

Toronto 2015 PAN/PARAPAN AM GAMES

Markham Venues

Presentation to General Committee

January 24, 2011

Purpose

To seek Council's approval on key decisions related to the hosting of 2015 PAN AM Games in order to meet deadlines set forth by the Toronto 2015 Committee and Infrastructure Ontario (IO).

Toronto 2015 has issued a formal request to provide final site confirmation on January 25, 2010.

Historical Background

- Location of the Water Polo Pool was determined through a Committee of Council and Staff --a variety of options were explored. The Town selected Markham Centre on the south side of YMCA Blvd as the location for the facility.
- May 2010: Facility location and Functional Program Matrix, approved by Council, submitted to PAN AM Organizing Committee.

	Net Sq Ft	Total Cost \$	Town Contribution	PAN AM Contribution
Pool Facility (50 Metre Pool) <i>44% town funded</i>	50,000	51,830,000	22,805,200	29,024,800
Additional Field house <i>100 % town funded</i>	34,000	22,100,000	22,100,000	0
TOTAL	84,000	73,930,000	44,905,200	29,024,800

January 10th Council Workshop Directions to Staff:

Location and Site Requirements - On January 10, 2011, a workshop was held with members of General Committee concerning Markham's involvement in the 2015 PAN AM Games. Specifically, members of Council were provided with background, site concerns brought forward by Toronto 2015 and alternative options.

Workshop Outcome - General Committee directed:

- 1) Review of two alternative sites by Toronto 2015 and Town Staff
 - Milliken Mills Community Centre
 - Alternative Site in Markham Centre
- 2) Report back to January 24th General Committee with recommendations to be forwarded to Council on January 25th.
- 3) Recommended not to proceed with the Soccer Stadium proposal.

Toronto 2015 Venue Verification Criteria:

A Venue Verification Process was undertaken from May to September 2010. Venue evaluations were completed for all Competition and Training venues. The following criteria were used for evaluation and was applied to evaluate three locations in Markham for the Water Polo/Badminton venues:

1. **Technical Criteria** : meets technical requirements - yes or no
2. **Athlete and Sport Considerations:**
 - Distance from Village
 - Athlete Friendly
 - Sport Suitability
 - Sport Legacy Opportunities
3. **TO2015 Operating Considerations:**
 - Existing useable infrastructure
 - Multiple sport same site/clustering opportunity
 - Exclusive use flexibility and or tenant implications
 - Workforce or volunteer mgmt implications
 - Strong staff component with venue knowledge
 - Space parameters – front/back of house to suit requirements
 - Regional context
 - Transit system considerations.

Alternative Site Evaluation

Milliken Mills Community Centre and Library

Milliken Mills Community Centre & Library

Staff Evaluation

Benefits of the Milliken Mills Community Centre & Library as a location for the Pan Am Water Polo and Field house:

- Synergies and operational efficiencies with existing facility amenities;
- Legacy of the PAN AM Games aligns with ILMP;
- Addresses identified needs for Milliken Mills Community Centre and Library
- Operating cost savings of \$300,000 per annum;
- Transforms an older facility into a premiere facility;
- Meets the prescribed timelines set forth by Toronto 2015;
- Having two pools together – existing leisure pool and new 50 metre pool will create new opportunities to host aquatic events.

Milliken Mills Community Centre & Library

Staff Evaluation

Possible **challenges** with the Milliken Mills Community Centre & Library:

- Impact to current users and revenues during construction;
- Loss of green space at front and rear of building
- Logistical challenges of McDonald's during the Games and during construction.
- Renovation of existing building does have risks.

Milliken Mills Community Centre & Library

Toronto 2015 Evaluation

Toronto 2015 did an evaluation of the site and have deemed it as **acceptable**. They noted the following **key benefits**:

- Synergies and operational efficiencies with existing Community Centre & Library, including staffing, parking and common spaces;
- Ability to cluster events – both Water Polo and Badminton in one location;
- Meets all technical guidelines;
- Site is capable of accommodating the building footprint with significant modifications to original site configuration.

Milliken Mills Community Centre & Library

Toronto 2015 Evaluation

Toronto 2015 did **express concern** about the following:

- Requires a change to their draft original building configuration to accommodate functional program;
- Very tight fit with alterations to site for parking;
- FOH/BOH is limited and may require use of City of Toronto Reservoir land
- Concerns with risks associated with a renovation of an existing building including impacts to budget and timelines;
- Need for amendment of existing agreements with City of Toronto – adjacent property owner;
- Concerns about existing McDonald's lease on site will challenge Games logistics and security requirements; major disruption/closure to facility during construction and Games operations.

Financial Summary – Milliken Mills Community Centre and Library

Scenario A – I/O constructing both pool and Field house. Town host for Water polo and Badminton:

MILLIKEN MILLS COMMUNITY CENTRE & LIBRARY	Net Sq Ft	Total Cost \$	Town Contribution	PAN AM Contribution
Pool Facility (50 Metre Pool)	50,000	51,830,000	22,805,200	29,024,800
Additional Field house (I/O construct)	36,000	22,100,000	22,100,000	
COUNCIL APPROVED	86,000	73,930,000	44,905,200	29,024,800

ADDITIONAL SITE COST		Total Cost \$	Town Contribution	PAN AM Contribution
Site Servicing		3,000,000	3,000,000	
Contingency		1,700,000	1,700,000	
Total		78,630,000	49,605,200	29,024,800

Annual Operating Impacts	(\$1.0 M)
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Financial Summary – Milliken Mills Community Centre and Library

Scenario B – I/O constructing pool and Town constructing Field house to specifications of Badminton. Town host for Water polo.

MILLIKEN MILLS COMMUNITY CENTRE & LIBRARY	Net Sq Ft	Total Cost \$	Town Contribution	PAN AM Contribution
Pool Facility (50 Metre Pool)	50,000	51,830,000	22,805,200	29,024,800
Additional Field house (Town construct)	36,000	14,400,000	14,400,000	
Total	86,000	66,230,000	37,205,200	29,024,800

ADDITIONAL SITE COSTS		Total Cost \$	Town Contribution	PAN AM Contribution
Site Servicing		3,000,000	3,000,000	
Contingency		1,700,000	1,700,000	
Total		70,930,000	41,905,200	29,024,800

Annual Operating Impacts	(\$1.0 M)
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Additional Financial Benefits for Milliken Mills Community Centre Location

- Constructing the facilities at Milliken Mills Community Centre & Library, would result in a reduction of \$300,000 in annual operating costs .
- Anticipated need for renovation at Milliken Mills Community Centre & Library that is currently estimated at \$8.6 million. By constructing the aquatics and field house facilities at Milliken Mills Community Centre & Library, this renovation cost could be reduced by \$5.6 million to \$3.0 million through synergies resulting from newly constructed spaces.
- The Integrated Leisure Master Plan identified a 35,000 sq ft expansion at Milliken Mills Community Centre & Library at an estimated cost of \$14.0 million. However, it definitely would not be required if the Pan Am field house was built at Milliken Mills Community Centre & Library.
- The cost savings from not needing to construct ILMP Milliken expansion of \$14.0 + \$5.6 = \$19.6 million

Alternative Site Evaluation

Markham Centre Alternative Site

Markham Centre Alternative Site

Staff Evaluation:

Benefits with the Markham Centre Alternative Site:

- Civic animation of down town core in Markham Centre
- Exceptional proximity to transit
- High Visibility from major roadways
- Site meets Pan Am timelines and technical specifications
- High profile legacy building for Pan Am Games in Markham Centre
- Ability to meet Pan Am timelines
- Easier construction due to Greenfield site

Markham Centre Alternative Site

Staff Evaluation:

The following were identified as possible **challenges**:

- Town does not currently own the property. There are still outstanding conditions around the purchase.
- Loss of potential revenue /investment through resale or redevelopment.
- Need for shared and potentially below grade parking as areas around the site develop.
- Could impact other Town recreation priorities.
- Would require the Town to build the Field house at the same time as the Water Polo Pool under the IO funding model.

Markham Centre Alternative Site

Toronto 2015 Evaluation:

Toronto 2015 did an evaluation of the site and has deemed it as **acceptable**. They noted the following key **benefits**:

- Ability to cluster events – both Water polo and Badminton;
- Close proximity to transit systems;
- Visibility from Hwy 407;
- Ease of construction on a Greenfield site – preferred construction alternative;
- Lower risk profile of construction;
- Sport and Games legacy in a high profile location;
- Sufficient site space for FOH/BAH compounds and circulation.

Toronto 2015 did express **concern** about the following:

- There are still outstanding conditions around the purchase of the land.

Financial Summary – Markham Centre Alternative Site

MARKHAM CENTRE	Net Sq Ft	Total Cost \$	Town Contribution	PAN AM Contribution
Pool Facility (50 Metre Pool)	50,000	51,830,000	22,805,200	29,024,800
Additional Field house	36,000	22,100,000	22,100,000	
COUNCIL APPROVED	86,000	73,930,000	44,905,200	29,024,800
ADDITIONAL SITE COSTS				
		Total Cost \$	Town Contribution	PAN AM Contribution
Site Servicing		1,200,000	1,200,000	
Land Costs		10,500,000	10,500,000	
Contingency		200,000	200,000	
Sub total:		11,900,000	11,900,000	
Total	86,000	85,830,000	56,805,200	29,024,800

Annual Operating Impacts	(\$1.3 M)
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Markham Centre Considerations

- **If Council chooses to proceed with Markham Centre location**
 - Locate building on eastern portion of site
 - A Plan B must be put into place if the land acquisition is not completed by the Town with Milliken Mills Community Centre & Library being the back up site.
 - Additional budget required for site works - \$1.4 million
 - Field house would be constructed at same time by I/O.

Toronto 2015 Site Evaluation Summary

Toronto 2015 deemed both Milliken Mills Community Centre & Library and Markham Centre as acceptable. However, Markham Centre Site did score higher on their criteria as it would be a ‘new build’ project on a Greenfield, which they have indicated is preferable from a risk mitigation perspective. Greater ability to control timing and costs.

Since both sites met minimum criteria, the final decision on site location rests with the Town of Markham.

Toronto 2015 score: Markham Centre – 53 points
Milliken Mills CC and Library - 44 points

Toronto 2015 has indicated: ***“Site selection is ultimately the responsibility of the municipality and we have offered these comments from a Games perspective to assist you in making an informed decision. The municipality will need to decide from a Legacy and planning perspective as to the best site for its long term needs.”***

Staff Site Evaluation Summary

The two new alternative sites discussed in this report are both viable from a site function perspective and will meet timelines of the games.

Milliken Mills Community Centre & Library site demonstrates better financial and operating synergies.

Staff continues to recommend Milliken Mills Community Centre & Library as the new location due to:

- **alignment to ILMP;**
- **financial benefits;**
- **community legacies for Milliken Mills Community Centre;**
- **operational efficiencies.**

Financial Summary - Construction

Depending on the option selected the differences between the two locations range from \$7,200,000 to \$14,900,000

	Net Functional	Markham's Share	Pan Am Share	Total
Milliken Mills • Water Polo/Badminton (I/O to build both)	86,000 sq. ft.	49,605,200	29,024,800	78,630,000
Milliken Mills • Water Polo only (I/O to build) • Badminton (town to build)	86,000 sq. ft.	41,905,200	29,024,800	70,930,000
Markham Centre •Water Polo/Badminton (I/O to build both)	86,000 sq. Ft.	56,805,200	29,024,800	85,830,000*

* Includes land cost of \$10.5 million - without land costs - \$75,330,000

Recommendations

- 1. The PAN AM Pool be relocated to Milliken Mills Community Centre and Library.**
- 2. A Field house/Gymnasium Facility be constructed by the Town of Markham at Milliken Mills Community Centre and Library to meet International Standards for Badminton. This facility will be offered to Toronto 2015 for consideration as the host venue for badminton.**
 - If arrangements with Pan Am cannot be negotiated then we would delay construction of Field house until post games and not be a venue for Badminton for the Pan Am games. Outcome would result in two construction periods that would impact users twice.
 - Alignment of Library expansion timing as well.

**Questions/ Discussion
Thank You**