



INFORMATION REPORT

TO:	Chair and Members Emergency and Community Services Committee
COMMITTEE DATE:	June 19, 2020
SUBJECT/REPORT NO:	Hamilton Collaborative Partnership Group Multi-Sport Facility Proposal (HSC20026) (City Wide) (Outstanding Business List Item)
WARD(S) AFFECTED:	City Wide
PREPARED BY:	Romas Keliacius (905) 546-2424 Ext. 4722 Dawn Walton (905) 546-2424 Ext. 4755
SUBMITTED BY:	Chris Herstek Director, Recreation Healthy and Safe Communities Department
SIGNATURE:	

COUNCIL DIRECTION

At its meeting of February 21, 2019, the Emergency and Community Services Committee directed staff to meet with the Hamilton Collaborative Partnership Group and report back to the Emergency and Community Services Committee with any and all options be explored including the feasibility of the City of Hamilton partnering with this group.

INFORMATION

The Hamilton Collaborative Partnership Group (HCPG) is a non-profit organization which represents a consortium of groups and interests in the City of Hamilton who have collectively expressed the need for additional indoor program space. This need was identified through a series of community online surveys, public consultations, interviews and research which has led to the HCPG requesting a partnership with the City of Hamilton.

The HCPG is proposing a 200,000 sq. ft. multi-sport facility. This facility will have 6-8 multi-courts (volleyball, basketball, pickleball, dodgeball) and a 200 m indoor track & field facility with either a turf or multi-court infield.

OUR Vision: To be the best place to raise a child and age successfully.

OUR Mission: To provide high quality cost conscious public services that contribute to a healthy, safe and prosperous community, in a sustainable manner.

OUR Culture: Collective Ownership, Steadfast Integrity, Courageous Change, Sensational Service, Engaged Empowered Employees.

SUBJECT: Hamilton Collaborative Partnership Group Multi-Sport Facility Proposal (HSC20026) (City Wide) - Page 2 of 5

The HCPG proposal identified several benefits to the City of Hamilton. These include:

- Positive impact on quality of life, as well as personal health and social cohesion.
- Projected to have significant economic impact in the community.
- Multi-sport facility be built to meet equivalent LEED Gold Certification Standards minimizing its carbon footprint and making the facility financially sustainable to maintain and operate over its project lifespan.

On October 17, 2019, the HCPG presented to the Emergency and Community Services Committee and asked if the City would either be a Lead or Joint applicant for the Investing in Canada Infrastructure Program (ICIP) funding. The Committee did not support the request for the City to be the lead or part of a joint application but directed staff to provide a letter of support and asked the group to report back if they receive funding. Staff was also asked that the project be added to the 2030 Commonwealth Games facility list.

Proposal Overview

According to the proposal, the 200,000 sq. ft. facility is estimated to cost \$60 M to construct. Table 1 breaks down the facility and hypothetical funding allocation.

Table 1 – Facility Size and Funding Breakdown

Facility Space	Sq. Ft.	Funding Allocation
Indoor Track & Field & Indoor Turf	66,000	\$20 M
Multi-Court	59,000	\$18 M
Community/Cultural Centre	15,000	\$5 M
Lease space & Ancillary	60,000	\$17 M
Total	200,000	\$60 M

The proposal is contingent on receiving the ICIP Multi-Purpose Stream funding. The \$60 M funding would be broken down into three sources:

- a. Federal \$24 M.
- b. Provincial \$19.9 M.
- c. Community \$8 M
- d. Municipal \$8 M (repayable loan)

In addition to the \$8 M municipal contribution for the ICIP funding, the proposal also asks the City to fund a land contribution or 50% of any land acquisition costs, 50% of any cost over runs and a waiver for land development fees.

The ICIP program has recently granted the opportunity to submit application revisions under exceptional circumstances. A proposed 2026 Commonwealth Games bid as well as a possible joint project initiative with other facility proposal opportunities qualify this application for resubmission.

Staff Review

Upon receiving the original proposal from HCPG, City of Hamilton staff reviewed the proposal and provided comments for consideration.

Pros

- The Indoor Study (2008) recommended that the City should assist community organizations in building the necessary capacity to fulfil the City's mandate in an efficient, effective, fiscally responsible and responsive manner. This would be facilitated through a variety of means, including community development initiatives and partnerships with public, not-for-profit, schools, and/or private sector interests.
- Although the City has not been able to verify the demand for this type of proposal, other areas of the province are capitalizing on the availability of such a facility not only from a programming perspective, but also from a sport hosting perspective. In discussions with the current court users within the City of Hamilton demand for additional court space is a requirement for the ability of these organizations to host regional and provincial events.
- The proposed facility would fill a sport tourism gap in the City and would allow for the opportunity to bid on many new events.
- Potential synergies with other City initiatives and planned capital investments.
- The proposed ownership model is similar to the current Mohawk 4 Ice Centre, a success model for both the municipality and the facility operator.

Cons

- The Indoor Study (2020) will be investigating the need for a facility offering the activities proposed (i.e. volleyball, pickleball, basketball, etc.) but the results will not be completed until 2021.
- The proposed capital budget at \$60 M is presumably just a construction budget (based on exclusions). The proposal states that this figure does not include taxes (HST on \$60 M exceeds \$1 M), staff costs, land acquisition, financing or interest. It is unclear whether the budget includes design, utility connections/upgrades, permits, taxes, federal climate lens, inflation or contingency, but it appears that it does not. An early estimate would put the total project cost at closer to \$80 M+, based on those additional costs.
- Tourism and economic impacts are difficult to determine until a location for the facility has been finalized.
- Economic spin-off requires facilities to be close to hotels and restaurants and could also be discounted by the number of day trippers.

Locations

Several municipal and privately-owned locations have been investigated as part of this proposal. In order to expand location options, the HCPG is open to the possibility of splitting the project and putting the multi-purpose gyms at one location and the indoor track at another location, thus splitting any infrastructure grants. Most of the member organizations comprising the Hamilton Collaborative Partnership Group are committed to supporting the proposed facility operation regardless of location. The two municipally owned locations that were investigated are outlined below. Additional possible municipal sites have been identified and need further investigation possibly as part of the Commonwealth Games bid information.

William Connell Park

This park is a large, city-wide park space (48.81 acres) abounded by two larger parcels of property classified as “parks & open space” (29.03 acres & 14.55 acres). Recent infrastructure improvements include a fieldhouse development; soccer and football fields; outdoor basketball and tennis courts; gazebo; play structures and spray pads; and over 150 parking spaces. There are discussions to include a future, community winter-themed park which could possibly be structured within the same funding model being proposed. A local soccer group consortium has also expressed an interest in joining their current soccer facility project to this site with possible synergies with the newly developed outdoor infrastructure.

- Property is located at 1086 West 5th Street. Adjacent property located at 315 and 319 Stone Church Road, West.
- Total accumulated property area is 92 acres; however, the park has undergone an extensive Master Plan process and is going through a second phase currently.
- Property zoned “AA” (Agricultural District) of Hamilton Zoning By-law 6593 and “P3” (City Wide Park) zone of Hamilton Zoning By-law 05-200.
- Service connections – limited.
- Potential for joint project with City of Hamilton ICIP project submission.

Harry Howell Arena Site

Although a 200,000 sq. ft. facility would not fit at this location it could very easily support a multi-purpose gym facility. As part of the 10-year capital plan, this location was the anticipated site of the new Waterdown Recreation Centre (including pool/gym/program rooms). This planned facility was also a submission for ICIP funding by the City of Hamilton. There are potential synergies in combining the City’s proposal with HCPG’s proposal.

- Property is located at 27 Highway 5 West.
- Site area is 21.14 acres (8.5 hectares).

**SUBJECT: Hamilton Collaborative Partnership Group Multi-Sport Facility
Proposal (HSC20026) (City Wide) - Page 5 of 5**

- Property zoned “M3, Special Exception 386” and “M2, Special Exception 386” of Hamilton Zoning By-law 05-200 (which permits Recreation, as defined, in addition to the permitted uses of the M2 and M3 zones).
- Servicing: Existing arena is equipped with municipal services including a fire hydrant connection and further investigation is required to determine what an additional facility would require.
- Once the cloverleaf is constructed at Highway 5 and 6 intersection North Wentworth Drive will be decommissioned. The only access to the site will be from the new industrial subdivision.

Although two possible locations have been identified for this, these have been for discussion purposes only and staff are not currently performing any further due diligence on either site. Direction to do further work would require Council direction and would likely be appropriate once funding decisions are known.

Next Steps

Although the HCPG proposal as it stands has some challenges, should the opportunity arise to separate this facility into two separate proposals there are several areas in which it could provide synergies to City projects. It would provide an opportunity for revised joint applications for ICIP funding, it could alleviate pressure on the City’s 10-year capital plan and benefit a 2026 Commonwealth Games bid. HCPG and staff will be reporting back to committee once the infrastructure funding has been announced.

APPENDICES AND SCHEDULES ATTACHED

None