8	576	6912	5530	10506	\$1,654,733	\$3,309,466
Ontario Volleyball Assoc.	4	4	192	2304	1843	3502	\$551,578	\$1,103,155
Ontario Volleyball Assoc.	2	8	192	2304	1843	3502	\$551,578	\$1,103,155
Ontario Basketball Assoc.	3	4	144	1728	1382	2627	\$413,683	\$827,366
Ontario Basketball Assoc.	3	8	288	3456	2765	5253	\$827,366	\$1,654,733
Other	4	4	192	2304	1843	3502	\$551,578	\$1,103,155
Total	42		2,832	33,984	27,187	51,656	\$8,135,770	\$16,271,539

Estimated Economic Impact for Track & Field Events for Proposed Facility

List of Proposed Annual Track & Field Events	Participants
Event	(athletes/coaches/ officials/spectators)
Secondary School Meet (1 day)	650
Royal Canadian Legion Indoor Championships	1125
Athletics Ontario Indoor CE/Walks Championships	1130
Athletics Ontario Indoor Prep Meet	1150
Athletics Ontario Indoor Y-S Championships (2 days)	1110
Athletics Ontario Indoor B-M-J Championships (2 days)	1770
Athletics Ontario Relay Championships	1100
OFSAA Indoor Championship (tbc)	1000
Hamilton Indoor Games (2 days)	1600
Minor Track & Field Association Indoor Championships	1150
Elementary School Development Clinic	150-250
Minor Track & Field Association Clinic	30
Athletics Ontario Officials Clinic	20
Athletics Ontario Coaches Clinic	25

Estimated Economic Impact (Provincial Tool)

	Event	Days	Economic Benefit
1	Hamilton Indoor Games	2	\$100,807
2	Minor Track & Field Indoor Championships	1	\$174,472
3	Athletics Ontario Championships	2	\$162,207
4	Secondary School Invitational Meet (1)	1	\$113,786
5	Secondary School Meet (2)	1	\$113,786
6	Royal Canadian Legion Indoor Track & Field	1	\$188,278
7	Athletics Ontario - Walks Championships.	1	\$171,438
8	Athletics Ontario - Indoor Prep Meet	1	\$174,472
9	Athletics Ontario - Y - S Indoor	2	\$162,207
10	Athletics Ontario - Relay Championships.	1	\$285,315
11	Athletics Ontario - Masters Championships.	1	\$170,101
12	OFSAA Indoor Track & Field	1	\$85,244
	Total		\$1,902,113

Note: Projections above were projected using the TREIM Model from the Province of Ontario Ministry of Tourism, Culture & Sport.

Estimated Total Economic Impact for Proposed Facility

Total economic impact for proposed hard court tournaments and track & field events is approximately **\$18.2M** per year.

Other Economic Impact Benefits

Construction Jobs - Proposed facility will create an average of **1,040 construction jobs** over the scheduled construction period of the build. (Source: Toronto Construction Association, which estimates that 20 person years of employment are created for each \$1 million in construction cost.)

Employment – Proposed facility will employ the equivalent of **13 FTE permanent jobs**.

Estimated Economic Spin-offs of **\$8.6 million for first year** - based on the following assumptions:

- Total revenues collected \$2.8million (minus \$1.5 million debt financing) = \$1.3 million
- Estimated spending on third lease tenants – food & beverage, sport retail, fitness centre, sport injury clinic etc. \$3 million
- Total \$4.3 million revenues a year from proposed facility will flow directly into the local economy, but there will also be a ‘ripple’ effect as this money spurs new investment, job creation, and additional consumer spending.
- Using an average industry multiplier of 2.0 will provide an estimated \$8.6 million in economic spin-offs.

Summary Total Combined Economic Impact - \$26.8 Million per Year

Combined sport tourism economic impact	\$18.2 Million / Year
Economic impact from facility spending	\$8.6 Million / Year
Total economic impact per year	\$26.8 Million / Year

Projected Total Economic Impact Over a Five Year Period (in Millions)

	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Sport Tourism	\$18.20	\$19.47	\$19.86	\$21.25	\$22.74	\$101.52
Facility Spending	\$8.60	\$8.80	\$8.90	\$9.10	\$9.30	\$44.70
Total	\$26.80	\$28.27	\$28.76	\$30.35	\$32.04	\$146.22

3.16 ASSUMPTIONS & DRIVERS for PROJECT SUCCESS

- Project support and commitment from the actual community sports group users, SportHamilton, private sector, local educational institutions and the City of Hamilton.
- Like the similar successful Saville Centre Project in Edmonton – all the different minor sports groups must work under one common voice representing the multiple community sports organization for the following sports:
 - Track and field
 - Volleyball
 - Basketball
- Land for the project from the City of Hamilton, local educational institution or from private sector must come at little or no cost.
- Site servicing costs for eventual location has to be at little or no cost.
- Facility is operated as a not-for-profit entity with exemption from all local property taxes and permit development fees.
- Establishment of successful governance model to the on-going operations of the facility
- Like most other similar type facilities of this nature, it will require funding from the following sources:
 - Capital grant from all three levels government - Federal, Provincial and Municipal.
 - Local capital fund raising campaign and including significant financial support from the private sector
 - Debt financing to be carried by annual facility operating revenues – this financing will need to be guaranteed by the City or other capable public or private institution.
- Any short term operating deficits covered by the City or other capable public or private institution that will be paid back in future year operating surpluses.
- Low capital loan interest rates.
- The projected operating revenues and operating expenses will meet the revenue-to-expense ratios outlined within the pro forma in this business study report.
- Letters of use commitment from sports groups on use and rates.
- Letters of commitment from local sports groups, provincial and national sports organization for the hosting of sport tourism events.
- Support from Tourism Hamilton to attract sport tourism and other events to the facility.
- Executed leases for all tenant spaces.
- Third-party verification on the project capital costs.
- Guarantee Maximum Pricing (GMP) for the construction of the facility.
- Competent and qualified third-party facility management operator.

3.17 NEXT STEPS

To move the project forward to the next level, the following steps by SportHamilton are recommended:

1. Present findings to stakeholder community sport groups to determine if the plan is one in which they are committed to moving forward on. If so, letters of commitment to rates, rental times, and hosting of events need to be confirmed.
2. Continue discussions with Redeemer University and include local educational institutions to determine if there's a potential partnership that can be formalized for this project.
3. Confirm commitment from private sector partners to lease space for the proposed facility to include size of space and lease rates.
4. Gauge local private sector support to determine if there is a commitment to this project.
5. Engage political leaders from all three level of government to determine if there's public support to contribute to this proposed project.
6. Complete a capital fundraising feasibility study to determine if the \$5 million fundraising target can be achieved.
7. Aquatic Sports Community should consider conducting a detailed feasibility study and business plan specific for a training and competition 50-meter indoor aquatics facility.
8. Future aquatics facility could be a future phase in development of the proposed facility.



Mackal Fieldhouse, University of Rhode Island