

SUSTAINABLE DEVELOPMENT

(thousands of dollars)

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

Project Name: Downtown Arena **11-17-0099**

Criteria: E-100 Projects With Budget Approval **Project Manager:** E. Gyorfí
Outcome: Diversify Edmonton's Economy **Focus:** **Capital Initiative:**

BUDGET	Prior Years	2013	2014	2015	2016	2017	Total
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

PLAN

Existing Plan Expenditures	-	-	-	-	-	-	-
Change	-	-	-	-	-	-	-
Revised Plan	-	-	-	-	-	-	-

TOTAL CPP & BUDGET	42,492	16,213	142,700	239,000	162,000	2,095	604,500
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Financing	Budget Request	Prior Years	2013	2014	2015	2016	2017	Total
Debenture Debt	474,000	40,303	16,213	136,200	209,000	123,000	2,095	526,811
Partner Funding	6,500	2,189		6,500				8,689
Other Government	69,000				30,000	39,000		69,000
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Total Financing	549,500	42,492	16,213	142,700	239,000	162,000	2,095	604,500

Description/Justification/Impact:

DESCRIPTION

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; and enclosed pedestrian link over 104th Avenue (Wintergarden); an internal pedestrian corridor (Pedway); an LRT link; and a community rink. The anticipated life span of the facility is 40 years.

The \$527 million in debenture debt will be serviced over terms ranging from 20 to 35 years from the following sources:

- \$219 million from the Capital City Downtown Community Revitalization Levy and other incremental City revenues
- \$45 million from leveraging a \$3 million increase in Municipal Sustainability Initiative funding realized in 2013
- \$125 million from a ticket surcharge levied on all hockey and non-hockey events at the Downtown Arena
- \$138 million from lease revenue for the Downtown Arena

JUSTIFICATION -

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.

Total Project Cost

	Land	Design	Construction	Total
Arena Proper	25,000	29,410	450,590	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
Total	\$ 25,000	\$ 35,000	\$ 544,500	\$ 604,500

SOURCES OF ESTIMATES -
Detailed Design

Last updated: 01-May-13