

City of Greater Sudbury

Greater Sudbury Event Centre Site Evaluation

June 2017

Executive Summary

Background

- At its meeting on March 7, 2017, Greater Sudbury City Council approved the following recommendation, among others:
THAT an evaluation of potential sites and a recommendation for a preferred site be reported to Council no later than June 2017.
- The Evaluation Criteria identified within PwC's Phase I Market Analysis and Business Case Assessment identified eight main criteria against which to evaluate potential sites, including:
 - Vision;
 - Complimentary Benefits;
 - Ease of Development;
 - Access;
 - Parking;
 - Cost;
 - Economic Impact; and
 - City Building.
- At its meeting on April 12, 2017, Greater Sudbury City Council provided further input on the weighting of these various site evaluation criteria, with Council endorsing the following:
 - that each of "Cost", "Economic Impact" and "Parking" are equally of highest importance,
 - that "Complimentary Benefits", "Access" and "Ease of Development" would be extremely important, and
 - that "Vision" and "City Building" would continue to be important.
- Based on a review of the initial list of sites, a number of potential locations were dropped, yielding a short list of four properties which then underwent a more detailed assessment. These properties include:
 - MacIsaac Drive Site (a 19.2 acre site on the north side of MacIsaac Drive, west of Old Burwash Road, and adjoining the Southridge Mall);
 - Algonquin Road Site (a 22 acre site located on the north side of a proposed Remington Street extension between Regent Street and Algonquin Road);
 - Kingsway Site (a 23.12 acre site fronting along the north side of the Kingsway within the Jack Nicholas Business and Innovation Park); and
 - Downtown Site (a 3.5 acre block bounded by Brady Street to the north, Minto Street to the west, Van Horne to the south and Shaughnessy Street to the east).

Site Evaluation Approach

- Investigations were made by the PwC consulting team, various departments of the City of Greater Sudbury, and by third party consultants (Terraprobe for soils and geotechnical; WSP for traffic and road improvements) to derive information, data and / or insights through which to evaluate sites.
- This information was supplemented with information provided by individual site owners, and well as through consultations with other parties (Downtown Sudbury BIA, Gateway Casinos, Prime Real Estate, Gross Capital).
- The Event Centre Site Evaluation Team met on multiple occasions to discuss individual sites and to complete a comparative evaluation of sites.

Initial Assessment of Potential Sites

- As an initial step, the Event Centre Site Evaluation Team was provided with a listing of some 23 individual sites / site configurations as potential locations upon which to build the Event Centre.

Executive Summary

Site Evaluation Results

- Based on a consensus ranking by members of the Event Centre Site Evaluation Team, each site was evaluated based on the eight site selection criteria approved by Greater Sudbury City Council and per the relative weighting as also approved by Greater Sudbury City Council. Based on the results of this review and assessment:
 - The Downtown Site was the highest ranked site overall, considering all site evaluation criteria, ranking first in every category with the exception of “Parking” and “Cost” where it ranked fourth and second respectively.
 - The Kingsway Site was the second highest ranked site overall, ranking first in Parking (tied with both the MacIsaac Drive Site and Algonquin Road Site) and Cost, and ranking second in most other categories with the exception of “Access” and “Ease of Development” (where it ranked third and fourth respectively).
 - The MacIsaac Drive Site was the third highest ranked site while the Algonquin Road Site was the fourth highest ranked site.
- In terms of those categories which were identified by Greater Sudbury City Council as of “Highest Importance”, the Kingsway Site ranked first overall. The Downtown Site ranked second overall for this classification of site evaluation criteria, including ranking first in Economic Impact; from a cost perspective, the Kingsway Site is concluded to be slightly less expensive than the Downtown Site.
- In terms of those categories identified by Greater Sudbury City Council as being “Extremely Important”, the Downtown Site ranked first overall (and ranked first in each category). The Kingsway Site ranked second overall (ranking second, third and fourth in this classification of site evaluation criteria).
- In terms of those categories identified by Greater Sudbury City Council as being “Important”, the Downtown Site ranked first overall while the Kingsway Site ranked second.

- While ranking second, the Kingsway Site scored high and would constitute a viable location.

Salient Considerations Associated with the Two Highest Ranking Sites

Downtown Site

- Advantages associated with the Downtown Site include:
 - option agreements with land owners are in place which will provide a sufficiently sized site on which to construct an Event Centre
 - site is appropriately zoned allowing construction to commence immediately
 - the location is directly consistent with the City’s strategic vision and city building policies
 - the selection of the site would support a \$1.5 million (present value) commitment by the Downtown Sudbury BIA
 - the Downtown Site provides a greater ability to realize complimentary benefits in the short to medium term compared to other sites
 - selection could spur the development of a new structured parking facility in the downtown core
- Disadvantages associated with the Downtown Site include:
 - concluded Option Agreements with land owners in the southern portion of the block are not yet in place and could add delays if entire block is desired
 - while the downtown benefits from an adequate supply of parking with a 10-minute walking radius, the location of such parking is generally viewed as inconvenient

Executive Summary

Salient Considerations Associated with the Two Highest Ranking Sites (continued)

Kingsway Site

- Advantages associated with the Kingsway Site include:
 - an option agreement with the land owner has been agreed to
 - the property is large enough to accommodate a sufficient amount of on-site parking
 - the total cost to develop the property is slightly less expensive compared to the Downtown Site
 - the property has been planned and is being actively promoted as an entertainment district centered around the Event Centre and casino
 - the property potentially has the highest potential to convey positive benefits within the community, including enhancing this area of the Kingsway as an entertainment / event destination
 - while not guaranteeing the full build out of the property, the owner has agreed to pay a financial penalty to the City if they fail to use reasonable efforts to effect the substantial development of the site
- Disadvantages associated with the Kingsway Site include:
 - the property will require rezoning which will delay when construction of the Event Centre could commence
 - the site will also require significant blasting and grading, further adding to the timeframe associated with the Event Centre's development
 - the property is located in proximity to the Sudbury Landfill Facility
 - while offering longer-term economic potential, the development property is not guaranteed and will be subject to future real estate market and financial investment decisions.

Recommended Site

- In consideration of the individual and relative rankings of each site against the site evaluation criteria, the recommended location for the Event Centre is the Downtown Site:
 - It scored highest in all categories except Parking and Cost (where its total estimated cost is estimated to be only marginally higher than the Kingsway Site).
 - In addition, it scored highest in terms of economic development, access, ease of development and its ability to delivery complimentary benefits.
 - Finally, it is concluded to be best able to support the stated long-term vision of the City and contribute most to city building.

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Background

At its meeting on March 7, 2017, City of Greater Sudbury Council directed staff and PwC to conduct a review of potential sites within Greater Sudbury upon which to construct a new Event Centre

Background

- At its meeting on March 7, 2017, Greater Sudbury City Council approved the following recommendations, among others:

THAT the City of Greater Sudbury Council approves the process described in the report dated March 7, 2017 from the Special Advisor to the CAO for evaluating and recommending a site to serve as a location for a new Event Centre;

AND THAT the site evaluation criteria and their weighting as described on pages 45-49 Appendix A: Phase I Market Analysis and Business Case Assessment as attached to the report dated March 7, 2017 from the Special Advisor to the CAO also be approved;

AND THAT an evaluation of potential sites and a recommendation for a preferred site be reported to Council no later than June 2017.

- The Evaluation Criteria identified within the Phase I Market Analysis and Business Case Assessment identified eight main criteria against which to evaluate potential sites, including:
 - Vision;
 - Complimentary Benefits;
 - Ease of Development;
 - Access;
 - Parking;
 - Cost;
 - Economic Impact; and
 - City Building.

- At its meeting on April 12, 2017, Greater Sudbury City Council provided further input on the weighting of these various site evaluation criteria, with Council endorsing the following:
 - that each of “Cost”, “Economic Impact” and “Parking” are equally of highest importance,
 - that “Complimentary Benefits”, “Access” and “Ease of Development” would be extremely important, and
 - that “Vision” and “City Building” would continue to be important.
- An Event Centre Site Evaluation Team (the “ECSET”) was subsequently struck which incorporated individuals from the following City departments, in addition to PwC, HDR|CEI Architecture and the Special Advisor to the CAO:
 - Economic Development
 - Planning
 - Engineering
 - Real Estate
- Technical expertise was also provided by other City departments, as well as by third party consultants retained to provide commentary on specific matters, including:
 - Terraprobe (for anticipated geotechnical / soil characteristics and foundation system constructability); and
 - WSP / MMM Group (traffic operational assessment and identification and costing of resultant mitigating measures, if any).

Initial Assessment of Potential Sites

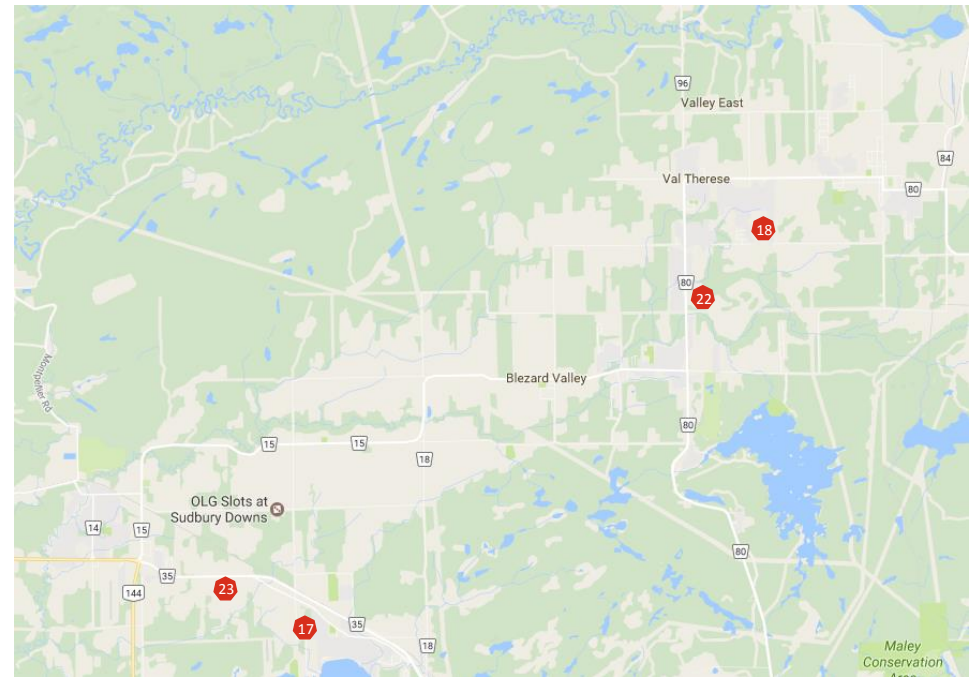
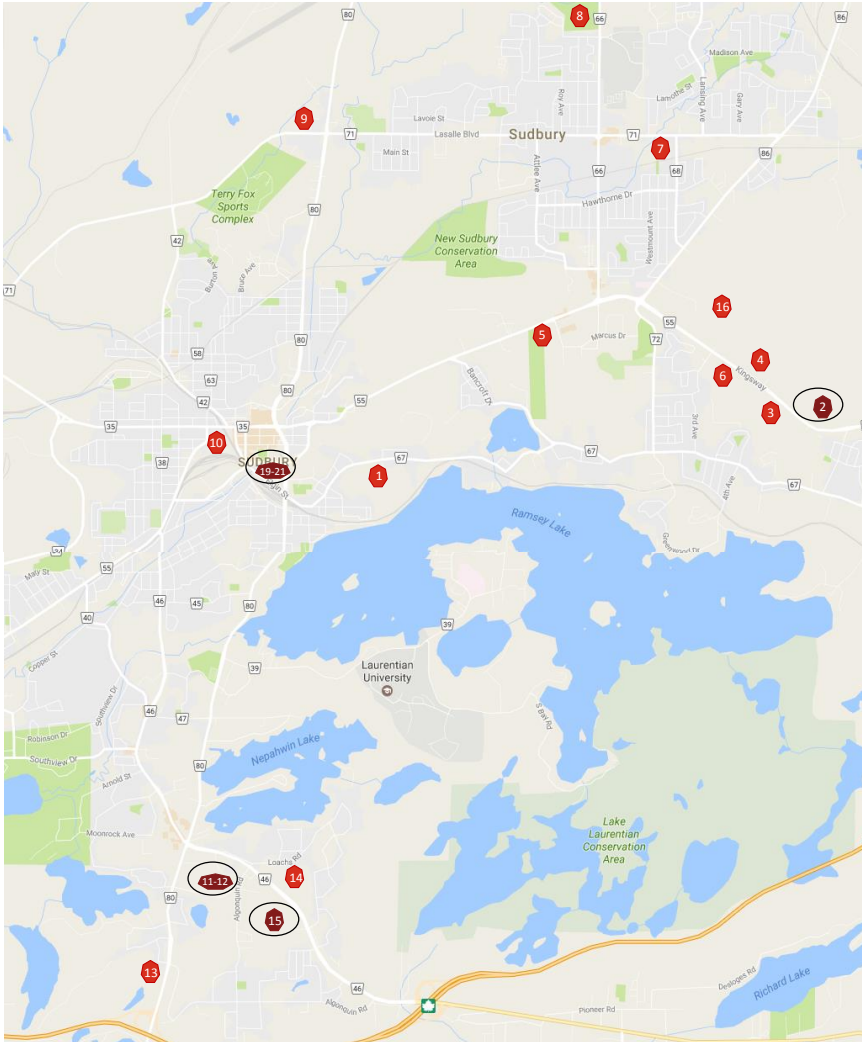
The ECSET initially identified and reviewed 23 sites / site configurations located throughout Greater Sudbury based on a set of site qualifying criteria

Site Identification

- As an initial step, the ECSET was provided with a listing of some 23 individual sites / site configurations as potential locations upon which to build the Event Centre. These sites consisted of properties which are already owned by the City of Greater Sudbury (“CGS”), are privately owned sites where the owner of that property had previously expressed an interest in utilizing their site for the Event Centre, or are privately owned sites which are currently vacant and would be of a sufficient size to house a 5,800-seat Event Centre.
- Each site was initially reviewed based on a number of criteria, including:
 - Site size and dimensions – in order to house the Event Centre, a size will need to be approximately 300 feet wide by approximately 450 feet in length;
 - Proximity to parking – if sufficient parking is not available in the immediate area, a site of approximately 23 acres would be required in order to accommodate both the Event Centre and the required amount of parking;
 - Proximity to arterial roads – the site will need to abut / be proximate to arterial roadways which could accommodate the anticipated traffic leading to / from the site;
 - Proximity to municipal services – the site will need to be located next to municipal services which have sufficient capacity to accommodate the demand of an Event Centre; and
 - Suitable soils / topography – from a geotechnical perspective, the site should be able to accommodate, or made to accommodate the Event Centre at a reasonable cost.

Site #	Location	Area (acres)
1	Howey Drive / Somerset Street (Sudbury Curling Club)	75.44
2	Kingway / Jack Nicholas Business and Innovation Park	153.76
3	Kingway (south side, west of Levesque)	57.57
4	Kingway (north side, east of Third Street)	16.26
5	Kingway / Silve Hills Drive	42.05
6	Kingway (south side, east of Third Street)	35.54
7	Lasalle Boulevard / Auger Street	10.73
8	Barry Downe Road / Maley Drive	64.29
9	Lasalle Boulevard / Larraine Street	10.92
10	Energy Court	5.77
11	MacIsaac Drive / Old Burwash (south side)	40.33
12	MacIsaac Drive / Old Burwash (north side)	14.00
13	Long Lake Road / Gateway Road	44.00
14	Regent Street (north side, west of Armstrong)	18.81
15	Regent Street / Remington Road	46.29
16	Kingsway (north side, east Third Street, north of Site 4)	167.42
17	Montee Principale / St. Agnes	13.84
18	Elmview Drive (north of Dominion)	35.80
19	Brady Street / Minto Street / Shaughnessy Street	2.85
20	Brady Street / Minto Street / Shaughnessy Street / Van Horne Street	3.65
21	Brady Street / Minto Street / Shaughnessy Street	3.29
22	Municipal Road 80 (east side, north of Yorkshire)	26.38
23	Municipal Road 35 (south side, west of Notre Dame)	79.00

The initial list of 23 sites were located throughout Greater Sudbury, including Chelmsford, Val Caron, Hanmer, Azilda, New Sudbury, Kingsway, the South End / Four Corners, and in Downtown Sudbury



The initial list of 23 sites was short listed down to four sites for more detailed review and assessment: MacIsaac Drive Site, Algonquin Road Street, the Kingsway Site and Downtown Sudbury (Minto Street / Brady Street)

Short Listed Sites

- Based on a review of the initial list of sites, a number of potential locations were dropped, yielding a short list of four properties which then underwent a more detailed assessment. These properties include:
 - MacIsaac Drive Site, specifically an approximate 19.2 acre site on the north side of MacIsaac Drive, west of Old Burwash Road, and adjoining the Southridge Mall. It should be noted that the City has a signed Option Agreement to purchase this site from the current owner.
 - Algonquin Road Site, specifically an approximate 22 acre site located on the north side of a proposed new road (Remington Street) between Regent Street and Algonquin Road. It should be noted that the City has a signed Option Agreement to purchase this site from the current owner.
 - Kingsway / Jack Nicholas Business and Innovation Park, specifically an approximate 23.12 acre site fronting along the north side of the Kingsway, immediately west of Levesque Street and opposite the Transport Training Centres of Canada building. It should be noted that the City has a signed Option Agreement to purchase this site from the current owner.
 - Downtown Site, an approximate 3.5 acre block bounded by Brady Street to the north, Minto Street to the west, Van Horne to the south and Shaughnessy Street to the east. It should be noted that the City has three signed Option Agreements to purchase various parcels of land not already owned by the City on this block, sufficient to allow for the placement of an Event Centre on this site.

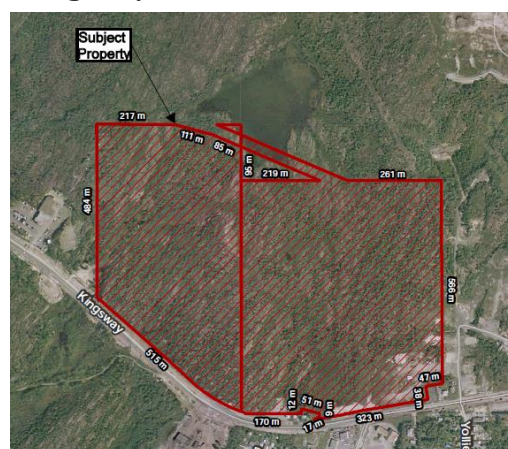
MacIsaac Drive Site



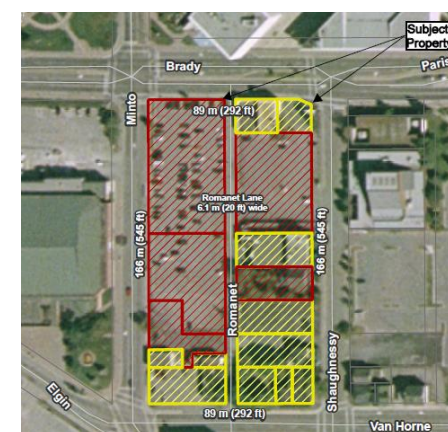
Algonquin Road Site



Kingsway Site



Downtown Site



Site Evaluation Criteria

Eight site evaluation criteria have been identified for use in evaluating the four short listed sites, including vision, complimentary benefits, ease of development, access, parking, cost, economic impact and city building

Evaluation Criteria

- As noted in PwC's March 7 Feasibility and Business Case Assessment Report, eight criteria were identified for use in evaluating and selecting a preferred location for an Event Centre:

- **Vision** – which speaks to the development of an Event Centre on a particular site being consistent with the overall long-term strategic vision of Greater Sudbury and its pattern of strategic growth. Any site being considered for the Event Centre should be considered within the broader parameters of long term strategic community benefits rather than as simply an appropriately sized property for a specific building.
- **Complimentary Benefits** – which speaks to the ability of an Event Centre being able to enhance the neighbouring area and its context. This question applies equally to a downtown or suburban site and measures the extent to which there is a synergistic opportunity for enhanced benefits. The extent to which those benefits accrue within Greater Sudbury is key to this question. For a downtown site, those benefits could include a more vibrant and renewed urban core, while for a suburban site the benefits could include fast-tracking the development of an area that might otherwise evolve over the longer term.
- **Ease of Development** – which speaks to the added costs and timing associated with the development of an Event Centre on a particular site. For example, are there environmental or geotechnical issues that impact the development process and / or could be expected to add to the time and / or cost of building the Event Centre? An Event Centre has a very large footprint and the building will require an extremely flat floor built on a solid under-base. A particular site could have a significant cost impact

on the overall project and on the development of the site (for example, is blasting or piling required for the development of an Event Centre on a particular site and would either of these have a direct impact in terms of the freedom of developing the most appropriate design).

In addition to geotechnical and environmental issues, other considerations needed to be considered include whether there exists issues with a particular site from an infrastructure / services availability perspective (i.e., does sufficient electrical, water, sewer, storm water, etc. services exist at / to the site, or must these be brought to the site / replaced and at what cost).

A final consideration includes the ability of the project to avoid a lengthy or prolonged due diligence or approvals process. For example, will the site require rezoning and / or an Official Plan amendment which would add to the length of time required to commence construction? Could such decisions be appealed and therefore add further delay to the commencement of construction? Will environmental and / or geotechnical investigations require additional time and expense which could similarly serve to lengthen the period of when construction of the Event Centre could commence?

- **Access** – which seeks to address whether a site is or can be made easily accessible from a vehicular, pedestrian, and transit (both current and future) perspective. Are improvements / modifications required to support the site? Is it realistic to implement episodic transit specific to major events? Are improvements to the existing road network required to facilitate vehicular access (for example, road improvements / widenings, new signalizations, etc.).

Three classifications of criteria were enunciated by Greater Sudbury City Council to guide the site evaluation process, including those of “highest importance”, “extremely important” and “important”

Evaluating Criteria (continued)

- **Parking** – how much parking is required for the Event Centre and how many parking spaces currently exist in the vicinity of the site to support the Event Centre? Is there sufficient parking in the area that can reasonably be used to accommodate demand? Can parking be added whether on or off-site? If additional parking is required, would it be well-used on a daily basis for other purposes. Would the creation of additional parking be a prudent investment?
- **Cost** – this speaks to the total cost of development, including land acquisition, site preparation costs, other site costs and off-site improvements. For example, does the City already own the site or would the City need to acquire the property? Are there issues associated with the development of the site that could result in higher project construction costs? Can some of these costs be shared (for example with adjoining land owners)? These questions apply not only to the site under consideration, but also to costs beyond the boundaries or perimeter of the site (some of which are dealt with under *Ease of Development*). It should be noted that such additional development costs should not necessarily be seen as a liability if they help facilitate future investment and development.
- **Economic Impact** – does the development of a particular site have an enhanced economic impact for the surrounding neighbourhood, for Greater Sudbury and / or the broader region? Would the development of a particular site maximize the ability of an Event Centre to bring positive economic impacts to the area? Is the positive impact spread over a narrow spectrum of beneficiaries or a broad one?
- **City Building**; can the siting of the SEC on a particular site enhance the process of “city-building” by contributing to economic growth, quality of life, citizen satisfaction and community pride?

Criteria Ranking

- As its April 12, 2017, Greater Sudbury City Council provided further direction with respect to the ranking of the above presented site evaluation criteria, and in this regard, endorsed the following categorization of site evaluation criteria:

Of Highest Importance

- Cost
- Economic Impact
- Parking

Extremely Important

- Complimentary Benefits
- Access
- Ease of Development

Important

- Vision
- City Building
- Based on the direction provided by Greater Sudbury, the ECSET established the Site Evaluation Matrix presented on Slide 10, following.

The Site Evaluation Matrix employed by the ECSET built on the draft matrix included in PwC's March 7, 2017 report to reflect Council's priorities

SITE EVALUATION MATRIX

1 Vision	9.50%
a Will the development of an SEC on this site be seen by Greater Sudbury residents as appropriate?	
b Does an SEC on this site reflect the City's vision and City's Official Plan?	
c Will this development stimulate future growth / expansion consistent with the City's vision?	
2 Complimentary Benefits	12.00%
a Will the surrounding neighbourhood / area be positively impacted by this development?	
b Can this site support the development / expansion of a commercially viable event / entertainment precinct?	
c Will this project advance existing infrastructure expansion or improvement plans?	
d Does development strike an appropriate balance between public and private sector benefits?	
e Are there additional benefits not necessarily associated with entertainment / event activity?	
3 Ease of Development	12.00%
a Is the site well-serviced and can existing servicing handle the added requirements of an SEC?	
b Can development move quickly and avoid a prolonged due diligence or approval process?	
c Are there site development issues that would extend the design / construction process or delay the project?	
d Are there significant geotechnical, topographic or environmental issues with the site specifically for an SEC?	
4 Access	12.00%
a Does the site have easy vehicular access and egress for event setup?	
b Does the site have appropriate vehicular access and egress for spectators at events?	
c Does transit currently service the site and/or would service be provided?	
d Can transit reduce car dependent travel to this site?	
e Is this site accessible by patrons walking to the event (hotel, restaurants, etc.)?	
5 Parking	15.00%
a Is there the potential for adequate parking on or near the site?	
b Is there existing parking in the area that can be used for events?	
c Does the event centre parking also effectively support other uses during non-event days?	
d Is there appropriate space for event loading/busing?	
6 Cost Impact	15.00%
a Is there a cost premium for developing the spectator component on this site?	
b Is there a cost premium for overall site development?	
c Are there funding opportunities associated with the development of this site?	
d Are there partnering opportunities associated with the development of this site?	
7 Economic Impact	15.00%
a Does the development of this site have a positive economic impact on the surrounding area?	
b Would this site become an entertainment/event destination?	
c Is this site positively impacted by the existing surrounding development?	
8 City-building	9.50%
a Does the development on this site enhance the profile of Greater Sudbury as a destination?	
b Would the development of this site enhance the quality of life for the community?	
c Would the development as envisioned foster pride by the residents of Greater Sudbury?	
TOTAL SCORE	100.00%

		Site A MacIsaac			Site B Algonquin Rd			Site C Kingsway			Site D Downtown		
		score/10	pre rated	cat B	score/10	pre rated	cat B	score/10	pre rated	cat B	score/10	pre rated	cat B
1 Vision	9.5%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
a	Will the development of a SEC on this site be seen by Greater Sudbury residents as appropriate?												
b	Does a SEC on this site reflect the City's vision and City's Official Plan?												
c	Will this development stimulate future growth/expansion consistent with the City's vision?												
2 Complimentary Benefits	12.0%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
a	Will the surrounding neighbourhood/area be positively impacted by this development?												
b	Can this site support the development/expansion of a commercially viable event/entertainment precinct?												
c	Will this project advance existing infrastructure expansion or improvement plans?												
d	Does development strike an appropriate balance between public investment and private sector leverage benefits?												
e	Are there additional benefits not necessarily associated with entertainment/event activity?												
3 Ease of Development	12.0%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
a	Is the site well-serviced and can existing servicing handle the added requirements of a SEC?												
b	Can development move quickly and avoid a prolonged due-diligence or approval process?												
c	Are there site development issues that would extend the design/construction process or delay the project?												
d	Are there significant geotechnical, topographic or environmental issues with the site specifically for a SEC?												
4 Access	12.0%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
a	Does the site have appropriate vehicular access and egress for spectators at events?												
b	Does the site have easy vehicular access and egress for event setup?												
c	Does the site allow for multi-directional access to available or future parking?												
d	Can transit reduce car dependent travel to this site?												
e	Is this site accessible by patrons walking to the event (hotel, restaurants, etc.)?												
5 Parking	15.0%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
a	Is there adequate existing or potential parking on or near the site?												
b	Does additional event centre parking also effectively support other uses during non-event days?												
c	Is there appropriate space for event loading/busing?												
6 Cost Impact	15.0%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
a	Is there a cost premium for acquiring the site?												
b	Is there a premium or benefit in terms of the specific placement of an SEC on a portion of the overall site?												
c	Is there a premium for additional development requirements within the overall site (beyond the footprint)?												
d	Are there costs associated with development or enhancement of off-site infrastructure?												
7 Economic Impact	15.0%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
a	Would this site either create or enhance the area as an entertainment/event destination?												
b	Would the development of this site bring in "new money" from Northern Ontario (and beyond)?												
c	Would the SEC stimulate significant commercial and hospitality development?												
d	Can this site support or enhance activity and spending during non-event times?												
8 City-Building	9.5%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
a	Does the development on this site enhance the profile of Greater Sudbury as a destination?												
b	Would the development of this site enhance the quality of life for the community?												
c	Would the development as envisioned foster pride by the residents of Greater Sudbury?												
TOTAL SCORE		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Site Evaluation

Investigations were made by various departments of the City of Greater Sudbury, coupled with investigations made by PwC and third party consultants, to assemble information with which to evaluate the four short listed sites

Site Evaluation Approach

- Investigations were made by the PwC consulting team, various departments of the City of Greater Sudbury, and by third party consultants (Terraprobe for soils and geotechnical; WSP for traffic and road improvements) to derive information, data and / or insights through which to evaluate sites. The reader should note that in some instances, quantitative data was identified and relied upon, while in other instances “notional” or “directional” information (i.e., the value associated with site X would likely be greater than that of site Y) was identified, while in other areas, the ECSET was required to rely upon subjective qualitative information through which to review and evaluate sites.
- This information was supplemented with information provided by individual site owners, who on an unsolicited basis, provided information and / or commentary on the suitability of their respective sites as a potential location for the Event Centre (the reader should note that while this information was reviewed, these “advocacy documents” were not necessarily relied upon).
- These investigations included:
 - City Real Estate and PwC met with individual property owners to conclude Option to Purchase Agreements, allowing the ECSET to ascertain site acquisition costs.
 - City Engineering and Terraprobe provided information against which to determine the relative costs associated with developing an Event Centre on a particular site (including the potential need and cost of micropiling, blasting, grading, remediation, etc.).
 - WSP completed a traffic operational assessment to identify off-site road and traffic improvements needed to accommodate a 5,800-seat Event Centre, and the order-of-magnitude costs needed to effect those improvements.
- A survey of communities who have recently developed new event centres, including Kingston, Brandon, Moose Jaw and Medicine Hat. This information was supplemented with the research previously completed by PwC to assist in providing insights to evaluate both economic impacts and complimentary benefits.
- Information was sought to provide insights regarding “Vision” and “City Building”, including insights based on a review of various City strategic planning documents including its Official Plan.
- Information regarding the existing capacities of in-ground infrastructure located in the vicinity of each site was identified to provide insights into the order-of-magnitude costs associated with addressing potential deficiencies.
- An inventory of existing parking spaces within the downtown core and within various walking intervals around the Downtown Site was identified and evaluated.
- Finally, consultations were undertaken with land owners and other parties with interest in certain sites / areas, including Downtown Sudbury BIA, Gateway Casinos, Prime Real Estate Group and Gross Capital, among others.
- The ECSET met on multiple occasions to discuss individual sites and to complete a comparative evaluation of sites.
- The following provides a summary of some salient factors considered by the ECSET with respect to each of the four short listed sites.

The MacIsaac Drive Site is an approximate 19.2 acre property located near the intersection of Regent Street and Long Lake Road / Paris Street, abutting the Southridge Mall

MacIsaac Drive Site

- The MacIsaac Drive Site is an approximate 19.2 acre site located on the north side of MacIsaac Drive, west of Old Burwash Road, and east of Long Lake Road. The property comprises the southerly section of a larger block which includes Southridge Mall to the north.
- The City has a signed Option Agreement with the owner of this property to purchase it should the City select the MacIsaac Drive Site.
- The MacIsaac Drive Site is vacant and unimproved and is mostly flat and ready for development; a ditch traverses a portion of the site.
- Salient factors considered by the ECSET include the following:

Vision

- The property is currently zoned M1 which does not allow for a public arena, but does allow for a commercial recreation centre. The adjoining Southridge Mall is zoned C-5(3) which allows for an arena under institutional uses, and specifies an arena with the caveat that it is contained within a shopping centre. Shared use of the mall's parking area would allow the Event Centre to be developed on this site with no rezoning.
- The property is located within one of the City's designated Regional Centres. Development on this site is seen as consistent with the City's vision.

Complimentary Benefits

- The property is located in an established retail and hospitality node within the City, an area that includes retail, restaurants and hotels in close proximity.



The MacIsaac Drive Site will not require rezoning to allow for an Event Centre and will require a lower expenditure to construct the facility. However, the building of an Event Centre at this location will require significant improvements to the Four Corners

MacIsaac Drive Site (continued)

Complimentary Benefits (continued)

- Located immediately south of the property (south side of MacIsaac Drive) is a large underdeveloped property. Further south along Long Lake Road is Wal-Mart and the Countryside Arena twin pad.
- The potential exists for the Event Centre to provide added support to the Southridge Mall and the various restaurants, retail establishments and hotel properties located in the vicinity of the property.

Ease of Development

- Current zoning would allow for the construction of an Event Centre.
- Modest expenditures will be required for site development, including hydro and water infrastructure. Limited internal road improvements are required; major improvements are needed, however at the “Four Corners” intersection (intersection of Paris Street / Long Lake Road and Regent Street).
- The adjoining property is already improved with approximately 3,000 parking spaces, although these spaces would be required for the operations of the Southridge Mall (some spaces may be utilized for the Event Centre).
- The site benefits from the South End sewage “rock tunnel” which runs directly under the site.

Access

- The site benefits from an established retail node and proximity to major arterial roadways / area highways.
- The site also benefits from four bus routes servicing the area (including three bus stops within a short walking distance).
- The site benefits from access points from Regent Street (via Old Burwash Road and Algonquin Road) and Long Lake Road.
- The development of an Event Centre at this location may, however, require major improvements at the “Four Corners” intersection. Per the study completed by WSP, an Event Centre at this location, because of the peak demands caused around event times, could result in significant additional traffic mitigation costs which could render this location not feasible for the Event Centre. Such measures could include an interchange.

Parking

- The site, which combined with the adjoining Southridge Mall, is expected to be able to provide a sufficient amount of parking spaces on site (approximately 3,000 existing spaces at the Southridge Mall along with an additional 1,000+ spaces on the site).

Cost

- The cost to ready the lands for the Event Centre, is currently estimated to be in the range of \$2.5 million to \$5.0 million.
- The cost of additional works and improvements needed for the effective operations of the Event Centre, including improvements to the Four Corners intersection, is estimated to be in the range of \$15.0 million to \$20.0 million.

The total cost to develop the Event Centre on the MacIsaac Drive Site is estimated to be in the range of \$110 million, including upgrades to the Four Corners intersection

MacIsaac Drive Site (continued)

Cost (continued)

- The total cost to develop the Event Centre, inclusive of site acquisition costs, site development and servicing costs, infrastructure upgrades and road / traffic management improvements is currently estimated to be in the range of \$110 million.
- It should be noted that because of the way the cost to construct the Event Centre had previously been estimated in PwC's March 2017 report (based on total development costs of other Event Centres; \$80.0 million), and because of the way other on-site and off-site costs have been calculated as part of this Site Evaluation Report, it is possible that there has been some double counting of costs, thereby lowering the Event Centre's cost of construction (the \$80.0 million figure).

Economic Impact

- Given the already existing "built form" that exists within the vicinity of the property, the ability to realize positive impacts is concluded to be greater in the short term compared to a greenfield site (where a critical mass of uses does not already exist).

- Beneficiaries are concluded to be the number of existing businesses already present in the area (including retail, restaurants and hotels) as well as the adjoining Southridge Mall.
- The Event Centre could serve as a catalyst for further development in the Four Corners area, including on the lands south of MacIsaac Drive.

City Building

- Further supports the "Regional Centre" designation associated with the area.
- The MacIsaac Drive Site potentially facilitates the further development of the South End of Sudbury.

The Algonquin Road Site is an approximate 22 acre property located near the intersection of Regent Street and Remington Road, between Regent Street and Algonquin Road

Algonquin Road Site

- The Algonquin Road Site is an approximate 22.0 acre site located on the south side of Regent Street, fronting along the north side a new road (Remington Street) proposed to be developed between Regent Street and Algonquin Road. It is part of a larger 48 acre site, which includes 30 acres on the north side of the Remington Road extension and 18 acres on the south side of the Remington Street extension.
- The City has a signed Option Agreement with the owner of this property to purchase it should the City select the Algonquin Road Site.
- The Algonquin Road Site is vacant and unimproved and contains undulating bedrock with dips and valleys.
- Salient factors considered by the ECSET include the following:

Vision

- The property is currently zoned M1 which does not allow for a public arena, but does allow for a commercial recreation centre. A rezoning would be required to allow the Event Centre to be constructed on this site.
- The site is located just beyond the Regional Centre designated at the Four Corners.

Complimentary Benefits

- The property is located at the periphery of an established retail and hospitality node within the City, including retail, restaurants and hotels.
- The isolated nature of the property, abutting a light industrial area will likely stimulate more limited complementary benefits.



The Algonquin Road Site will require rezoning to allow for an Event Centre and will require significant expenditures to construct the facility and allow for vehicular access to the site, including significant improvements to the Four Corners

Algonquin Road Site (continued)

Complimentary Benefits (continued)

- The potential exists for the Event Centre to facilitate the development of an approximately six acre site fronting along Regent Street and an 18 acre parcel located south of the property. However, the development of such sites, given the absence of any plan will likely be more dependent upon local economic conditions and fundamentals.

Ease of Development

- Current zoning does not allow for an Event Centre and a rezoning will be required, a process that could add six months (or more) the Event Centre's development schedule.
- Given the topography and physical make-up of the site, blasting and site grading will be required to either (a) create a single level building site which incorporates both the Event Centre and its adjoining parking area, or (b) to create a multi-level site for the Event Centre and adjoining parking areas. Preliminary estimates are that site preparation could last for a period of up to one year.
- The site benefits from the South End sewage "rock tunnel" which runs directly under the site.
- Modest expenditures will be required for site development, including hydro and water infrastructure.
- The extension of Remington Road from Regent Street to Algonquin Road will need to be constructed, the cost of which would be equally shared between the City and the land owner.

Access

- Site access would be from the Remington Street extension, as well as from a new signalized intersection at Regent Street, north / west of the existing intersection of Regent Street and Remington.
- The site benefits from an established retail node and proximity to major arterial roadways / area highways.
- The development of an Event Centre at this location may, however, require major improvements at the "Four Corners" intersection. Per the study completed by WSP, an Event Centre at this location, because of the peak demands caused around event times, could result in significant additional traffic mitigation costs which could render this location not feasible for the Event Centre. Such measures could include an interchange.

Parking

- The site is expected to be of a sufficient size to accommodate over 2,000 parking spaced on site. In addition, future developments (including on the lands adjoining the site and fronting along Regent Street, and on the south side of the Remington Street extension) could serve as supplementary parking (assuming they would not have restrictions associated with their use).

Cost

- The cost to ready the lands to allow for the Event Centre to be developed thereon is currently estimated to be in the range of \$5.0 million to \$10.0 million.

The total cost to develop the Event Centre on the Algonquin Road Site is estimated to be in the range of \$110 million, including upgrades to the Four Corners intersection

Algonquin Road Site (continued)

Cost (continued)

- The cost for additional works and improvements needed for the effective operations of the Event Centre on the site, including improvements to the Four Corners intersection and a contribution towards the construction of the Remington Road extension, is estimated to be in the range of \$20.0 million \$25.0 million.
- The total cost to develop the Event Centre, inclusive of site acquisition costs, site development and servicing costs, infrastructure upgrades, including road / traffic management improvements, is currently estimated to be in the range of \$110 million.
- It should again be noted that because of the way the cost to construct the Event Centre had previously been estimated in PwC's March 2017 report (based on total development costs of other Event Centres; \$80.0 million), and because of the way other on-site and off-site costs have been calculated as part of this Site Evaluation Report, it is possible that there has been some double counting of costs, thereby lowering the Event Centre's cost of construction (the \$80.0 million figure).

Economic Impact

- The Algonquin Road Site constitutes a “greenfield” site abutting a built-up area. The ability of a “greenfield” Event Centre to spawn new development / enhance development opportunities in its neighbouring area is low in the short term. If development is to occur, it will be generally evolve over a longer period, and will tend to evolve more as a function of

local economic conditions and development trends than purely because of the presence of the Event Centre.

- However, given the already existing “built form” that exists near the property, the ability to realize some degree of positive impacts is concluded to be somewhat greater in the short term compared to a pure greenfield site (where a critical mass of uses does not already exist). Such impacts would be less than if the site was located in a fully developed area, but potentially greater than a more isolated greenfield site.

City Building

- The site provides a degree of support to the “Regional Centre” designation associated with the abutting Four Corners area.
- The Algonquin Road Site potentially facilitates the further development of the South End of Sudbury, albeit at a lower level compared to the MacIsaac Drive Site.

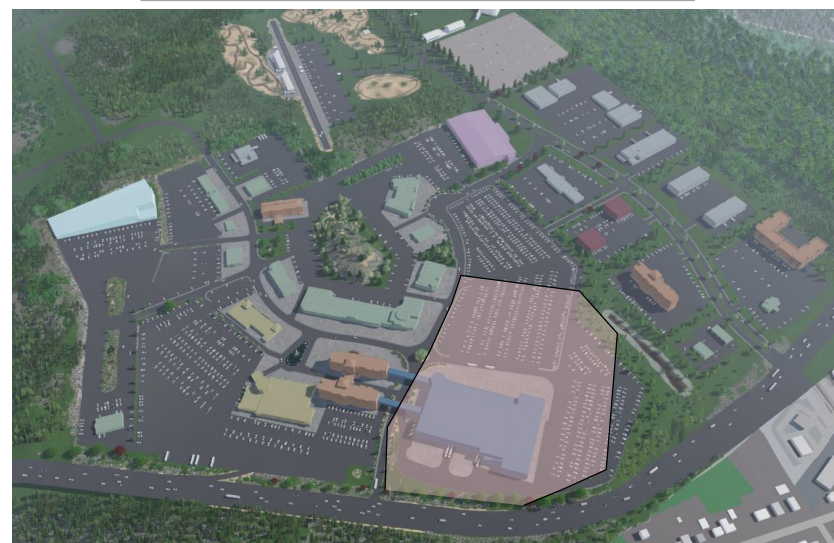
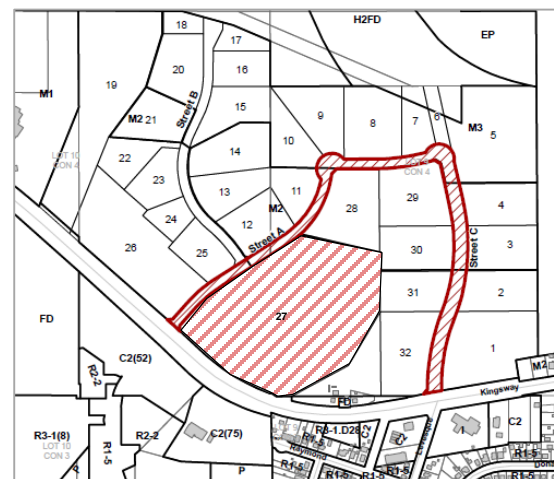
The Kingsway Site is an approximate 23.12 acre property located in the eastern quadrant of the City of Greater Sudbury. The Kingsway Site is proposed to be developed as a Regional Entertainment District, anchored by the Event Centre, a casino and numerous hospitality, entertainment and retail uses

Kingsway Site

- The Kingsway / Jack Nicholas Business and Innovation Park Site (“Kingsway Site”), is an approximate 23.12 acre site fronting along the north side of the Kingsway, immediately west of Levesque Street and opposite the Transport Training Centres of Canada building (the hatched Block 27 in the attached figure).
- The City has a signed Option Agreement with the owner of this property to purchase it should the City select the Kingsway Site.
- In addition, the City would be responsible for improving, at its cost, existing services to the property, including sewer, water and hydro, as well as make necessary improvements to the Kingsway to enable vehicular access to and from the site (the cost of such improvements could partially be recouped from the future development of the adjoining lands around the site).
- The Kingsway Site is intended to be developed by the owner as a Regional Entertainment District (“RED”). As envisioned, this 170 acre development would be anchored by the Event Centre and a proposed casino development. These uses are envisioned to support the eventual development of other ancillary and complimentary uses including hotels, conference spaces, other recreational amenities, retail uses and a motor sports park.
- Salient factors considered by the ECSET include the following.

Vision

- The entire Jack Nicholas Business and Innovation Park is zoned Industrial (M1, M2, M3), with the Kingsway Site zoned to also



The Kingsway Site will require rezoning to allow for an Event Centre and will require a number of additional costs to facilitate the operations of the Event Centre. An Event Centre on the Kingsway Site is envisioned to support a number of complimentary benefits

Kingsway Site (continued)

allow a private arena / commercial recreation centre.

Developing the Event Centre on this site would require a rezoning.

- The property is located in proximity to the Sudbury Landfill Facility. While the proposed location for the Event Centre is further than 500 metres from the fill area (the area within which most significant contaminant discharges and visual problems are expected to occur), the actual influence area of a landfill can vary depending on the landfill, its operations, topography, etc. The Province's guidelines for land uses on or near landfills notes that the maximum distance within which adverse effects could be experienced is up to three kilometres from an operating landfill.

Since 2013, the City has received approximately 60 complaints regarding odours associated with the landfill through its 311 system. Of these complaints, only seven included a municipal address, and came from four separate properties. Of these four properties, the farthest is located more than one kilometre from the landfill.

Siting the Event Centre will likely require that periodic nuisances (e.g., odour, noise, dust) should be expected and therefore considered in the physical placement and design of the Event Centre.

Complimentary Benefits

- While currently located in an undeveloped area of the City, the site is proximate to and could comprise an eastern extension to the Kingsway / Barrydowne commercial node, further adding to the regional draw of Greater Sudbury in Northeastern Ontario.
- The site is part of a larger 170 acre RED development. As envisioned, the build-out of the entire site could constitute a “critical mass” of development which becomes self-supporting, generating consumer activity on a year-round, day / evening basis (as opposed to where a stand-alone facility is built and would only generate activity around event times). Build-out of the entire site will, however, be dependent upon economic conditions in order to support future real estate investment decisions.
- In addition, the RED development at full build-out could generate increased property taxes to the City, including higher casino revenues should the development support higher levels of visitation (compared to where a casino is not built within an Event Centre anchored development area).

Ease of Development

- The site will require improvements being made to both water infrastructure and the sanitary sewer system under Leveque Street. Hydro will also need to be brought to the site.
- As noted previously, the site will require rezoning, a process that could add six months (or more) to the Event Centre's development schedule.

While supporting a sufficient number of on-site parking spaces, the Kingsway Site will also require a number of access and traffic improvements. The total cost to develop the Event Centre is currently estimated to be in the range of \$98 million

Kingsway Site (continued)

Ease of Development (continued)

- Given the topography and physical make-up of the site (the site is vacant and unimproved and contains undulating bedrock with dips and valleys), a significant amount of blasting and site grading will be required to either (a) create a single level building site which incorporates both the Event Centre and its adjoining parking area, or (b) to create a multi-level site for the Event Centre and adjoining parking areas. Preliminary estimates are that site preparation could last for a period of one year.

Access

- The site benefits from frontage along the Kingsway and proximity to the Southeast Bypass.
- While queue lengths resulting from Event Centre traffic could be accommodated within the existing lane configurations along the Kingsway, some improvements will be required in order to facilitate vehicular access to / from the site. Per WSP, the siting of the Event Centre on this property is expected to require, among other improvements:
 - two full-access intersections along the Kingsway leading into / out of the site at each entrance;
 - increasing cycle lengths at the intersection of Falconbridge Road and the Kingsway;
 - removing the existing centre curb / median along the Kingsway and constructing in its place new left turn lanes at each entrance into the site; and
 - constructing a new dedicated right turn lane along the Kingsway at each entrance into the site.

Parking

- The site is expected to be of a sufficient size to accommodate over 2,000 parking spaces on site. In addition, the abutting developments proposed to be contained in the RED would also contain parking which could serve as supplementary parking (assuming they would not have restrictions associated with their use).

Cost

- The cost to ready the lands to allow for the Event Centre to be developed thereon is currently estimated to be in a range of \$10.0 million to \$15.0 million.
- The cost for additional works and improvements needed for the effective operations of the Event Centre on the site, including road improvements, hydro and water and sewer improvements, is estimated to be in the range of \$5.0 million to \$10.0 million.
- The total cost to develop the Event Centre, inclusive of site acquisition costs, site development and servicing costs, infrastructure upgrades, including road / traffic management improvements, is currently estimated to be in the range of \$98 million.
- If should again be noted that because of the way the cost to construct the Event Centre had previously been estimated in PwC's March 2017 report (based on total development costs of other Event Centres; \$80.0 million), and because of the way other on-site and off-site costs have been calculated as part of this Site Evaluation Report, it is possible that there has been

An Event Centre developed on the Kingsway Site is proposed to impart a number of positive benefits including enhancing the area as an entertainment / event destination and stimulating additional commercial and hospitality development

Kingsway Site (continued)

Cost (continued)

some double counting of costs, thereby lowering the Event Centre's cost of construction (the \$80.0 million figure).

Economic Impact

- Generally, the ability of a “greenfield” Event Centre to spawn new development / enhanced development opportunities in its neighbouring area is low in the short term. If development is to occur, it will be generally evolve over a longer period, and will tend to evolve more as a function of local economic conditions and development trends than purely because of the presence of the Event Centre.
- A benefit of the Kingsway Site is that the Event Centre is being proposed as a part of a larger entertainment district which is to include a casino as well as various hospitality, retail and other entertainment uses. Such a development, if built, is concluded to provide a “critical mass” of uses that are generally required in order to support ancillary uses and enable the development to be economically viable 18 hours a day, seven days a week, 52 weeks a year. However, it should be noted that the actual development of such uses will still require that the economic and financial fundamentals associated with those individual projects be sufficient to allow for their investment and eventual development.

Given that a perception exists that each of these uses will be developed, the ECSET sought to clarify this point and seek a degree of certainty that these developments would in fact be undertaken. To this end, it was proposed that if the various

uses proposed for the RED had not commenced construction within a certain period after the opening of the Event Centre, the property owner would annually pay a financial penalty to the City until such time as when all projects had commenced construction. The final agreement calls for the owner to use reasonable efforts to substantially affect the development of the property (failing which the City would be entitled to receive payment).

While providing a degree of certainty (i.e., less than 100%) that the entire RED could be developed, there is still, however, no guarantee that the entire RED will be developed.

- With respect to the casino, Gateway Casinos has announced their intention to locate their new facility in proximity to an Event Centre. The combination of the Event Centre and casino could spur additional investment and development in the area.
- The Event Centre developed at this site is envisioned to impact a number of benefits to varying degrees, including enhancing the area as an entertainment / event destination, facilitating new money being brought into Greater Sudbury, stimulating additional commercial and hospitality development and, to a lesser extent, supporting / enhancing activity during non-event times. The realization of such benefits is, however, not guaranteed and will be dependent upon future real estate market and financial investment conditions.

City Building

- The development of the Event Centre on the Kingsway Site has generated significant public discussion.

An Event Centre developed on the Kingsway Site could serve as a regional draw but do so at the expense of other areas

Kingsway Site (continued)

City Building (continued)

- As noted previously, the Event Centre as part of a RED has the ability to enhance the profile of Greater Sudbury as a destination. While adding to the regional draw of Greater Sudbury in Northeastern Ontario, it may do so at the expense of other “regional commercial nodes” including the downtown and south end / “Four Corners”.

The Downtown Site is an approximate 3.0 acre property located next to the existing Sudbury Community Arena, and is bounded by Brady Street, Minto Street, Shaughnessy Street and Van Horne Street

Downtown Site

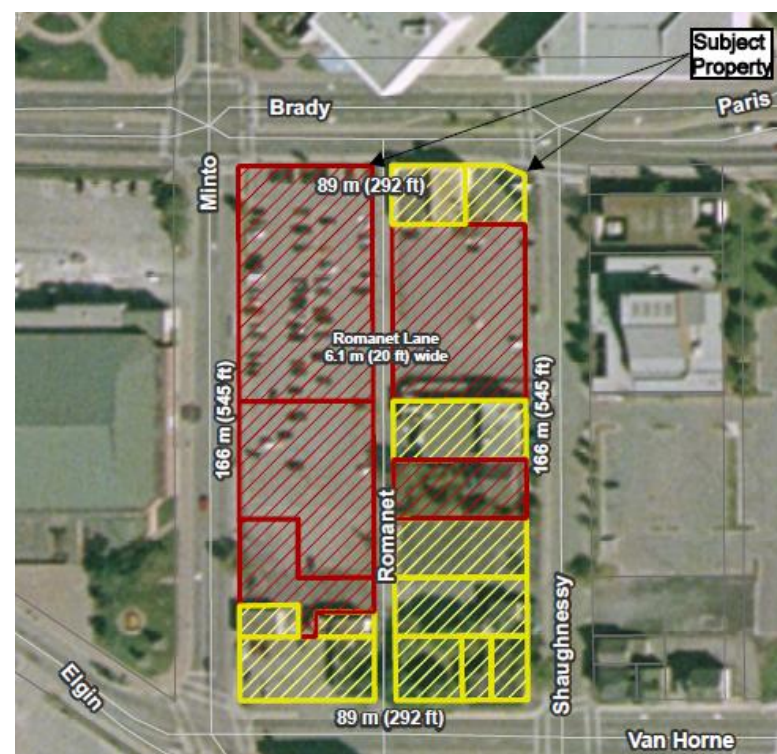
- The Downtown Site is an approximate 2.6 acre to 3.4 acre site located in Downtown Sudbury. The property is located next to the existing Sudbury Community Arena and is bounded by Brady Street to the north, Minto Street to the west, Shaughnessy Street to the east and Van Horne Street to the south.
- The City has entered into Option Agreements with land owners in the northern portion of the site, allowing a total site area with sufficient room to accommodate the siting of the Event Centre (approximately 2.6 acres). Concluded option agreements are still required with property owners on the southern portion of the site.
- The Downtown Site is mostly vacant and is currently used as a parking lot; the northern portion of the site contains two business with whom the City has signed Option to Purchase agreements.
- Salient factors considered by the ECSET include the following (it being noted that the ECSET considered the entirety of the Downtown Site, from Brady Street to Van Horne Street):

Vision

- The property is currently zoned C6 which permits the construction and operation of an Event Centre. No rezoning would be required.
- An Event Centre located on the Downtown Site is consistent with the City's Official Plan and an investment in an Event Centre would be consistent with the Community Improvement Plan recently adopted by the City.

Complimentary Benefits

- The development of an Event Centre is viewed as being able to impart a number of complimentary benefits within the



The Downtown Site is zoned to allow for an Event Centre and will require significant expenditures to prepare the site in order for the facility to be constructed

Downtown Site (continued)

Complimentary Benefits (continued)

downtown including taking advantage of existing infrastructure, enhancing the existing urban fabric with compatible projects and assisting with the revitalization of Downtown Sudbury.

- The potential exists for the Event Centre to facilitate the broader revitalization of Downtown Sudbury, consistent with what has occurred in other communities which have developed new event centres in their downtown cores. The siting of the Event Centre on the Downtown Site could also spur the development of complimentary facilities including a new parking structure.

Ease of Development

- Current zoning allows for the construction of an Event Centre.
- Geotechnical and soil conditions (soft clay and silts with low bearing strengths) are such that micropilings will be required, similar to the recent development of Laurentian University's School of Architecture and the Meridian Centre in St. Catharines.
- Risk of environmental contamination, per Terraprobe, based on the site's proximity to the CP rail lands.
- Should the entire Downtown Site be desired, construction could be delayed pending the acquisition of other properties.
- Existing in-ground services will require modest upgrades.

Access

- The site benefits from multiple points of access, facilitating multi-directional event access / egress.
- The Downtown Site would benefit from additional improvements to the existing road network, including:
 - the addition of a 30 metre southbound right turn storage lane at the intersection of Paris and Brady Streets; and
 - adjusting signal timing plans at the intersections of Paris and Brady Streets and Paris and Van Horne Streets.

Parking

- Currently within Downtown Sudbury, there exists approximately 1,900 parking spaces within municipal and private lots and on-street in the area bounded by Elgin Street, Elm Street, Paris Street and the CP rail lands. Per an analysis completed by the City's Parking Section, some 1,500 parking spaces (within parking lots and on-street) exist within 400 metres / a five minute walk from the Downtown Site, while more than 2,500 parking spaces are available within 600 metres / 7.5 minute walk from the Downtown Site. With 800 metres (10 minutes) there exists more than 3,500 parking spaces with this area including parking spaces located within the Rainbow Centre (710 spaces) and Energy Court (450).
- Included in these parking space counts are, however, parking spaces that will / may be removed from the available inventory should the City proceed with various initiatives, including the Minto Street parking lot and the Elgin Street Greenway project.
- While a sufficient number of spaces may be available with 600 metres of the Downtown Site, the public perception is that many of these spaces are located too far from the Event Centre.

The cost to development the Event Centre on the Downtown Site is estimated to be in the range of \$99 million, including acquisition costs for the entire site, micropiling and other off-site costs, excluding parking

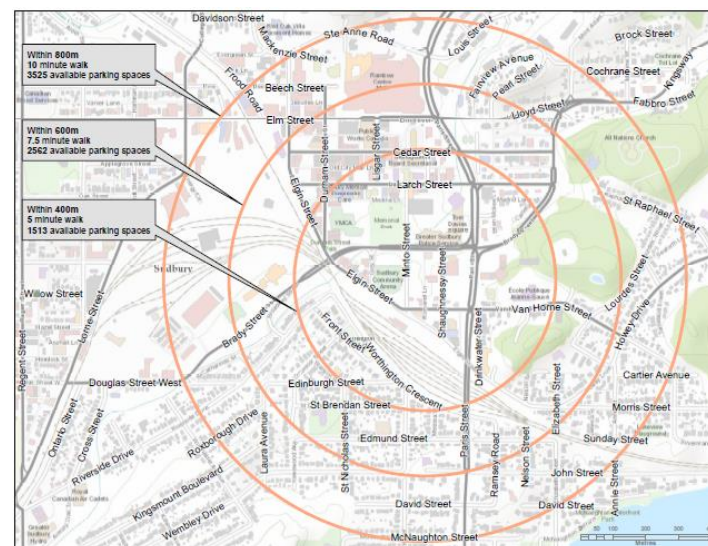
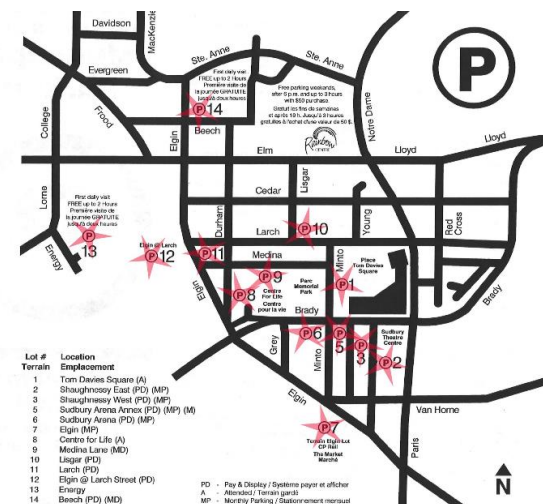
Downtown Site (continued)

Parking (continued)

- Investigations undertaken by City staff confirmed that utilization of parking spaces in lots located beyond 600 metres has been low during Sudbury Wolves hockey games.
- Discussions with Prime Real Estate and Gross Capital indicated that they have been considering the construction of a new parking facility in Downtown Sudbury. While demand for parking remains high during business hours, evening and weekend demand is low. The siting of the Event Centre in Downtown Sudbury is concluded by Gross Capital to enhance the business case for the construction of a new facility as the Event Centre's programming and operations would add to the potential for evening and weekend use. For the purpose of this assessment, no consideration has been given to the increased potential for the construction of a new parking facility.

Cost

- Per the Option Agreements the City has with three current owners, the cost to acquire portions of the site not already owned by the City have been concluded. Allowances have been carried for the acquisition of other properties located in the southern portion of the Site.
- The cost to ready the lands for the development of the Event Centre is estimated to be in the range of \$5.0 million to \$10.0 million.
- The cost for additional works and improvements needed for the effective operations of the Event Centre on the site is estimated to be less than \$5.0 million.
- In addition, it should be noted that the Downtown Sudbury BIA recently adopted a resolution, committing some \$2.2 million over the next 25 years to the Event Centre project if it is located in the Downtown. The net present value of this commitment is estimated to be in the range of \$1.5 million.



The development the Event Centre on the Downtown Site is concluded to allow the City to realize greater economic benefits area in the shorter term and enhance and strengthen the City's Downtown core per its Official Plan

Downtown Site (continued)

Cost (continued)

- The total cost to developed the Event Centre, inclusive of site acquisition costs, site development and servicing costs, infrastructure upgrades and the value of the Downtown Sudbury BIA commitment, is currently estimated to be in the range of \$99 million. The cost of adding additional parking is not considered in this estimate.
- If should again be noted that because of the way the cost to construct the Event Centre had previously been estimated in PwC's March 2017 report (based on total development costs of other Event Centres; \$80.0 million), and because of the way other on-site and off-site costs have been calculated as part of this Site Evaluation Report, it is possible that there has been some double counting of costs, thereby lowering the Event Centre's cost of construction (the \$80.0 million figure).

Economic Impact

- Given the already existing "built form" that exists within Downtown Sudbury, the ability to realize positive impacts is concluded to be greater in the short term compared to a greenfield site (where are critical mass of uses does not already exist).
- Precedent examples of Event Centres and the ability of new facilities being located within downtown cores and stimulating economic development illustrates that the development of an Event Centre adjacent to existing development would create a more immediate impact with a greater potential for new development in the medium to longer term compared to a greenfield site which has the potential to spur new development but would likely occur over a much longer period.

- Similar to the observations included within the commentary provided for Complimentary Developments, an Event Centre developed within a city's downtown is viewed as supporting investment in its core, with such investments complimenting other existing investments and planned future investments (including the School of Architecture, Place des Arts, Performing Arts Centre, etc.).

City Building

- Locating the Event Centre on the Downtown Site would allow the City to continue to support its longer-term city building vision as articulated in its Official Plan:

"...Greater Sudbury's Downtown will be developed and sustained as the vibrant hub of a dynamic city by preserving its historical built form, promoting arts and culture, improving linkages to neighbourhoods and amenities, integrating natural features, developing residential uses, and creating unique urban spaces through innovative design."

and,

"...The heart of Greater Sudbury, its most urban place, is and will be the Downtown. With the changing role of downtowns, there is a continuing need for appropriate policies and programs to enhance the Downtown as a location of government, commerce, cultural and entertainment facilities. Residential development in and around the Downtown is needed to support new and expanded facilities and amenities. Town Centres will continue to serve the needs of local communities."

Summary and Recommendation

Based on the Consensus Evaluation by members of the Event Centre Site Evaluation Team, the site which yielded the highest comparative ranking was the Downtown Site followed by the Kingsway Site

Site Evaluation Results

- Based on a consensus ranking by members of the ECSET, each site was evaluated based on the eight site selection criteria approved by Greater Sudbury City Council and per the relative weighting as also approved by Greater Sudbury City Council (identified on Slide 10, above). The attached table summarizes the relative ranking of each site.
- Based on the results of this review and assessment:
 - The Downtown Site is the highest ranked site overall, considering all site evaluation criteria, ranking first in every category with the exception of “Parking” and “Cost” where it ranked fourth and second respectively.
 - The Kingsway Site is the second highest ranked site overall, ranking first in Parking (tied with both the MacIsaac Drive Site and Algonquin Road Site) and Cost, and ranking second in most other categories with the exception of “Access” and “Ease of Development” (where it ranked third and fourth respectively).
- In terms of those categories which were identified by Greater Sudbury City Council as of “Highest Importance”, the Kingsway Site ranked first overall. The Downtown Site ranked second overall for this classification of site evaluation criteria, including ranking first in Economic Impact; from a cost perspective, the Kingsway Site is concluded to be slightly less expensive than the Downtown Site.
- In terms of those categories identified by Greater Sudbury City Council as being “Extremely Important”, the Downtown Site ranked first overall (and ranked first in each category). The Kingsway Site ranked second overall (ranking second, third and fourth in this classification of site evaluation criteria).

Criteria	MacIsaac	Algonquin	Kingsway	Downtown
Parking	1	1	1	4
Cost Impact	3	4	1	2
Economic Impact	3	3	2	1
Complimentary Benefits	3	4	2	1
Ease of Development	2	3	4	1
Access	2	4	3	1
Vision	3	4	2	1
City Building	4	3	2	1
Of Highest Importance	3	4	1	2
Extremely Important	3	4	2	1
Highest and Extremely Important	3	4	2	1
Important	3	4	2	1
Combined	3	4	2	1

Both the Downtown Site and the Kingsway Site comprise appropriate locations for an Event Centre, with each site featuring various advantages and disadvantages

Site Evaluation Results (continued)

- In terms of those categories identified by Greater Sudbury City Council as being “Of Highest Importance” and “Extremely Important”, combined, the Downtown Site ranked first overall while the Kingsway Site ranked second overall.
- Finally, in terms of those categories identified by Greater Sudbury City Council as being “Important”, the Downtown Site ranked first overall (and ranked first in each category) while the Kingsway Site ranked second overall (and second in each category).
- While ranking second, the Kingsway Site scored high and would constitute a viable location.

Salient Considerations Associated with the Two Highest Ranking Sites

- Salient considerations associated with the two highest ranking sites include the following:

Downtown Site

- Advantages associated with the Downtown Site include:
 - option agreements with land owners are in place which will provide a sufficiently sized site on which to construct an Event Centre
 - site is appropriately zoned allowing construction to commence immediately
 - the location is directly consistent with the City’s strategic vision and city building policies
 - the selection of the site would support a \$1.5 million (present value) commitment by the Downtown Sudbury BIA
 - the Downtown Site provides a greater ability to realize complimentary benefits in the short to medium term

compared to other sites

- selection could spur the development of a new structured parking facility in the downtown core
- Disadvantages associated with the Downtown Site include:
 - concluded Option Agreements with land owners in the southern portion of the block are not yet in place and could add delays if entire block is desired
 - while the downtown benefits from an adequate supply of parking with a 10-minute walking radius, the location of such parking is generally viewed as inconvenient

Kingsway Site

- Advantages associated with the Kingsway Site include:
 - an option agreement with the land owner has been agreed to
 - the property is large enough to accommodate a sufficient amount of on-site parking
 - the total cost to develop the property is slightly less expensive compared to the Downtown Site
 - the property has been planned and is being actively promoted as an entertainment district centered around the Event Centre and casino
 - the property potentially has the highest potential to convey positive benefits within the community, including enhancing this area of the Kingsway as an entertainment / event destination.

The recommended location for the Event Centre is the Downtown Site

Salient Considerations Associated with the Two Highest Ranking Sites (continued)

- while not guaranteeing the full build out of the property, the owner has agreed to pay a financial penalty to the City if they fail to use reasonable efforts to effect the substantial development of the site
- Disadvantages associated with the Kingsway Site include:
 - the property will require rezoning which will delay when construction of the Event Centre could commence
 - the site will also require significant blasting and grading, further adding to the timeframe associated with the Event Centre's development
 - the property is located in proximity to the Sudbury Landfill Facility
 - while offering longer-term economic potential, the development property is not guaranteed and will be subject to future real estate market and financial investment decisions.

Recommended Site

- In consideration of the individual and relative rankings of each site against the site evaluation criteria, the recommended location for the Event Centre is the Downtown Site:
 - It scored highest in all categories except Parking and Cost (where its total estimated cost is estimated to be only marginally higher than the Kingsway Site).
 - In addition, it scored highest in terms of economic development, access, ease of development and its ability to delivery complimentary benefits.
 - Finally, it is concluded to be best able to support the stated long-term vision of the City and contribute most to city building.

	MacIsaac Drive	Algonquin Road	Kingsway	Downtown
Land, Site Development and Off-Site Improvements	\$30.0 million to \$35.0 million	\$30.0 million to \$35.0 million	\$15.0 million to \$20.0 million	\$15.0 million to \$20.0 million
Facility Development Costs*	\$80.0 million	\$80.0 million	\$80.0 million	\$80.0 million
Total	\$110.7 million	\$111.3 million	\$98.3 million	\$99.6 million

* Because of the way the cost to construct the Event Centre had previously been estimated in PwC's March 2017 report (based on total development costs of other Event Centres), and because of the way on-site and off-site costs have been calculated as part of this Site Evaluation Report, it is possible that there has been some double counting of costs, thereby lowering the Event Centre's cost of construction (the \$80.0 million figure).

General Assumptions and Limiting Conditions

1. The use of any Projection made in conjunction with this Report may not be appropriate for use outside of its intended purpose. The Projection, which will not reflect actual development, economic, demographic and / or financial results, may reflect a possible scenario for the operations of new Sports and Entertainment Centre / Arena in Greater Sudbury, Ontario during the Projection Period, given PwC's judgment as to a probable set of economic conditions, together with the hypotheses which are consistent with the purpose of the Projections. Scenarios produced in conjunction with our analysis may contain hypotheses and assumptions which are based on a set of economic conditions or anticipated courses of action that are not unreasonable, are consistent with the purpose of the projections, but which will not materialize as set out therein. The hypotheses represent plausible circumstances, but need not be, and may not have been fully supported.

Since future events are not subject to precise projections, some assumptions will not materialize in the exact form presented by our analysis. In addition, other unanticipated events and circumstances may occur which could influence the future performance of the Facility. Therefore, the level of growth which will occur in the future will vary from the analysis of prospective market and economic conditions set out therein. While there is no recourse to predicting these matters with certainty apart from informed and reasoned judgments, it must be stated that future events will lead to variations in performance which may materially alter the success and performance of the Facility. PwC does not warrant that actual results achieved during the Projection Period will be the same, in whole or in part, as those shown in the Projection. The Projection is based on hypotheses and there is a significant risk that actual results will vary, perhaps materially, from the results projected.

Estimates and projections contained in this report are based, in part, on information provided by the City of Greater Sudbury, by Terraprobe and WSP, among others. PwC was not retained to review or provide comment on the findings of these reports or on the consultants retained to provide those findings.
2. Responsible and competent management are assumed.
3. Information furnished by others upon which all or portions of this report are based, is believed to be reliable, but has not been verified in all cases. No warranty is given as to the accuracy of such information.
4. Our report and work product cannot be included, or referred to, in any prospectus, securities and exchange commission filing or other public investment document.
5. The intended use of this report is in support of a locational assessment and site selection for the location of a proposed new Sports and Entertainment Centre / Arena in Greater Sudbury, Ontario by Greater Sudbury City Council.
6. It is assumed that all required licenses, certificates of occupancy, consents, or other legislative or administrative authority from any local, provincial, or national government or private entity or organization have been, or can readily be obtained, or renewed for any use on which the estimates provided in this report are based.
7. No investigation has been made of, and no responsibility is assumed for, the legal description or for legal matters including title or encumbrances.
8. Full compliance with all applicable federal, provincial and local zoning, use, occupancy, environmental, and similar laws and regulations is assumed, unless otherwise stated.
9. No responsibility is taken for changes in market conditions and no obligation is assumed to revise this report to reflect events or conditions which occur subsequent to the effective date of this report.
10. Any financial structure within this report is predicated on the market conditions prevailing as of the date of this report.
11. Areas and dimensions of any property referenced in this report were obtained from sources believed to be reliable. Maps or sketches, if included in this report, are only to assist the reader in visualizing the property / site and no responsibility is assumed for their accuracy. No independent surveys were conducted.

12. It is assumed that there are no hidden or unapparent conditions of the site, subsoil, or structures that affect future use and / or value. No responsibility is assumed for such conditions or for arranging for engineering studies that may be required to discover them.
13. Only preliminary soil analyses and geotechnical studies were ordered or made in conjunction with this report. No investigation made of any water, oil, gas, coal, or other subsurface mineral and use rights or conditions. It is assumed that such reviews and examinations would be made following any decision by Greater Sudbury City Council.
14. Neither PwC nor any individuals signing or associated with this report shall be required by reason of this report to give further consultation, to provide testimony or appear in court or other legal proceedings, unless specific arrangements thereof have been made.
15. This report has been made only for the purpose stated and shall not be used for any other purpose. Neither this report nor any portions thereof (including without limitation any conclusions, the identity of PwC or any individuals signing or associated with this report, or the professional associations or organizations with which they are affiliated) shall be disseminated to third parties by any means without the prior written consent and approval of PwC.
16. We have not been engaged nor are qualified to detect the existence of hazardous material which may or may not be present on or near the property. The presence of potentially hazardous substances such as asbestos, urea-formaldehyde foam insulation, industrial wastes, etc. may affect the value and future use of a particular site and the viability of using the site for an Event Centre. No responsibility is assumed for any such conditions or for any expertise or engineering knowledge required to discover them. It is assumed that such reviews and examinations would be made following any decision by Greater Sudbury City Council.
17. We have not audited or otherwise verified the various costs associated with developing the Facility on particular site.

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