



SUNDERLAND LIONS CLUB

"SERVING OUR COMMUNITY"

June 20, 2023

Trena DeBruijn, CPA, CGA
Director of Finance/Treasurer
Township of Brock
1 Cameron St. E.
Cannington, ON, L0C 1H0

Ms. DeBruijn:

Re: Sunderland Memorial Arena & Community Centre Renovation & Expansion Project

We acknowledge receipt of your June 15, 2023 letter concerning the ongoing Sunderland Arena project.

We appreciate the constructive dialogue with Township staff as both the Township and the Lions Club work to move this important community project forward.

Our Club's motivation with this project has been to see long overdue improvements made to the Sunderland Arena and ensure it continues to serve the Sunderland and broader Brock Township communities well into the future. This is not just a facility for winter sports; it serves as a community hub for a multitude of activities, including fundraising activities of the Sunderland Lions Club. Over the years, the Club has raised hundreds of thousands of dollars hosting our annual car draw, Blue Rodeo concerts, Summerfest and other activities at the arena. That money is invested right back into the community, in many cases, to improve Township-owned properties and facilities.

With respect to the arena specifically, the Lions Club undertook community fundraising in the '60s to install artificial ice and also build a new structure on the front of the building comprised of four dressing rooms, washrooms, a food booth and a second-floor auditorium. In the '70s, the Club fund-raised to build a new concrete and steel structure over the ice pad, replacing the old wooden structure built just after WWII. The '70s saw many community arenas condemned and replaced, including those in Sunderland, Beaverton, Uxbridge and Port Perry, and countless others throughout Ontario.

The ice surface in the Sunderland Arena is probably one of the smallest in the Province at 70 feet x 170 feet. At the time the new structure was erected over the pad in the '70s, it was designed with a future expansion in mind, as noted on the construction drawings. This is something that has been long anticipated by the community.

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In addition, the dressing rooms are now vastly undersized by current standards and have inadequate shower facilities, which render them practically unusable for adult hockey, in particular.

The Sunderland Lions Club began working on the current project in 2010, and used its own funds to have concept plans prepared showing various facility upgrades. In addition to the expansion of the ice surface and new dressing rooms, the improvements envisaged the renovation of the existing lobby and dressing rooms to include new public washrooms, new referee rooms, a new food booth and a more contemporary lobby space.

It was understood at the time that such a project could not be undertaken without senior government financial support, so both the Lions Club and the Township bided their time until such a program came along. Finally, in 2018, the Investing in Canada Infrastructure Program (ICIP) was announced and the Township and Lions Club filed a joint application for funding. Initial estimates indicated the project could be undertaken for approximately \$7.5 million. In 2020, the announcement was made that the application had been successful. Shortly thereafter, the COVID pandemic struck and, to say the least, the world changed, including with respect to our project. Construction prices increased dramatically, and what was a \$7.5 million project became a \$12.0 million project.

Discussions ensued between the Township and the Lions Club to address the affordability of the project. From day one, the Lions Club had made it clear that it was not interested in creating a massive debt burden for the Township; the project had to be financially responsible and affordable. A total project budget of \$10.0 million is now being proposed and is considered appropriate in that regard, although it is unlikely the preferred plan can be undertaken fully with that budget. Some elements are, therefore, likely to be deferred until additional funding is available. That includes the lobby area renovations, in particular.

Attached to this letter is a preferred project scope of work and budget that was endorsed by the Sunderland Lions Club membership at its June 14, 2023 meeting. The Club's support for the project is based on the following key elements:

- Expansion of the ice surface to 80 feet x 200 feet;
- Construction of four new dressing rooms, including two fully accessible ones for sledge hockey teams; two more conventional dressing rooms would be added in the future as funding permits;
- Improvements to the lobby area and front exterior façade will likely need to be deferred due to funding constraints;
- Several accessibility enhancements are proposed to ensure the building as a whole is made fully accessible, including new double accessible doors between the lobby and the ice pad viewing area, automatic sliding doors at the main building entrance, and the installation of viewing windows in the second-floor auditorium.

For its part, the Lions Club has pledged \$0.5 million to the project and has agreed to undertake additional community fundraising in the amount of \$300,000.

It is noteworthy that the Township's proposed use of development charge revenues, arena reserve funds and rate stabilization funds mean no new tax-based funds would be used for the project.

With the above provided as background, we will address the questions raised in your June 15, 2023 letter.

DESCRIPTION

- building extension to north to achieve 200 feet in ice surface length;
- expansion of ice surface into existing seating area to the west to achieve 80 feet in width; new seating area to be comprised of two rows of seating and walkway along west wall; additional portable seating to be added to four corner locations adjacent to ice pad;
- replacement/expansion of concrete pad and refrigeration system, new dasher boards and glass, as well as new convertible players benches to accommodate sledge hockey; new Zamboni room to be built at the north end of extended structure;
- Four new dressing rooms, including two fully accessible rooms for sledge hockey teams, and two conventional rooms along east side of building; two additional conventional dressing rooms to be added in future as funding permits;
- new storage space on east side of building, north of new dressing rooms to replace existing storage area under seats;
- new double accessible doors between the lobby and the ice pad viewing area to replace existing single door access;
- new viewing windows to be installed in upper south wall between the second-floor arena auditorium and ice pad;
- lobby and façade renovations to be undertaken in the future as funding permits.

FUNDING SOURCES & BUDGET

ICIP grant	\$ 5.5 million
Development charge contribution	\$ 2.9 million
Lions Club pledge	\$ 0.5 million
Township (Sunderland Arena) reserves	\$ 0.3 million
Additional Lions community fundraising	\$ 0.3 million
Township rate stabilization fund	\$ 0.5 million
Total cost	\$ 10.0 million

SUNDERLAND LIONS CLUB SUBMISSION TO TOWNSHIP OF BROCK RE: PREFERRED SCOPE AND BUDGET FOR SUNDERLAND MEMORIAL ARENA EXPANSION AND RENOVATION PROJECT

SUMMARY

The Sunderland Lions Club supports the implementation of the Sunderland Arena Expansion & Renovation project based on three main project components, as follows:

Ice Surface Expansion and Related Works are the cornerstone of the project. The expansion of the ice surface from 70 feet x 170 feet to 80 feet x 200 feet has long been a goal of the Sunderland community and is now achievable with the Investing in Canada Infrastructure Program (ICIP) funding provided. It should be noted that the current structure was designed and built in the mid-70s so that it could be expanded to the north to accommodate an increase in the length of the ice surface. A widening of the ice surface to the west, into the existing seating area, was also contemplated.

New Dressing Rooms are proposed along the east side of the existing building. This includes two fully accessible dressing rooms for use by sledge hockey teams, plus four conventional dressing rooms. These dressing rooms will replace the four existing ones adjacent to the lobby which are all undersized and without proper shower facilities. They are, therefore, no longer suitable for adult use. Should it be required for budget compliance purposes, the construction of two of the conventional dressing rooms could be deferred until funding permits them to be built in the future.

Lobby and Front Façade Renovations include the replacement of the four existing dressing rooms to enable the installation of new public washrooms, new referee rooms, a new canteen area and a modest internal expansion of the lobby itself. In addition, the front exterior façade of the building would be refreshed. This phase of the project may have to be deferred due to budget constraints and undertaken in the future as funding permits. Automatic sliding entrance doors are proposed to be installed at the front of the building however, to ensure barrier free access to the new dressing room area.

A **budget** of \$10 million is proposed and is based on estimates prepared for the Township by Ball Construction in March of 2023.

The budget includes the use of \$ 0.3 million from the Township's arena reserve fund, as well as \$ 0.5 million from the Township's rate stabilization fund. No new tax-based funding is otherwise proposed for the project.

In addition, the budget includes a \$0.5 million pledge from the Sunderland Lions Club, as well as an additional \$0.3 million in community fundraising proposed by the Club.

While not included in the budget, a future contribution of \$0.6 million is anticipated from Kaitlin Corporation for additional arena improvements, although its timing is uncertain.

Finally, we would like to address your comment that *"The Township does not intend to expand the budget in coming months/years for this project (due to cost escalation) and any decisions around the scope of work to be done must fit within the approved project budget"*. **We trust this does not include the possible use of future development charges to fund the completion of the dressing room component of the project in the event construction of two of the rooms has to be deferred for cost reasons. Including provision for this in the new DC by-law to be adopted in 2024 would be entirely appropriate and, of course, would ensure completion of the project without any property tax burden.**

We thank you for the opportunity to provide this input and look forward to continuing our work with the Township to deliver a project that the Brock community can be very proud of. If you have any questions, feel free to contact us.

Sincerely,



Ralph Maleus,
Incoming President



Don Gordon,
Arena Project Chair

1. *“What are the absolute requirements for the renovation and expansion that the Lions have, that they would not be willing to deviate from should a need arise with budget, design or build limitations?”*

Our preferred ice surface dimensions are 80 feet x 200 feet, which our \$500,000 pledge is based on. If the bid price from the selected contractor turns out to be significantly higher than the estimate for this component of the project, we would consider something smaller, however, we are not prepared to identify a minimum. The ultimate size we would support depends on the cost of the alternative design that meets the budget available. This would involve a de-scoping of the project at which time we would revisit and confirm our financial contribution to the project.

2. *Under what circumstances, if any would the Lions be willing to consider in providing further funding for this project completion. Knowing that the budget target is approximately \$9,400,000 to \$10,000,000, would the Lions consider further activities, and at what amount (in relation to budget suggested above). Further, are there any additional requirements that must be included and achieved in this project to ensure this additional contribution.*

We have agreed to conduct a community fundraising campaign to raise an additional \$300,000. This would be in addition to our pledge of \$500,000. Again, this is based on an 80 feet x 200 feet ice surface. If a de-scoping exercise is required, and a smaller ice surface is needed to achieve compliance with the available budget, we would evaluate what level of additional support we could provide at that time.

3. *If the Lions were to consider additional fundraising for this project, would a financial bridge be required by the Township, until such time as funds were raised by the Lions? If so, how long would bridge financing be expected to be required and how would the repayment of funds be provided to the Township? (i.e. semi-annually, annually, etc.)*

We are in the process of establishing a Sunderland Lions Charitable Foundation which would enable us to issue tax receipts for all donations made to the Club in support of the arena project. We expect to have Canada Revenue Agency (CRA) approval for the Foundation in mid-2024, at which time we would begin our campaign. Notionally, we expect to be able to raise the additional \$300,000 over two years, so any bridging would depend on the timing of the contract award and progress payment requirements. This is something that would have to be discussed with the Township at that time.

4. *If and when the Lions receive funding from the Kaitlin Corporation (“Kaitlin”), will the Lions provide these funds, in its entirety, to the Township for use on the Sunderland arena. If the project budget precludes the Township from addressing the renovations to the front lobby (as part of the renovation and expansion), the Kaitlin funds could be used to assist with these renovations in the future (and potentially leveraged for additional grant funding from the other levels of government).*

Any and all funds received by the Club from Kaitlin Corporation will be made available to the Township for improvements to the Sunderland Arena, as required in the draft agreement between the Club and Kaitlin. The Club would like to be able to provide input into the how these funds will be used at such time as they are received. We anticipate having the agreement with Kaitlin executed by the end of this year. As you are aware, any contribution from Kaitlin is predicated on the approval of phase two of their Sunderland development project.