

**SUSTAINABLE DEVELOPMENT**

(thousands of dollars)

**PROGRAM:** Corporate Properties **LEAD DEPT:** Community Services

<b>Project Name:</b> Downtown Arena								11-17-0099
<b>Criteria:</b> E-100 Projects With Budget Approval <b>Outcome:</b> Diversify Edmonton's Economy					<b>Focus:</b>		<b>Project Manager:</b> E. Gyorfi <b>Capital Initiative:</b>	
<b>BUDGET</b>	<b>Prior Years</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>Total</b>	
Budget as Approved	42,492	12,508	-	-	-	-	55,000	
Change	-	3,705	142,700	239,000	162,000	2,095	549,500	
Revised Budget	42,492	16,213	142,700	239,000	162,000	2,095	604,500	
<b>PLAN</b>								
Existing Plan Expenditures	-	-	-	-	-	-	-	
Change	-	-	-	-	-	-	-	
Revised Plan	-	-	-	-	-	-	-	
<b>TOTAL CPP &amp; BUDGET</b>	42,492	16,213	142,700	239,000	162,000	2,095	604,500	
<b>Financing</b>	<b>Budget Request</b>	<b>Prior Years</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>Total</b>
Debtenture Debt	489,000	40,303	12,213	124,200	220,000	143,000	2,095	541,811
Third Party Funding	21,500	2,189		11,500	5,000	5,000		23,689
Other Government	39,000		4,000	7,000	14,000	14,000		39,000
<b>Total Financing</b>	549,500	42,492	16,213	142,700	239,000	162,000	2,095	604,500
<b>Description/Justification/Impact:</b>								
<b>DESCRIPTION</b>								
<p>The Downtown Arena Project is comprised of an arena that provides a first class multi-purpose facility for entertainment, sports and other events; an underground parkade; an enclosed pedestrian link over 104th Avenue (Wintergarden); an internal pedestrian corridor (Corridor); an LRT link; and a community rink. The anticipated life span of the facility is 40 years.</p> <p>The \$542 million in debtenture debt will be serviced over terms ranging from 20 to 35 years from the following sources:</p> <ul style="list-style-type: none"> <li>- \$234 million from the Capital City Downtown Community Revitalization Levy and other incremental City revenues</li> <li>- \$45 million from leveraging a \$3 million increase in Municipal Sustainability Initiative funding realized in 2013</li> <li>- \$125 million from a ticket surcharge levied on all hockey and non-hockey events at the Downtown Arena</li> <li>- \$138 million from lease revenue for the Downtown Arena</li> </ul>								
<b>JUSTIFICATION -</b>								
<p>As identified in the Capital City Downtown Plan, the construction of the Downtown Arena Project is a transformational initiative to revitalize the downtown. Further, the new arena facility will ensure the sustainability of NHL hockey in the City of Edmonton. The City will leverage contributions from the owner of the Edmonton Oilers, the Capital City Downtown Community Revitalization Levy, other incremental revenues and funding from other orders of government to realize over \$1 billion in new development on currently vacant sites adjacent to the Downtown Arena. The ongoing operating and capital costs of the arena will be the responsibility of the Edmonton Arena Corporation with \$1.5 million annually from the ticket surcharge set aside for major capital renewal under the responsibility of the City.</p>								
				<b>Total Project Cost</b>				
				<b>Land</b>	<b>Design</b>	<b>Construction</b>	<b>Total</b>	
				Arena Proper	25,000	32,410	447,590	505,000
				Winter Garden	-	3,090	53,410	56,500
				LRT Connection	-	400	6,600	7,000
				Pedestrian Corridor	-	870	14,130	15,000
				Community Rink	-	1,230	19,770	21,000
				<b>Total</b>	<b>\$ 25,000</b>	<b>\$ 38,000</b>	<b>\$ 541,500</b>	<b>\$ 604,500</b>
<b>SOURCES OF ESTIMATES -</b>								
Detailed Design								
<b>Last Updated:</b>		14-May-13						