Arena/Event Centre Site Selection and Public Engagement Results

ISSUE

The vision for a Downtown Event and Entertainment District is anchored around a new event centre/arena and new or enhanced convention centre, made more accessible through a future Bus Rapid Transit system. Two feasible site options for a future Downtown Event Centre/Arena were identified based on the scoring of approved technical evaluation criteria. These two sites proceeded to public engagement to better understand the perceived opportunities and challenges of both locations. With the completion of the technical evaluation and public engagement, what site will be selected for the future event centre/arena?

BACKGROUND

<u>History</u>

At its November 19, 2018 meeting, City Council considered a report entitled "Considerations for TCU Place and SaskTel Centre Project," and resolved, in part:

- "1. That the Administration be directed to include a future arena/convention centre when planning the future of Saskatoon's Downtown;
- 2. That the focus of the planning work include consideration of an entertainment district, not just an arena and/or convention facility."

At its meeting held on May 24, 2022, City Council considered a report entitled "<u>Downtown Event and Entertainment District – Arena Site Options Evaluation Criteria</u>," and resolved:

- "1. That the event centre site option evaluation criteria outlined in this report be approved; and
- 2. That the Administration report back on the event centre site options and public engagement approach."

At its August 29, 2022 meeting, City Council considered a report entitled "Downtown Event and Entertainment District – Event Centre/Arena Site Options and Public Engagement," and resolved:

"That the Administration proceed with public engagement to solicit feedback on the opportunities and challenges associated with the two feasible site options for a future Downtown event centre/arena, and report back with a decision report to City Council for a final decision on the site location."

Current Status

The development of the Downtown Event and Entertainment District project, centred on a new event centre/arena and convention centre, as well as the Bus Rapid Transit (BRT) system project, is ongoing. Of critical importance at this stage of the project is the selection of the future location of the Downtown event centre/arena. The project cannot proceed to the next stage without a decision on location.

The scope of work for the entire district has not yet been determined by City Council. The Downtown Event and Entertainment District project could be integrated with other municipal projects such as Imagine Idylwyld, Fire Hall No. 1, the Outdoor Festival Site, as well as opportunities for private investment in the immediate proximity to further animate the entire Downtown district. The Administration expects to have options in front of City Council in Q3 2023. City Council has already directed that the project include Indigenous placemaking, and it is expected that cultural gathering spaces, both indoors and outdoors, will be a consideration.

The City will continue to work with stakeholders to determine how to maximize the benefit of the district for all citizens of Saskatoon. The Administration views this initiative as foundational to Saskatoon's future competitiveness and economic viability, just as TCU Place and SaskTel Centre have been foundational to Saskatoon's success to date. The district itself, the significant transit improvements that will accompany the district, and all elements ultimately included in the scope of work will shape Saskatoon for generations.

Additionally, the project must be designed and developed in collaboration with the ongoing efforts of other levels of government in supporting the needs of Saskatoon's vulnerable population. Saskatoon's long-term viability will need to ensure that growth, economic development, and meaningful amenities that support quality of life will be experienced by all residents.

Public Engagement

Public engagement was conducted to provide City Council with feedback from the community on the perceived opportunities and challenges of the two feasible site options for the future event centre/arena. Public engagement started on August 30, 2022, with a representative sample survey completed August 30 to September 5, 2022. An open survey (opt-in online public survey, online survey for local business and organizations, and in-person intercept surveys) was launched on September 13, 2022, and open until October 3, 2022.

The full engagement results are provided in Appendix 1 – Event Centre/Arena Site Options: Representative Survey Report and Appendix 2 – Event Centre/Arena Site Options: Open Survey Report.

A summary of the key findings for both feasible site locations are included within the options described in the following section. Future stages of the project will be informed by the feedback from this process.

OPTIONS

This section describes and evaluates two potential site options for the event centre/arena. Evaluation criteria was proposed and approved in the August 29, 2022 City Council report, noted in the background section of this report. The same evaluation criteria used in that report are applied to the two options in this report. Moreover, additional analysis on each option incorporates the findings from the public engagement process, particularly, the opportunities and challenges for each site. Appendix 3 provides a map illustrating the location of each site option.

Option 1 – Locate the Future Event Centre/Arena at Site A – Midtown Shopping Centre North Parking Lot

In this option, the future event centre/arena would be located at Site A – Midtown Shopping Centre North Parking Lot, north of 22nd Street between 1st Avenue and Pacific Avenue. It requires the acquisition of this property from Midtown Plaza Inc. as the next step in the process.

Technical Evaluation Criteria Score: Items that Scored "Good"

- Available land is sufficient at this site to accommodate a potential event centre/arena and related infrastructure.
- The transportation network supporting this site is strong with excellent connections in every direction.
- This site offers a good opportunity for adjacent and surrounding lands to drive strategic infill to support an event and entertainment district, particularly to the west and north of the site.
- Existing TCU Place is adjacent to site, creating an excellent opportunity for codevelopment with a new or expanded convention centre in the area.
- Very good proximity to existing hotels, restaurants, entertainment establishments and businesses at this site.
- Effect on residential areas and properties is expected to be limited with this site option.
- This site would be on the Bus Rapid Transit (BRT) Red, Green and Blue Lines with stations along the south and east sides of the site.
- The existing parking inventory within reasonable distance of the site to support an event centre/ arena is favourable.

Technical Evaluation Criteria Score: Items that Scored "Moderate"

• The utility/servicing required for the site are moderate and purchase of this site would require maintaining mall parkade and loading dock access, which will need to be realigned.

Public Engagement - Opportunities

Representative sample survey results identify the top three perceived opportunities for this site as its proximity to existing amenities (e.g., restaurants, bars, shopping, hotels, and other entertainment venues), ease of access due to the more central location within Downtown, and potential to support revitalization of Downtown (e.g., being good for

Downtown businesses). These same results are found in the open survey, suggesting that there is a large consensus on the opportunities for this site.

Public Engagement – Challenges

Representative sample survey results identify the top three perceived challenges with this site to include limited parking availability, traffic coordination/congestion, and crowding/congestion in the area. The same results emerge from the open survey, although in different order. Nonetheless, the results of both surveys indicate a strong consensus on the perceived challenges of this site.

Financial Implications

The conditional agreement to purchase the Midtown Shopping Centre North Parking Lot includes a purchase price of \$25 million. Further details regarding the conditional agreement are provided in the companion report entitled "Downtown Event and Entertainment District – Land Acquisition - Midtown North Lot," which is also being considered at this meeting of City Council.

The agreement includes requirements related to relocating existing parkade and loading dock access ramps and establishing new parking facilities equal to what will be lost to the development of an arena/event centre at this location. While the costs of these obligations to the City of Saskatoon (City) under this agreement will not be fully understood until designs for the new facilities and infrastructure can be developed, it is expected that these additional costs will be approximately \$25 million, although most of this infrastructure will also support the new event centre/arena and new or expanded convention centre.

Option 2 – Locate the Future Event Centre/Arena at Site B – North Downtown/City Yards

In this option, the future event centre/arena would be located at Site B – North Downtown/City Yards, bordering 25th Street and Ontario Avenue. It requires the relocation of at least a portion of the civic operations facilities currently in place at this site prior to the development of a new event centre/arena.

Technical Evaluation Criteria Score: Items that Scored "Good"

- The site offers a very good opportunity for adjacent and surrounding lands to drive strategic infill to support an event and entertainment district, but amenities in immediate area may take many years to develop.
- Effect on residential areas and properties is expected to be limited with this site option.

Technical Evaluation Criteria Score: Items that Scored "Moderate"

 Available land is sufficient at this site to accommodate a potential event centre/arena and related infrastructure, although will require extensive demolition of existing buildings and relocation of at least a portion of civic operations to new facilities located elsewhere.

- The transportation network supporting this site is considered moderate, with the CP Railway a significant barrier to the north and west of the area.
- Relative to Option 1, the site is distant from TCU Place, which complicates the ability to create an event and entertainment district anchored by a convention centre (daytime animation) and event centre/arena (evening animation).
- Relative to Option 1, long distances from existing hotels, restaurants, entertainment establishments and businesses.
- This site will be along the BRT Blue Line with stations along the south side of the site, while the nearest BRT Red and Green Lines run along 1st Avenue, with the nearest station approximately two blocks south of this site.

Approved Technical Evaluation Criteria Score: Items that Scored "Poor"

- This site lacks existing parking inventory within reasonable distance to support an event centre/ arena.
- While the relocation of civic operations from the City Yards to new satellite
 facilities in the north, southwest and southeast areas of the city is a long-term
 goal of the City (to allow for eventual redevelopment of North Downtown), the
 relocation of these operations would represent a substantial capital investment.
 Utility/servicing costs are expected to be low with a potential need for
 environmental clean-up from the abandoned railway lines and relocation of civic
 operations prior to redevelopment in the area.

Public Engagement - Opportunities

Representative sample results identify the top three perceived opportunities for this site as the land availability, accessible parking, and proximity to the police station along with opportunity for new development, which are tied.

In contrast, open survey results indicate that the top three perceived opportunities are increased Downtown activities, central location, and traffic flow/access.

Public Engagement – Challenges

Representative sample survey results identify the top three perceived challenges with this site as traffic coordination/congestion, limited parking availability, and distance from existing amenities. The same results emerge from the open survey, suggesting that these are highly observable common challenges to this site.

Financial Implications

Site B – North Downtown/City Yards is wholly owned by the City. However, City Yards is the current hub, point of origin, and storage for staff, equipment, and materials that the City relies on for maintaining roads (summer and winter functionality), water and sewer infrastructure, garbage collection, fleet maintenance services, traffic signals, pavement marking, and traffic signing.

Long-term planning has been completed for future relocation of the City Yards to new satellite facilities and it is estimated that costs could exceed \$200 million to relocate the City Yards in its entirety. The estimated costs to relocate only a portion of City Yards

would depend on the extent of the City Yards area that is displaced by new development in North Downtown in support of a new Downtown Event and Entertainment District. If this site is selected by City Council, the district master plan would need to be completed to confirm the portion(s) of City Yards that would be displaced.

RECOMMENDATION

That Option 1 be approved with the future event centre/arena to be located on Site A – Midtown Shopping Centre North Parking Lot.

RATIONALE

Based on the approved technical evaluation criteria, Site A – Midtown Shopping Centre North Parking Lot ranks favourably in nearly every category. It is the highest scoring site, which was affirmed by the two external consultants and was perceived to have strong opportunities for future development according to the public engagement survey results. The public surveys also identified key opportunities with this site to be the proximity to amenities, its ease of access due to its central location, and increased Downtown activities.

The Administration has consulted with the Advisory Group, established and appointed by City Council, on the site options. The Advisory Group also recommends that Site A be selected as the location for the future event centre/arena.

Despite the clear opportunities with the recommended site, the survey results identify parking availability and traffic congestion as key challenges (for both locations). The Administration believes this challenge can be mitigated at Site A through information sharing on the current inventory of existing off-street paid parking, private stalls that could be made available as public parking during events, and on-street paid parking stalls within walking distance. Enhanced communications can also provide more clarity indicating that the City would replace the 526 stalls currently in the north parking lot and may be augmented with construction of additional parking following a parking needs assessment.

Parking and congestion issues may be less of a concern as the site and the supporting transportation network is developed. The future BRT routes will connect the district to the entire city and will be able to move a large number of people in and out of the area. This will be an important infrastructure investment to reduce or minimize perceived challenges with traffic congestion.

As directed by City Council, the Administration will continue to pursue all financial opportunities with the intent to construct the project with no property tax impact, as has been achieved in some North American cities who also do not have major professional sports teams. This will be inclusive of land costs, as the intent is to repay the Property Realized Reserve once full project funding is in place.

ADDITIONAL IMPLICATIONS/CONSIDERATIONS

The Administration continues to work with the financial consultant for the project to complete an analysis of various funding tools and development of a funding strategy to support the project.

Site A has been determined to be of sufficient size to accommodate an event centre/arena. Based on the advice of external site consultants, the Administration has pursued conditional purchase agreements in strategic areas located in general proximity to the site which, if approved by City Council, would provide designers the most flexibility possible to incorporate public spaces and public realm improvements, ensure efficient circulation through the district, provide flexibility in the design of the event centre and ancillary infrastructure, and provide the City with more control in the development of the district. The Administration is finalizing the reports associated with those agreements and expects to bring those decisions to City Council in December. The total expected cost of these additional sites is \$17.3 million, and as with the Midtown site, the proposed funding source will be the Property Realized Reserve.

Communications, Triple Bottom Line, policy, privacy, and CPTED implications will be considered in future reports as the project evolves.

COMMUNICATION ACTIVITIES

The Administration will continue to communicate milestones and engagement opportunities for the Downtown Event and Entertainment District in a variety of ways to inform the public of the project's progress and ways to participate in its development. Plans will include a variety of tactics such as updates to the Journey to the District webpages, subscriber emails, News Releases and PSAs, media scrums, social media, videos, and other forms of advertising.

APPENDICES

- 1. Event Centre/Arena Site Options: Representative Survey Report
- 2. Event Centre/Arena Site Options: Open Survey Report
- 3. Site Options Map

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