



## INFORMATION REPORT

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| <b>TO:</b>                | Chair and Members<br>Emergency and Community Services Committee                   |
| <b>COMMITTEE DATE:</b>    | August 13, 2020   |
| <b>SUBJECT/REPORT NO:</b> | Stoney Creek Arena (HSC20029) (Ward 5)<br><b>(Outstanding Business List Item)</b> |
| <b>WARD(S) AFFECTED:</b>  | Ward 5  |
| <b>PREPARED BY:</b>       | Romas Keliacius (905) 546-2424 Ext. 4722  |
| <b>SUBMITTED BY:</b>      | Chris Herstek<br>Director, Recreation<br>Healthy and Safe Communities Department  |
| <b>SIGNATURE:</b>         |   |

### COUNCIL DIRECTION

At its meeting of May 16, 2019, the Emergency and Community Services Committee directed staff to report back on curling as part of the regular recreation facilities review in response to correspondence respecting Curling Facilities in Hamilton.

### INFORMATION

The Council direction was initiated by a request from the Glendale Curling Club in Stoney Creek and is why the Recreation Division prioritized Stoney Creek Arena for review.

Stoney Creek Arena is located at 37 King Street West in Stoney Creek next door to the Stoney Creek Recreation Centre. The 28,278 sq. ft. facility was built in the mid-1960s and has seating for 500 people.

The full property is 5.78 acres and contains the arena, recreation centre, parking and a play structure. The land is designated "Community Park" in Volume 2 - Old Town Secondary Plan, contained within the Urban Hamilton Official Plan. The lands are zoned "Community Park (P2) Zone" within Hamilton Zoning By-law 05-200, which permits Recreation, as defined in the By-law.

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

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## Financials

The 2020 Council approved Operating Budget anticipates that the arena will operate with direct expenses of \$414,810, offset by \$163,420 in revenue for a total net loss estimated at \$251,390. There is 2.9 FTE allocated to this facility, with total compensation and benefits totalling \$189,901.

There are currently no capital projects planned for Stoney Creek Arena. The capital backlog is \$2.43 M which only represents the straight like for like parts replacement cost. There would be constructability costs, upgrade costs, due diligence, consultants, escalation and other factors that would need to be considered with any capital investment. Facility Condition Index (FCI) is a benchmark that is used to objectively assess the current and projected condition of a building asset. Stoney Creek Arena's rating is 19.9% (Poor).

## Facility Utilization

Last ice season, Stoney Creek Arena was used for 981 hours resulting in a utilization rate of 34%. The facility has been underutilized over the past three years with the most notable decline in hours happening with affiliated user groups. The last ice season saw affiliated rental hours drop by 31% to 585 hours. Table 1 below provides a summary of 3 years of utilization data for Stoney Creek Arena.

Table 1 – Stoney Creek Area Hours Used

| Year    | Public | Affiliated | Non-Affiliated | Total Hours | Avg./Week | Arena Utilization |
|---------|--------|------------|----------------|-------------|-----------|-------------------|
| 2017-18 | 278    | 753        | 123            | 1154        | 48        | 40%               |
|         | 24%    | 65%        | 11%            |             |           |                   |
| 2018-19 | 363.5  | 853        | 27             | 1,243.5     | 52        | 44%               |
|         | 29%    | 69%        | 2%             |             |           |                   |
| 2019-20 | 365    | 585        | 31             | 981         | 41        | 34%               |
|         | 37%    | 60%        | 3%             |             |           |                   |

In addition, there is still uncertainty around the return to play of hockey due to the COVID-19 pandemic. Hockey Canada has lifted the national ban on sanctioned activities, allowing its members the opportunity to work with local health authorities on return-to-hockey plans. The Ontario Hockey Federation has developed a Return to Hockey Framework using a phased approach to return with programming aligned to the Ontario Government - Framework for the Reopening of Ontario. This will have both short and long-term impacts on ice needs at the City of Hamilton. It would be reasonable to assume that this may push the demand for ice even lower based on lack

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of interest, lack of funds and lack of members to properly formulate an adequate number of teams.

#### Potential Alternative Uses

The 2008 Indoor Study identified a need for one additional ice pad in the short-term and another in the long-term in the Lower Stoney Creek area. A private triple pad ice arena (Gateway Ice Centre) opened in 2013 and has filled this need, while also drawing community rentals away from the City's nearby rinks.

The Recreation Division is currently in the process of developing a Recreation Master Plan. This plan will review, analyze and provide recommendations with respect to future city-owned indoor and outdoor recreation facilities, amenities and programs. With respect to arenas, the Recreation Master Plan will determine which arena facilities are surplus to community needs and should be decommissioned or repurposed, along with those that should be renewed or redeveloped. In addition, options for enhancing usage, cost avoidance, future investment, and multi-use facility development will be considered. If Stoney Creek arena was deemed surplus, there could potentially be alternative uses for the facility, some of which are listed below.

- B-Rated Community Centre

The Indoor Study noted a trend where single pads are being retired, converted to arena floor-based activities (e.g. ball hockey, in-line skating) or other uses, closed outright, or are being twinned. The Study recommended that if any existing arenas become surplus through new development, there could be opportunities to repurpose some buildings into B-rated community centres where needed.

- Stoney Creek Recreation Centre Expansion

If Stoney Creek Arena was ever deemed surplus, an alternative worth exploring would be the addition of a gymnasium to the existing Stoney Creek Recreation Centre. This could be feasible so long as connections from the existing building to the new addition are possible, compliance with zoning by-law and necessary site plan approval and building permit is received. The outdoor amenities (i.e. play structure and open space) will require relocation/removal. There appears to be ample parking to support a gymnasium addition, if the arena is demolished.

- Partnership/Alternative Use

There are a variety of partners that the City could work with at this facility if it can no longer sustain ice surfaces as a viable option. An example is the request from the Glendale Curling Club. Since the group no longer has a facility of their own, they are hoping to partner with the City and invest money into a City facility in Stoney Creek. The

group claims that a partnership with the City would be cost effective and provide a much-needed destination point for local and visiting curlers with the additional promise of economic development spinoffs from curlers who come to the area to take part in bonspiels.

#### Demolition

The demolition of the facility is also an option if there is no demonstrated need for alternative uses. After demolition expenses, this would provide a net savings in operating expenses and a reduced pressure on the city-wide capital backlog.

#### Next Steps

The Recreation Master plan will provide guidelines on the future direction of Recreation assets. If the Stoney Creek Arena was no longer required for hockey and ice programming, it could be a potential curling facility, or one of the other options listed, if approved by committee and Council. Recreation staff will be reporting back to committee once the Recreation Master Plan has been completed.

#### **APPENDICES AND SCHEDULES ATTACHED**

None