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## **Admin Report - Considerations for TCU Place and SaskTel Centre Project.docx**

### **Recommendation**

That the report of the General Manager, Community Services Department, dated November 13, 2018 be received as information.

### **Topic and Purpose**

The purpose of this report is to provide the Administration's perspective with respect to the long-term strategic direction for the TCU Place and SaskTel Centre facilities.

### **Report Highlights**

1. This report has considered the design and infrastructure issues associated with the siting decision for new arena and convention centre facilities; no recommendations or conclusions pertaining to timing or funding are made in this report.
2. The City will be updating the City Centre Plan over the next 12 to 18 months, which will set in place a template for the future of the City Centre for decades to come. Whether or not a future arena will be located in the Downtown will be a significant consideration when planning Saskatoon's Downtown.
3. The Administration has reviewed the Analysis of New and/or Expanded Event and Convention Facilities in Saskatoon report from a city-building perspective. Considering all factors, the Administration concurs with and supports the recommendations of the report.
4. There is a potential for synergy between major facilities such as the arena and convention centre, and other Downtown amenities, including dining, hotels, and retail.
5. Further analysis of Downtown infrastructure, including roads, parking, water and sewer, will need to be undertaken to understand the effects of new facilities and mitigate potential impacts.
6. Siting a new arena and replacing the convention centre in the Downtown would be a catalyst for further Downtown development. Priority and timing will be weighed against other community goals in future years.
7. The opportunity presented by pursuing these facilities should include careful consideration of the impacts and mitigating efforts that will be required.

### **Strategic Goal(s)**

This report supports City Council's priority of Downtown Development, along with the Strategic Goals of Economic Diversity and Prosperity, and Sustainable Growth.



## **Background**

In April 2016, Governance and Priorities Committee received a presentation from Mr. Will Lofdahl, CEO, SaskTel Centre, on the state of the facility and the industry. Mr. Lofdahl advised that a market analysis would be conducted to assist in determining the future of the arena. TCU Place was added to the market analysis following the meeting.

At its March 19, 2018 Governance and Priorities Committee meeting, Committee received a presentation of the completed analysis on behalf of SaskTel Centre and TCU Place. The report was prepared by the consulting team of HLT Advisory, Conventional Wisdom and Convergence Design. Committee referred the report to Administration to provide its perspective on the topic. Due to the large size of the report, the final report can be found at on SaskTel Centre's website at:

<http://sasktelcentre.com/docs/eWvSgb7aASpQ8vWYWEUqKsXoOC/Final-Market-Analysis-Report-March-2018.pdf>.

## **Report**

### Considerations for this Report

The consultants' report used an evaluation matrix that included:

- urban design issues (compatibility with adjacent land uses, user experience, proximity to dining/retail);
- transportation (vehicular access, pedestrian access, parking);
- cost factors (land acquisition, site development, building construction); and
- acquisition and timing (ability to meet timetable).

The report concluded that when the time comes that a major investment is required in SaskTel Centre, that its replacement be constructed in the Downtown. The consultant's report was focused on the needs of SaskTel Centre and its ability to maintain its current market share. In addition, the analysis of the needs of TCU Place, as it nears the end of its useful life, also looked at what a replacement venue should consist of. This report will focus on the city-building impacts of this project.

### Potential for Economic Impact

These types of facilities, both arena and convention centre, provide a service in the community by hosting events of various kinds, including sports events, major entertainment tours, trade shows, and conventions, among others. As part of this, these facilities also serve as destinations and attractions for both visitors and residents which creates a wider economic impact in the community through spending on hotels, transportation, retail and dining, in addition to the events.

The current location of TCU Place allows attendees of events to experience other dining and shopping experiences in close proximity, throughout the Downtown, and potentially into Riversdale and Broadway as well. This creates economic benefits in the local economy, beyond the event itself, through this natural synergy. Conversely, the current

location of SaskTel Centre in a largely industrial area, does not offer the same opportunities. The area around SaskTel Centre is not focused on attracting visitors to spend more time and money as an extension of the events at the facility, so the overall consumer experience is more limited for most events.

However, given that there is expected to be little overall growth in the number of events, the change in location of the arena to the Downtown would be expected to relocate the existing level of economic activity with the potential for some modest growth by providing easier access to a larger number of amenities in the city centre. The convention centre is also not expected to see a large increase in the numbers of events, and will continue to function as a largely regional attraction. Its location in proximity to other Downtown amenities is crucial, as this is a key consideration for event planners that book conferences, trade shows, etc.

In considering the future of these facilities, and the potential for synergy between major facilities such as the arena and convention centre, and other Downtown amenities, including dining, hotels, and retail, a Downtown location for both facilities is preferable to a more distant location.

New facilities in the Downtown are expected to lead to increased property values in the area. This has the potential to drive density increases, which would support the goals for BRT, the City Centre Plan and Plan for Growth, and support existing retail and amenities in the Downtown. Given City Council's priority for Downtown development, these new facilities could become a catalyst for further development. As described further below, careful consideration would need to be given to how to ensure that the maximum benefits are achieved for the local area.

#### Urban Design Considerations

With the right conditions and setting, the facilities can serve as a catalyst for further development/redevelopment in the immediate area. As mentioned, the current location of TCU Place allows attendees of events to experience other dining and shopping experiences in close proximity. Locating the arena in the Downtown would also build on the existing amenities. Further, a central location would support the ability of attendees to access the facility by multiple means, including transit, active transportation, and private vehicles.

As outlined in the consultant's report, current industry trends for arena facilities focus on creating a "total spectator experience". This includes the building appearance, concourses, food, beverage and retail outlets, as well as functional details like lobbies and restrooms. In addition, modern arenas are generally designed to try to maximize the spending of event attendees by including retail and food options within the facility itself. If the goal of creating new facilities is to be a catalyst for other new development, careful consideration should be given to how to maximize the benefit in the local area, as opposed to solely creating options for enhanced spending within the facility itself.

Locating the arena in the Downtown requires a different model of arena than the current character of SaskTel Centre and an emphasis should be placed on creating a dynamic and active street environment. Creating the facilities in ways that link to the surrounding area provides the appropriate conditions to further animate the area beyond just events. Therefore, locating the facilities in an area that is surrounded by existing businesses, such as hotels, food and beverage options, has the potential to create more active streets. An alternative would be to try to build a new “district” around SaskTel Centre’s current location. This approach could take significantly more time to see results and could be detrimental to the Downtown by drawing investment suited to the Downtown away to the new district. This option would also not align with the Plan for Growth and plans for Bus Rapid Transit, and may not be successful due to the fact that the amenities would be utilized primarily before and after SaskTel Centre events, leaving them under-utilized at other times.

In order to ensure the optimal outcomes for the community, it will be important to undertake a strategic and thoughtful planning process to ensure the creation of an attractive, well-connected and appropriate “district” around the facilities. Examples from Edmonton and Winnipeg have demonstrated the potential that can be achieved by creating a strong planning framework around new facilities. Such a framework would include consideration of land use impacts to adjacent buildings and sites, parking impacts, traffic and transit, connectivity and accessibility, placemaking and public realm improvements, among others. In addition, it would likely be necessary to create new development regulations in advance to prevent the creation of significant additional surface parking on private properties. Without such regulation, the city may see the loss of otherwise viable buildings, including buildings of heritage value, to the perceived demand for facility parking.

### Downtown Infrastructure Impacts and Considerations

#### **Transportation Impacts**

The current location of SaskTel Centre has become well located regionally through the provision of traffic signals and the Chief Mistawasis Bridge; however, the parking lot egress remains problematic without any opportunity for remedy. Interchanges at Highway 16/ Marquis Drive and Idylwyld Drive/Marquis Drive are possibilities currently under review and may improve traffic conditions near this site.

With regards to a Downtown location for the arena, there are a number of considerations. The challenge for a Downtown site is the perception that it will only make traffic worse, however it is important to note that the facility and events generally don’t discharge into peak hour demands, and with additional options for dining and shopping around the facilities, patrons of these districts often choose to arrive earlier or stay later, which also helps to distribute event traffic over longer periods. The Downtown has a variety of entrance/exit routes that will allow traffic to disperse and with transit and active transportation infrastructure in place and planned, patrons would have a variety of travel modes to choose from.

In the Downtown, the facility would be sited within the grid street network with signals at all intersections, with quick access to bridges and the opportunity to allow for manual interventions to the traffic signal infrastructure to help disperse traffic. Once a specific site is chosen, a thorough traffic review would be required. The review would focus on operational improvements to support traffic dispersal.

A key consideration for any large future facilities in Saskatoon is its location relative to the Bus Rapid Transit network (BRT). Locating large destinations, such as the convention centre and arena, a short walk to a high-quality transit station will leverage investments in BRT to support the travel demands associated with these facilities. High frequency transit on the regular BRT routes, in close proximity to these facilities, helps to create the conditions for higher event ridership. It is important to note that a BRT system will be important to the success of a Downtown arena, but it does not necessarily require “front-door” access. In some circumstances, cities have intentionally located transit stations several hundred metres away from arenas and similar venues. This helps “meter” the pedestrian traffic, lowering peak transit demand. It also may prompt additional economic activity in the surrounding area as people stop at adjacent restaurants, etc. after events. Regardless of whether the north/south BRT route is located on 1<sup>st</sup> Avenue or 3<sup>rd</sup> Avenue, all of the potential Downtown arena locations that have been considered to date are within a 400-600 metre (5-7 minute) walk of anticipated BRT station locations.

### **Parking Impacts**

Locating a new arena, in addition to the convention centre, in the Downtown core, will require careful analysis of parking conditions in advance to prepare for and mitigate potential negative impacts. While locating in the Downtown does create the potential for shared parking options with existing uses, effort would be required to ensure that this would occur. For example, this might involve partnerships with existing private parking operators to open private stalls for shared use. As outlined in the Comprehensive Downtown Parking Strategy, the potential for a parking authority should be further investigated, as such an authority may be a strategic “partner” in intensifying the use of existing parking resources in a managed way.

### **Water and Sewer Infrastructure Impacts**

From a high level infrastructure perspective, the location of these facilities has the implication of creating additional requirements on the existing water and sewer systems and potential upgrades may be required. Once a location is chosen, a servicing strategy would need to be developed.

### **Review of Implications**

On balance, considering the focus of City Council on Downtown Development, the ability of the Downtown to physically accommodate facilities of these types in terms of siting, transportation impacts, proximity to the future Bus Rapid Transit, and the ability to enhance the economic impact for local businesses by building on existing conditions, the Administration is of the perspective that a Downtown location for new convention and arena facilities would have the highest overall benefit.

The Administration has not considered any timing or priority considerations for this project. At this point, the Administration believes the need for a new arena and convention centre is several years away. However, as the City continues to make investments in its Downtown, it is important to know sooner than later whether or not a future entertainment district will be included.

#### Potential Next Steps in the Process

The opportunity presented by pursuing these facilities should include careful consideration of the impacts and mitigating efforts that will be required. As outlined above, such a strategic investment should include a thoughtful planning and real estate regime to ensure that the potential economic spin-offs for local businesses and amenities for residents and visitors are achieved. In order to do so, consideration would need to be given to a phasing of appropriate studies and analysis, once a specific location is selected.

#### **Public and/or Stakeholder Involvement**

Stakeholder involvement has occurred to date through the process undertaken by the SaskTel Centre and TCU Place Boards to develop the consultant's report. Public and stakeholder involvement in future phases would be determined at a later date.

#### **Communication Plan**

No communication plan is required as a result of this report.

#### **Financial Implications**

Financial implications were addressed in the report of the CFO/General Manager dated November 13, 2018 regarding Financing Options – New or Renovated Arena and Convention Centre. Further investigation will be required at a future date.

#### **Other Considerations/Implications**

At this time there are no policy, privacy, environmental or CPTED implications. Each would be considered during future project stages as required.

#### **Due Date for Follow-up and/or Project Completion**

No follow up is currently planned.

#### **Public Notice**

Public Notice pursuant to Section 3 of Policy No. C01-021, Public Notice Policy, is not required.

#### **Report Approval**

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