

May 5, 2024

Hamilton City Hall

Attn: Ms. Holland, City Clerk

Dear Mayor Horwath and Members of Council,

In 2023, Rosedale Tennis Club, which has been located in Gage Park since 1919 and operating as a community tennis club since 1923, received support in the form of a loan and/or grant in the amount of \$1,150,000.00 for the addition of a dome and replacement of 4 existing tennis courts for the purpose of increasing tennis opportunities for Hamilton youth, families, seniors, local schools, and other community groups.

This loan request was approved at City Council. The approval was based on cost estimates for construction, including contingencies and supported by our business plan and financial plan that included a grant of \$200,000 from Tennis Canada, through the Rogers naming rights. We were very surprised to find out we were not successful in receiving the grant from Tennis Canada in part because Ancaster Tennis Club had received the grant in 2022. As construction is proceeding, several changes have been required that have added significantly to the cost of the project and we request additional funds to finalize paying for the project.

We are requesting an additional \$300,000 in additional loan to allow us to complete the project. The funds will cover the changes required to meet added costs for changes that are above the contingency amount set aside for the project.

The list of items that have created the financial challenge are,

1. Loss of sponsorship money \$200,000.
2. Fire door requirement cost \$10,000.
3. City required construction insurance cost \$15,000.
4. Cost of additional excavation and gravel, due to unforeseen conditions –light standards casings, double layer of old court paving. \$48,000 estimated.
5. Other - \$50,000.

In addition to the above items there is also the outstanding issue with the existing electrical vault that services part of Gage Park, Rosedale Tennis Club and Rosedale Lawn Bowling. The Electrical Safety Authority (ESA) has informed us that the proposed upgraded panel planned with the build is not acceptable as the electrical service vault is outdated and must be replaced. The estimated cost of this item is \$230,000.

We request that the City fund the replacement of the electrical box on the basis that it also serves Gage Park and the Lawn Bowling Club. We were also unaware that the box had been previously described by the Electrical Authority as in poor condition.

The financial cost to replace the electrical box is not included in our supplementary loan request.

Our club is in on solid financial footing. We have again reviewed the assumptions we used in building the model to support the initial approval of the project and our request to you for financing. We continue to believe our revenue growth assumptions are conservative. We have already begun to increase our membership as planned. To date we have added more than 100 new members.

In terms of present club operations, revenues are ahead of budget and therefore the net income of the club year to date (5 months ended February 2024) is better than the annual budget set by \$25,000. Net Income for the first 5 months is \$82,000.

Therefore, we have reviewed our financial position and are very confident that we can cover the additional loan request.

We can make our team of volunteers and committee members available to present on this matter to answer questions.

Thank you for your consideration and we look forward to working together to support the City of Hamilton Vision "To be the best place to raise a child and age successfully" and to Live, Work, Play.

Please contact us at info@rosedaletennisclub.ca or 905-545-5205.

Best Regards,



David Scott,
Rosedale Tennis Club President.

- c.c Councillor Nann Ward 3
- c.c. Councillor Hwang Ward 4
- c.c. Steve Sevor Director (Acting) Recreation Division.