

AN ANALYSIS OF NEW AND/OR EXPANDED EVENT AND CONVENTION FACILITIES IN SASKATOON

Presentation to:

**Governance and Priorities Committee
City of Saskatoon**

March 19, 2018

SETTING THE STAGE

- Wide-ranging study over 12+ months
- Scope:
 - A focus on community infrastructure
 - Venues used for different purposes
 - Location
 - Value for money and economic benefit
- General background that supports market study:
 - Prosperous and growing city
 - Good consumer base
 - Proven use of both TCU Place and SaskTel
 - Strategic location between Winnipeg and Edmonton
- Has led to several key conclusions

KEY FINDINGS

1. TCU Place and SaskTel Centre are nearing obsolescence
2. Replacement trumps renovation
3. A downtown setting is important
4. Capital costs of any solution are significant
5. The status quo is not an option

1. VENUES NEARING OBSOLESCENCE

SaskTel Centre

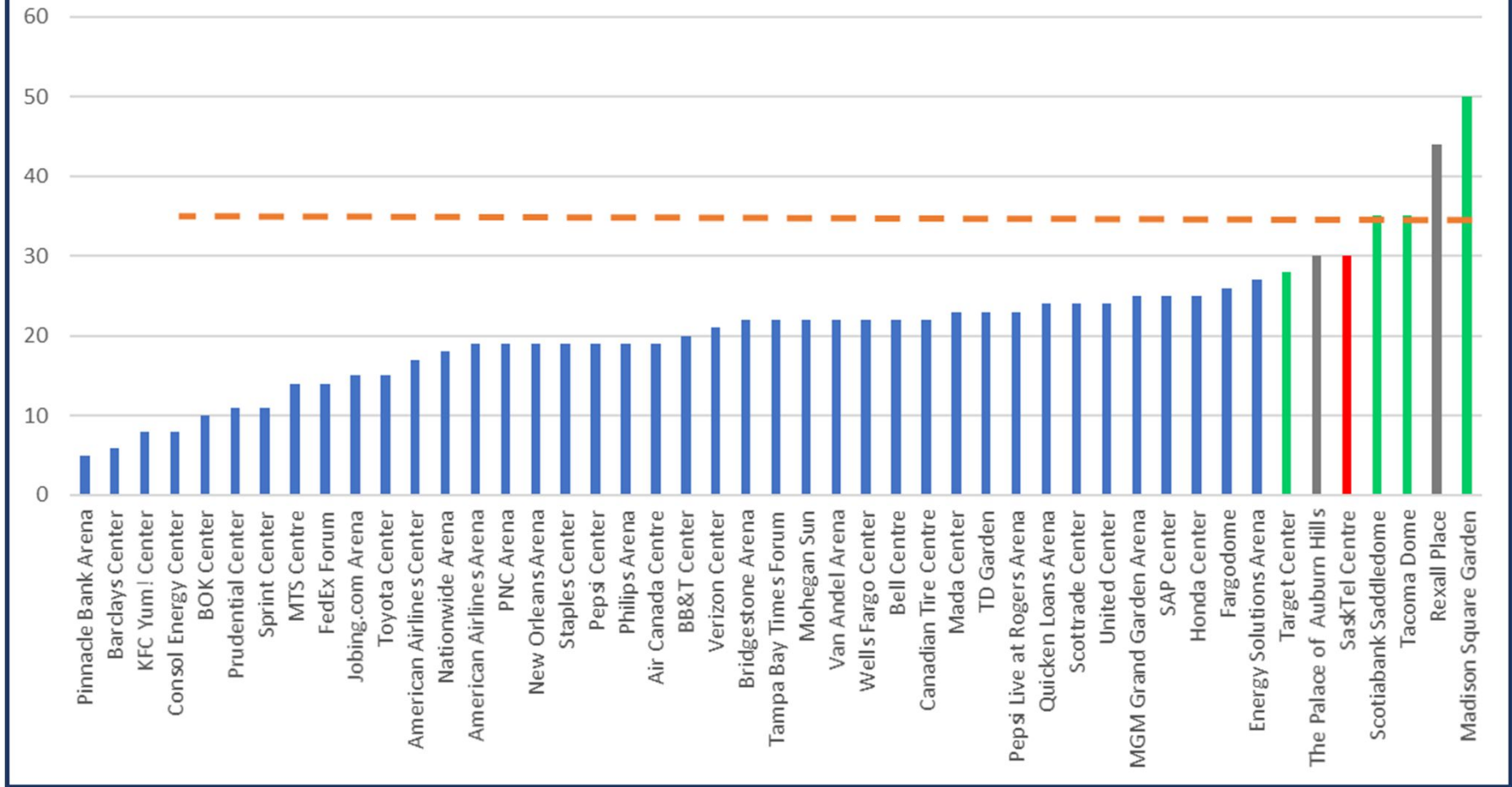
- Undersized ticketing and concourses
- Seat quality, spacing & sight
- Lack of patron amenities – food and beverage options, club seats, fan experience zone, washrooms
- Movement of goods
- Aging infrastructure – HVAC, AV/IT and electrical services inadequate
- Loading limitations
- Restricted rigging capacity
- Isolated location

TCU Place

- Inadequate arrival zone, lobbies and pre-function
- Disorienting layout
- Mix of spaces not balanced for conventions
- Poor exhibition spaces – access, height, services
- Ballroom too far from kitchen
- Difficult vertical flow in a multilevel building
- Expansion options complex
- Significant deferred maintenance

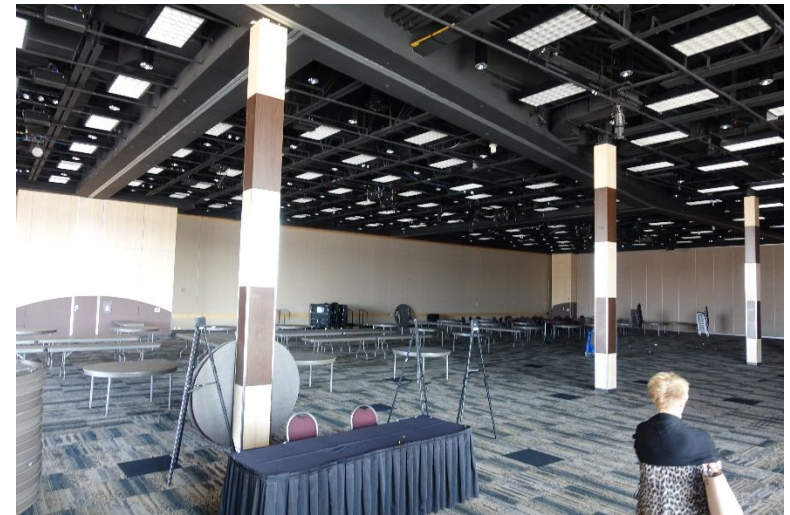
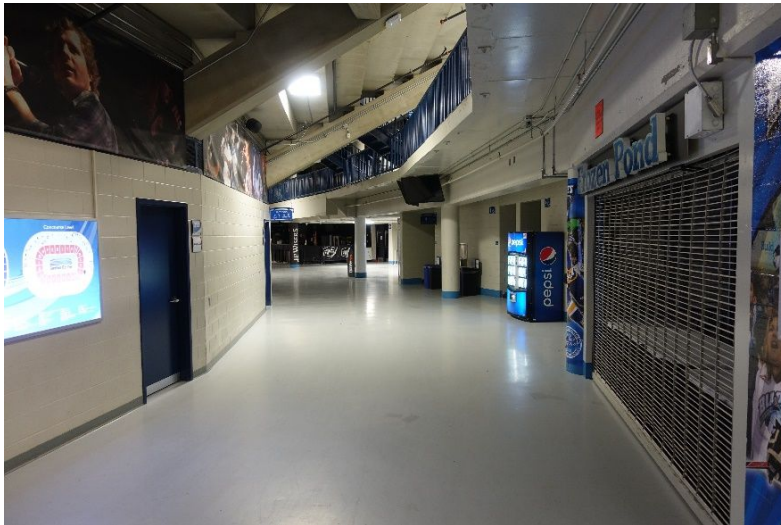
AGE OF SELECTED N.A. ARENAS

Katy Perry Prismatic Tour 2014
Facility Age in Years



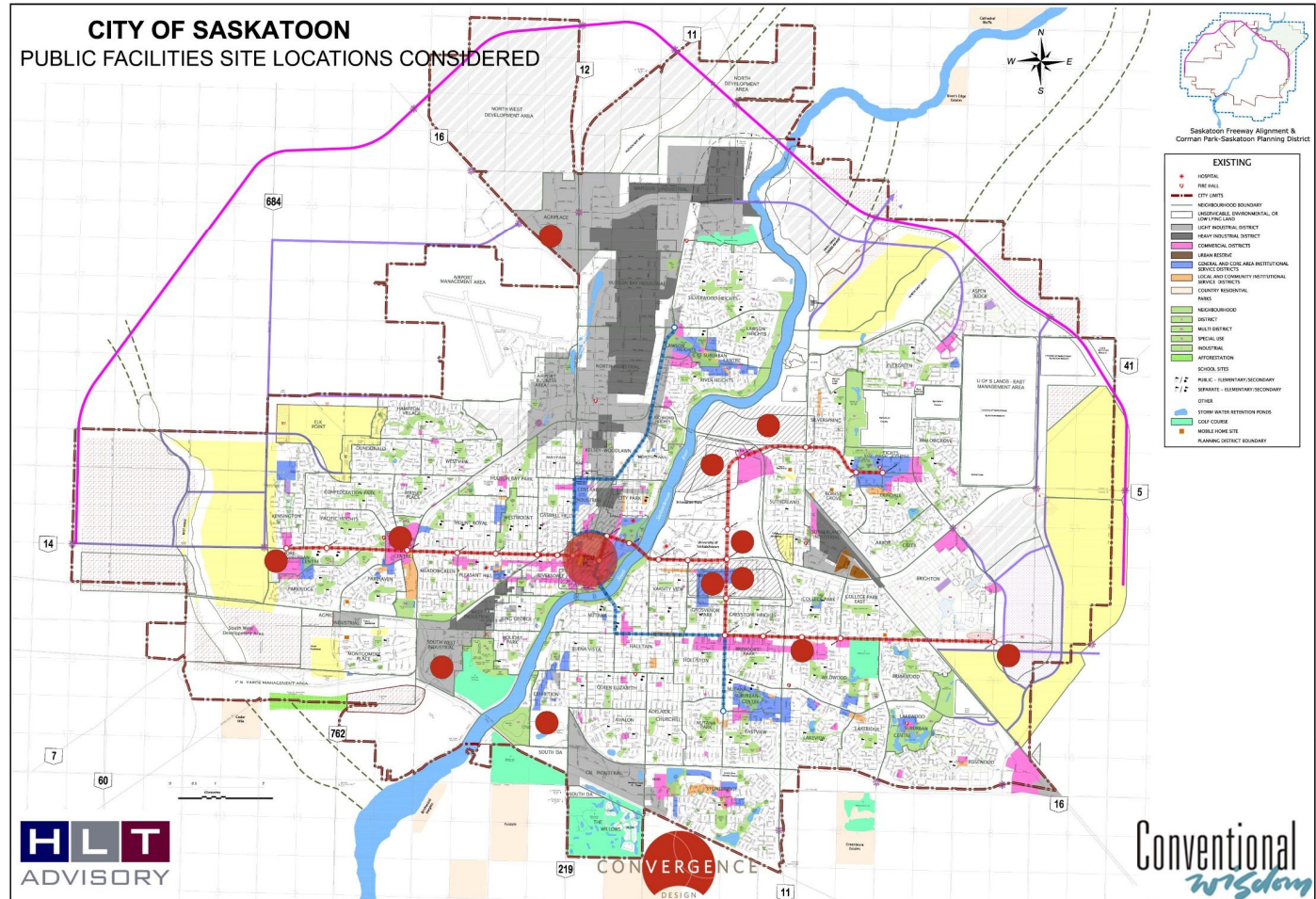
2. REPLACEMENT TRUMPS RENOVATION

- Neither building is state-of-the-art now
- TCU Place operates in a competitive market..it's not competitive
- Saskatoon and SaskTel Centre strategically located but losing appeal
- SaskTel renovation option will be costly—will not fix core problems: 1970's building in the wrong location



3. A DOWNTOWN SETTING IS IMPORTANT

- Downtown cores are increasingly the preferred location option
- Multiple options in downtown Saskatoon
- Cost estimates assume a downtown location



4. CAPITAL COSTS ARE SIGNIFICANT

- Total cost range from \$330 - \$375 million
- Working numbers show order of magnitude
- Multiple options:
 - One or both venues
 - Now or future
 - Possible partners

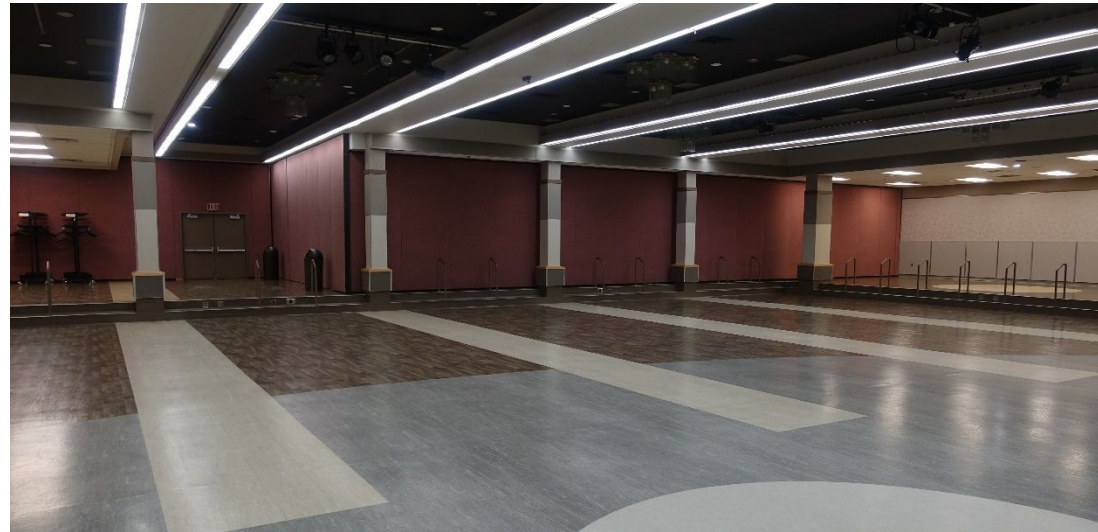
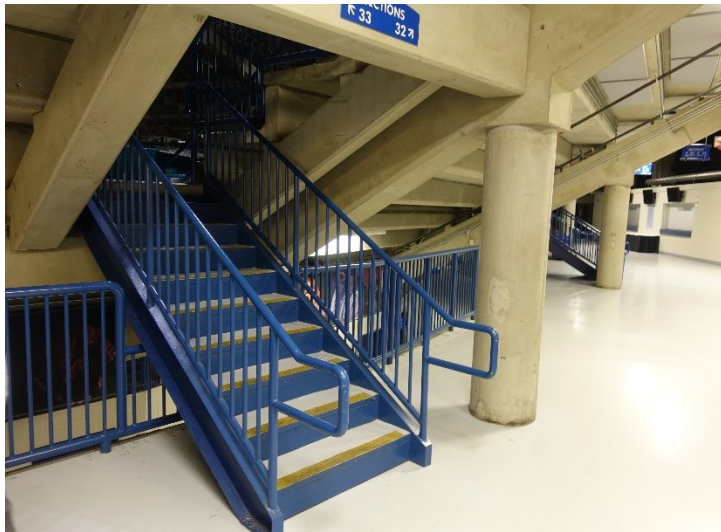
	Range of Capital Cost (\$'000's)		Renovate SakTel Centre
	Low	High	
1. Land Acquisition	TBD	TBD	0
2. Construction			
Arena	172,192	177,896	80,600
Convention Centre	57,164	88,040	-
Buckwold Theatre Renovate	18,352	18,352	-
Additional Parking	7,750	7,750	-
Sub total (Rounded Up)	255,458	292,038	80,600
3. Soft Costs			
Fees	25,600	29,200	8,060
FF&E	15,360	17,520	484
Offsite	700	1,900	2,500
Sub total (Rounded Up)	41,660	48,620	11,044
Construction and Soft Cost	297,118	340,658	91,644
4. Contingency @ 10%	29,700	34,100	9,200
5. Total (Rounded)	330,000	375,000	101,000

Source: Convergence Design

Capital cost does not include land acquisition, demolition or related transaction costs.

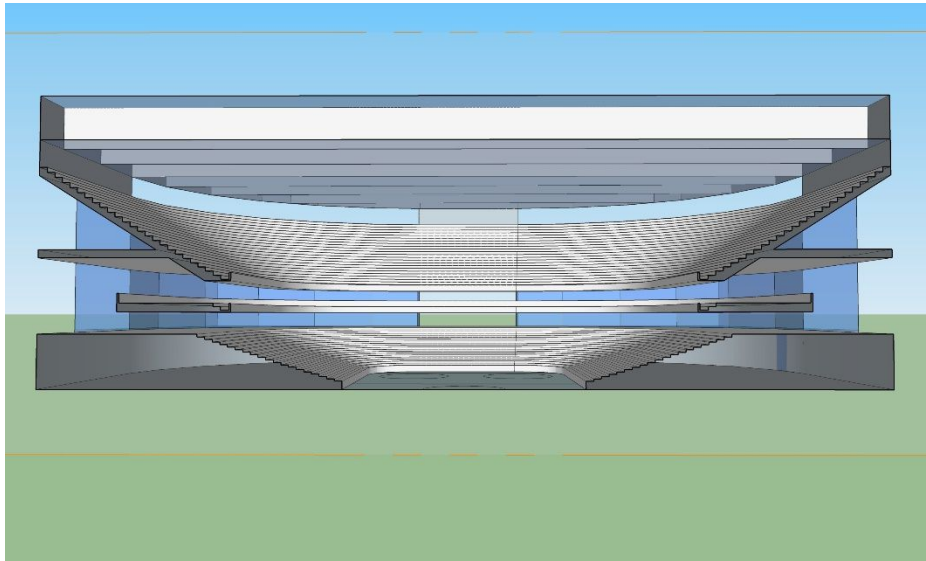
5. THE STATUS QUO IS NOT AN OPTION

- These venues are part of Saskatoon's public infrastructure
 - Supports health/wealth/perception of city
 - Like roads and sewers: private market cannot and will not build
- Replacement of buildings will not produce substantially more economic impact but will prevent loss/erosion
- Avoids risks of issues in existing buildings

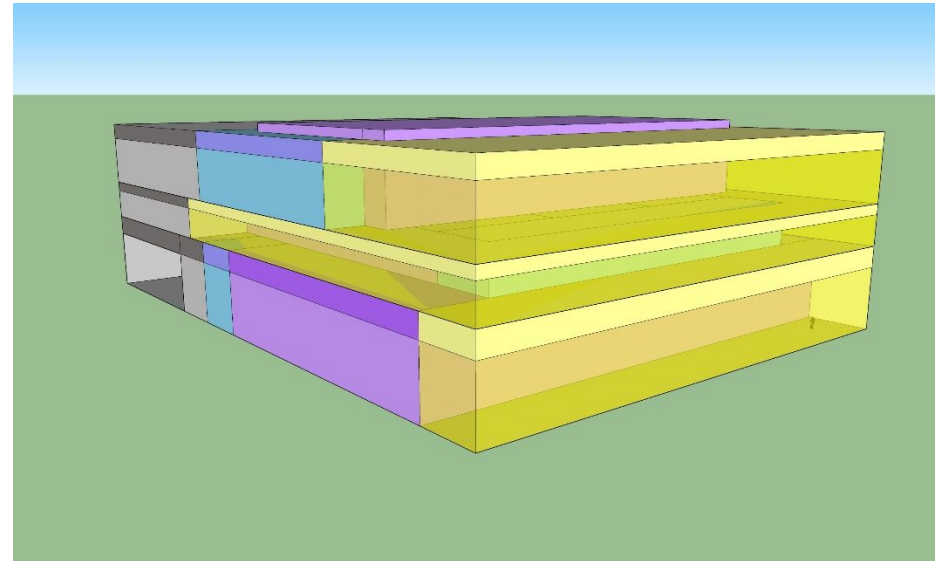


CONCLUSION

- These are our **recommendations**. Decisions belong to Council and Citizens.
- The answer to “How long do these buildings have left?” is a negative number.
- The price tag is large, but pushing this investment years away will only increase it.



New Arena concept model



New Convention Centre concept model

QUESTIONS