

**ALL WEATHER MULTI-USE
ENTERTAINMENT FACILITY
FEASIBILITY STUDY**

**SUMMARY OF
COMMUNITY CONSULTATION MEETINGS**

September 2-11, 2009

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INTRODUCTION AND BACKGROUND

BACKGROUND AND PURPOSE OF THE CONSULTATION MEETINGS

In August, 2009, letters were sent by Crown Investments Corporation (CIC) to a broad spectrum of community and business groups to invite them to a Consultation Meeting in respect of the Feasibility Study on the All Weather Multi-Use Entertainment Facility.

Invitations went to Regina community organizations and business associations, property owners on the prospective development site, private sector developers, and certain government departments and agencies.

The purpose of the Consultation Meetings was:

- to inform the invited parties of the Feasibility Study process and provide them with a presentation from Stadium Consultant's International (SCI) outlining SCI's preliminary thoughts on facility design and usage; and,
- to provide each of the invited parties with an early opportunity to express any comments, suggestions or concerns that they may have with respect to a potential all-season, multi-use entertainment facility.

DESCRIPTION OF THE CONSULTATION MEETINGS

Between September 2 - 11, 2009, 19 Consultation Meetings took place with 47 community associations, organizations and businesses (hereinafter referred to as "Groups") with a total of 76 individuals in attendance.

Each Meeting lasted about 1½ - 2 hours with the following Agenda:

- Brief background information on the highlights of the Stadium Concept Review and the announcement by the Government of Saskatchewan, the Government of Canada, the City of Regina and the Saskatchewan Roughrider Football Club Inc. to co-participate in a Feasibility Study of an all-season, multi-use entertainment facility to be built in the downtown CP Yards location.
- Description of the Feasibility Study process, including:
 - clarification of CIC's role as manager of the process, as well as the name and respective roles of the firms who have been retained to contribute to the Feasibility Study;
 - the targeted completion date of late January, 2010; and,
 - the Feasibility Study would be for public release.
- PowerPoint Presentation by SCI that included:
 - a brief background of SCI's global design and consultation experience;

- examples of other all-season, multi-use facilities around the world and different retractable roof options;
- various design options and configurations, including SCI's very preliminary "design sketches" for a Regina entertainment facility with capacity ranging from 35,000 (permanent seating) to 50,000 (one-time, special event capacity);
- downtown footprint maps with possible site locations, adjacent development site opportunities, and possible traffic/pedestrian flow linkages to both the downtown and warehouse districts;
- potential sport, entertainment and other uses of an all-season, multi-use facility;
- perceived benefits of the contemplated downtown location, as well as general issues relating to facility traffic and parking;
- general comments on the potential economic impact from the entertainment facility, as well as the economic spin-off potential from ancillary/adjacent development opportunities (e.g. hotel, conference centres, residential and commercial real estate development); and,
- general discussion on major cost factors associated with the facility construction (e.g. retractable roof, seating capacity, and existing condition of site).

REQUEST FOR FORMAL FEEDBACK AND CONFIDENTIALITY

At the conclusion of each of the Consultation Meetings, all Groups were invited and encouraged to follow-up the meeting with a formal letter expressing any views, comments or concerns they may have in respect of the Feasibility Study. As at January 13, 2010, letters were received by seven Groups.

All those attending the Consultation Meetings were told that their comments and views expressed at the meetings would be received in confidence and would not be for public attribution.

See Appendix A – List of Groups Consulted for a list of the community/business groups and organizations who were invited and attended the Consultation Meetings, and those Groups who provided letters subsequent to the Meetings.

SUMMARY OF COMMENTS AND OBSERVATIONS

This section contains a general summary of the comments and observations made during the Consultation Meetings. Given that many of the issues were addressed and discussed by all of the different Groups attending the Meetings (with many similarly expressed views), the narrative description has been arranged by issue or subject matter.

SUPPORT FOR THE ENTERTAINMENT FACILITY

Most Groups expressed support for the contemplated all-season, multi-use entertainment facility provided it was found to be economically feasible. No Group expressed opposition or disapproval of the contemplated facility (although a few Groups expressed concern and caution about its economic feasibility).

Most discussions around economic feasibility focused on both the initial construction costs (e.g. not being excessive) and ongoing operational viability.

The Regina and District Chamber of Commerce advised that a stadium survey of their 1,150 members generated 378 responses (their best survey response ever) and that the response was “dominant support for the project subject to strong evidence that it is feasible”. 73% of respondents supported building a new multi-purpose stadium versus doing nothing (6%) or upgrading the existing stadium (12%), and 9% were undecided or did not know.

SUPPORT FOR THE FEASIBILITY STUDY PROCESS

Several Groups commented on the importance of the feasibility study and expressed their approval of the Feasibility Study process, particularly the intended transparent nature of the process. No Group commented negatively on the Feasibility Study process or its estimated cost of \$1 million.

The Regina and District Chamber of Commerce survey indicated that 97% of respondents thought it was either vitally important or important that a solid business plan be in place prior to making a decision to build a multi-purpose facility.

A couple of Groups, however, commented that some people believe the entertainment facility decision is already a *fait accompli*, and that the Feasibility Study will undoubtedly find the facility feasible. Groups were advised that the Government of Saskatchewan has made its message clear that a new entertainment facility is not a certain outcome, and that the Province and the Feasibility Study co-participants will look to the Study as an important determining factor in that decision.

One Group expressed concern that it had not been consulted with earlier in the Feasibility Study process (and was advised that the process had only been underway for about a month and that consultation meetings had just commenced).

A few Groups stressed the importance of transparency, and hoped that this would be maintained right through and beyond the Feasibility Study process.

CONCERN ABOUT CONSTRUCTION COSTS

Several Groups expressed concern that construction costs may substantially exceed the preliminary estimate of \$350 million in the Concept Review, and referenced well-known cost overruns like the Montreal Olympic Stadium.

A few Groups commented that additional costs such as land, parkade, environmental clean-up and other ancillary costs could substantially increase the projected cost number.

Groups were advised that developing reasonably reliable facility construction cost estimates, as well as ancillary cost estimates, were an important aspect of the Feasibility Study, and that experienced design and construction firms would be involved in the cost estimate process.

SUPPORT FOR A RETRACTABLE ROOF

Several Groups expressed support for a retractable roof option provided it were not cost prohibitive (and expressed the view that Rider fans particularly value the nice weather open air experience). No Group stated that they would prefer a permanent closed roof versus a retractable roof facility, but a couple of Groups stated that the Feasibility Study should make the cost comparisons between two options very clear.

CONCERN ABOUT OPERATIONAL VIABILITY

Several Groups were concerned that Regina's relatively small population and limited number of potential events, coupled with high facility operating costs, could create sizable ongoing operating deficits (and would not want a facility that would require significant government subsidies and taxpayer support to maintain operations).

A couple of Groups, including one Group active in the entertainment industry, expressed doubt that an entertainment facility could achieve ongoing economic viability.

One Group identified the risk that the Canadian Football League might eventually fold, and asked if this possibility would be addressed in the Feasibility Study.

The issue of event usage, revenue and cost projections, and ongoing economic viability was identified as a key focal point of the Feasibility Study (which would be undertaken as part of Global Spectrum's business plan development).

The FargoDome was referenced by the consultants and discussed as an example of a small market, all-season facility that has been able to able to achieve consistent operating profits.

SUPPORT FOR A DOWNTOWN LOCATION

Many Groups expressed support for the contemplated downtown location in the CP Yards and recognized the positive economic benefits that this would bring to the downtown core and warehouse district. No Group questioned the merit of the downtown location or indicated that the entertainment facility should be located elsewhere.

A few Groups thought Saskatoon made a mistake in not situating its Credit Union Centre facility in the downtown core.

PARKING CONSIDERATIONS

Several Groups expressed concern about downtown parking availability. A few Groups felt this would be a bigger problem than what may be anticipated and hoped the Feasibility Study would address the issue adequately. A few Groups indicated they hoped that the potential development areas adjacent to the entertainment facility would not have to be used for parking.

A few Groups, however, having some knowledge of the downtown and near-by area parking availability, felt that the parking issue might not pose a serious problem. They indicated that there would be downtown parking available in the evenings and week-ends (when most major events would occur) and that there would be lots of additional available parking in the Warehouse District and other nearby areas.

One Group, very experienced in event parking, commented that Reginans do not use public transit to the same extent as in other cities. Additionally, they do not like to pay for parking (hence, parking costs are often built into the ticket price).

Groups were advised that parking was an important aspect of the Feasibility Study and proposals would be brought forward that would be based on the best parking information available (and, in this regard, a couple of the Groups stated they would provide the Feasibility Study group with current parking information).

CONCERN ABOUT COMMUNITY USE OF THE ENTERTAINMENT FACILITY

A major concern expressed by many of the Groups (and virtually all “community user” Groups of Mosaic Stadium) was that the new facility’s economics would dictate higher facility usage costs that would make the facility inaccessible to the current community user groups of Mosaic Stadium (e.g. Regina High School Football; University of Regina Rams). A few Groups stated that the “big stadium” experience shared by students and their families was highly valued in the community and that it would be a great community loss if this could not be maintained in a new entertainment facility.

Discussions took place about alternative venues that might be acceptable replacements to the current Mosaic Stadium usage, including a possible open-air facility adjacent to the new stadium that could serve as a Riders practice field and community facility (and provide green-space attraction to the development area). The University of Regina's sport fields were mentioned as a possible venue that might be able to accommodate increased community usage (and possibly serve as a practice field for the Riders if that was of interest).

CONCERN ABOUT FUNDING CUTS TO EXISTING SPORT/CULTURAL PROGRAMS

Several Groups raised the concern that Provincial Government and City of Regina funding commitments to a high cost new entertainment facility may result in budgetary funding reductions for existing sport and cultural programs both in Regina and throughout the province.

CONCERN ABOUT CONFLICTS WITH EXISTING ENTERTAINMENT VENUES

Several Groups raised the concern that the new entertainment facility event programming (e.g. concerts, trade shows, and possible future convention-business) may conflict with and financially undermine existing Regina entertainment venues like Evraz Place/Brandt Centre and the Conexus Centre of the Arts, as well as Saskatoon's Credit Union Centre. The existing entertainment venues also expressed this concern. One venue commented that the uncertainties associated with the entertainment facility (including potential scope of events and possible ancillary activities such as conventions/conferences) will impact future strategic planning and capital budgeting.

A few Groups acknowledged this potential conflict, but stated that concerns in this regard should not be a deterrent to future progress and improvements if the overall impact of the stadium would result in clear incremental net benefits to the community.

Groups were advised that these entertainment venue organizations were being consulted during the Feasibility Study.

POTENTIAL ECONOMIC DEVELOPMENT OPPORTUNITIES

There was much discussion with both Community Groups and the Private Sector Developers about the potential for ancillary economic development opportunities in the potential development areas within the site location and the downtown and warehouse district areas. Most Groups acknowledged the potential development opportunities were diverse and significant (e.g. hotel development; commercial real estate and office development; residential real estate development; food or garden market; major convention centre).

Discussions with the Private Sector Developers clearly indicated that the private sector is not only strongly interested in participating in the potential development opportunities,

but can also be expected to bring forward creative and economic value-added proposals that could significantly enhance the economic viability of the entertainment facility and area development.

Private Sector Developers and Property Owners felt that the concept of an entertainment district within the facility footprint creates significant development opportunities. Since mixed use development on the site will impact prospective developers and property owners (who are also potential developers), it is important that close dialogue and coordination takes place among developers and property owners to ensure there is proper integration with existing and contemplated buildings/facilities, as well as the best use of available land. The Canada Post Building on Saskatchewan Drive was identified as a potentially attractive building and site for future development opportunities.

Private Sector Developers, Property Owners and other Groups stressed that facility development plans need to ensure appropriate connectivity and accessibility exists between the development site and the Downtown/Warehouse District. There are site accessibility limitations that will pose traffic flow and parking challenges. Considerations must include pedestrian flows (location and types of walkways, pedways over the tracks) and safety considerations. Direct linkage to Casino Regina was considered to be important (and Casino Regina indicated that certain underground tunnels exist on the site that could possibly be integrated into the pedestrian flow).

The Private Sector Developers and other Groups thought the potential development land (both adjacent to and nearby the facility) lends itself to attractive residential real estate development. Suggested possible developments were condos, townhouses, apartment buildings (including student housing given the direct bus route access to the University). It was also noted that residential development would contribute strongly to the City of Regina's "Downtown Plan" goal of substantially increasing the downtown residential base.

Some Groups felt the entertainment facility's year-round and increased event usage would also likely stimulate increased hotel development (though it was noted hotel development on the north side of the site along the Warehouse District might be less attractive and financeable). A few Groups indicated that a few hotel development projects are currently contemplated (and that, if completed, would be able to accommodate a significant portion of increased demand generated by the entertainment facility). The pace of hotel development will be somewhat dependent on the timing of the intermodal transportation facility and CP's exit from the CP Yards.

Discussion about the possible need for a major convention/conference centre in Regina took place with several of the Groups. A few Groups thought that the entertainment facility's downtown location/year-round event usage, the Casino Regina attraction, and the anticipated complementary hotel development could provide the opportunity for the City to become a major convention destination. Based on discussions with a few of the Groups, including Groups involved in convention activities, it appears the City is limited in the size of convention or conference it can accommodate (1500 – 2000). Additionally,

it was noted that two of the three larger convention venues appear to be competitively disadvantaged with competing cities because they operate outside the downtown core.

Discussions with a couple of the Groups knowledgeable about convention activities indicated that a detailed economic analysis of the need for and feasibility of a larger Regina convention centre does not appear to exist. A few Groups commented that any major convention centre initiative would likely have a significant adverse financial impact on existing convention/conference venues. This concern was echoed by a couple of the convention/conference venues.

Discussions with the Private Sector Developers and Other Groups identified the need and potential opportunity to develop commercial office space within or on the perimeter of the facility site. Demand for both private and public sector office space was identified. A couple of Groups indicated there was a possible need and opportunity to consolidate several provincial sport associations within one office facility that could be located at the entertainment facility site.

Groups were advised that as part of the Feasibility Study a “Request for Expressions of Interests” would be going to the private sector to elicit expressions of interests and ideas relating to potential development opportunities associated with the facility site.

Several Groups also inquired about the development prospects or plans for the existing Mosaic Stadium lands if the new facility were built. Groups were advised that development considerations and discussions taking place as part of the Feasibility Study would not include consideration of the existing Mosaic Stadium lands.

A couple of Groups inquired if an economic impact analysis would be included in the Feasibility Study (and were advised that it would).

FACILITY SEATING CAPACITY CONSIDERATIONS

Several Groups inquired and commented about the contemplated facility capacity. A few Groups cautioned against building too much capacity and thought that the 38,000 permanent seat capacity referenced in the Concept Review was too high relative to potential demand.

A few Groups, recognizing the expected long-term life of the facility (possibly 50 – 75 years), stated that future population growth in Regina may generate a significant increase in future seating demand; hence, they expressed the hope that facility design plans could be developed to accommodate, at some time in the future, adding more permanent seating to increase capacity significantly beyond 38,000.

ENVIRONMENTAL CONSIDERATIONS

Several Groups raised the issue of environmental considerations, particularly the environmental impact and contamination/reclamation considerations associated with the

CP Yard lands. A couple of the Groups who own property within the stadium footprint and former CP Yard were able to share information about their own experience in this regard.

A few Groups expressed hope that the entertainment facility project would give reasonable consideration to incorporating environmentally friendly initiatives into the project (e.g. geothermal energy sourcing; Leed project certification). Groups were advised that environmental considerations would be considered in the Feasibility Study.

FACILITY FUNDING SOURCES

A few Groups inquired about the contemplated funding sources for the entertainment facility, and the various levels of funding that would be coming from the Provincial, Federal and Municipal governments (and if that information would be included in the Feasibility Study). Groups were advised that funding would not be covered specifically in the Feasibility Study, but would be addressed subsequently in conjunction with any decision to proceed with the entertainment facility.

Some Groups suggested that the concept of a “Community Revitalization Levy” or “Tax Incremental Financing” (TIF) be seriously considered as a funding source for the entertainment facility. This approach involves allocating toward the project funding any “incremental” municipal tax revenues that are generated over a certain period of time from the economic development zone benefiting from the project development. It was noted that this form of financing has been used for economic development projects throughout North America (including Calgary and Edmonton).

ORGANIZATIONAL/MANAGEMENT STRUCTURE

A couple of Groups asked if the Feasibility Study would be addressing organizational and management structure issues (i.e. what would be the operational entity? Who would be managing the stadium activities?). Groups were advised that the Feasibility Study would not be focused on the organizational or management structure, and that such issues, while important, would only be addressed if the entertainment facility were considered feasible and the funding sources were agreed upon.

APPENDIX A – LIST OF GROUPS CONSULTED

PROPERTY OWNERS OR STAKEHOLDERS CONSULTED:

1. Casino Regina
2. Century West Development Corporation
3. City of Regina
4. Royalty Developments Ltd.
5. Saskatchewan Roughrider Football Club

PRIVATE SECTOR DEVELOPERS CONSULTED:

1. Bison Developments Limited
2. Century West Development Corporation
3. Harvard Developments Inc.

GOVERNMENT DEPARTMENTS OR AGENCIES CONSULTED:

1. Enterprise Saskatchewan
2. Ministry of Municipal Affairs
3. Ministry of Tourism, Parks, Culture and Sport

ENTERTAINMENT VENUES CONSULTED

1. Conexus Arts Centre
2. Credit Union Centre
3. Evraz Place

COMMUNITY/BUSINESS GROUPS AND ASSOCIATIONS CONTACTED AND CONSULTED:

1. Association of Regina Realtors Inc.
2. Cathedral Area Community Association
3. Communities of Tomorrow
4. Heritage Community Association*
5. North Central Community Association
6. Regina Airport Authority Inc.
7. Regina and District Chamber of Commerce
8. Regina Downtown Business Improvement District
9. Regina Hotel Association
10. Regina Regional Opportunities Commission
11. Regina's Warehouse District
12. SIAST
13. University of Regina
14. Wascana Centre Authority

* was invited but did not attend a Consultation Meeting

COMMUNITY USER GROUPS CONTACTED AND CONSULTED:

1. Baseball Regina
2. Basketball Saskatchewan*
3. Football Saskatchewan
4. Hockey Regina
5. Kiwanis Club
6. North Regina Little League*
7. Queen City Minor Box LaCrosse*
8. Regina Catholic School
9. Regina Community Basketball Association
10. Regina High School Athletics Association
11. Regina Minor Football*
12. Regina Pats*
13. Regina Public School
14. Regina Red Sox
15. Regina Soccer Association
16. Regina Thunder
17. Rotary Club*
18. Saskatchewan Athletics*
19. Saskatchewan Baseball Association*
20. Saskatchewan High School Athletics Association
21. Saskatchewan Hockey Association
22. Saskatchewan LaCrosse Association
23. Saskatchewan Soccer Association
24. Saskatchewan Sports Hall of Fame and Museum
25. Sask Sport Inc.
26. University of Regina Cougars
27. University of Regina Rams

* was invited but did not attend a Consultation Meeting

GROUPS WHO PROVIDED LETTERS TO THE FEASIBILITY STUDY WORKGROUP:

1. Casino Regina (Saskatchewan Gaming Corporation)
2. Regina High Schools Athletic Association
3. Regina Red Sox
4. Saskatchewan High Schools Athletic Association
5. Saskatchewan Sports Hall of Fame and Museum
6. University of Regina Cougars
7. University of Regina Rams Football Club