

Municipality of Chatham-Kent
Finance, Budget and Information Technology Services
Financial Services
Information Report

To: Mayor and Members of Council
From: Matt Torrance, MBA, CPA, CGA
Director, Financial Services
Date: June 1, 2021
Subject: Proposed Arena Complex – June 2021 Update

This report is for the information of Council.

Background

Council approved the following recommendation at the May 27, 2019 Council meeting:

Administration to proceed immediately with primary architectural work and land acquisition options.

Council approved the following recommendation at the October 7, 2019 Council meeting:

Administration be approved to submit an application to the Community, Culture and Recreation Funding Stream – Multi-Purpose Category to maximize the grant funds from the senior levels of government for the smaller size twin-pad entertainment centre and multi-sport complex (seating capacity 2200 / 200 / 200) based on a maximum project cost of \$60M. Potential future investments in architectural design, land acquisition, outdoor sports fields, servicing and traffic mitigation costs are not included in the \$60M.

Council approved the following motion at the November 4, 2019 Council meeting:

“That

- 1. Administration report to Council reporting all funds spent or committed to be spent for any matter whatsoever relating to the proposed arena complex, and*
- 2. Administration update Council on these expenditures quarterly, and*
- 3. Administration report monthly on the status of any provincial and federal amounts to Chatham-Kent for this proposal.”*

Comments

A grant application was submitted to the Province of Ontario on November 12, 2019 as part of the Investing in Canada Infrastructure Program: Community, Culture and Recreation Stream (Multi-Purpose Stream) intake. The application was rejected by the Provincial Government.

Administration reported at the June 15, 2020 Council meeting that costs incurred or committed to date totalled \$313,799. Since that time, no additional expenses have been incurred. There are no funds currently committed to be spent.

The costs related to this project to date are summarized below:

Architectural Design	\$61,957
Consulting Services (Grant Application)	7,618
Environmental Testing	244,224
TOTAL	\$313,799

The Municipality had applied to the Federation of Canadian Municipalities (FCM) for a grant to offset the environmental testing around the Navistar property which was considered as a potential site. Now that the property has sold to private local investors and the Provincial ICIP grant was denied, and there is no immediate prospects of a municipal facility at the site, FCM has officially rejected the grant application. Therefore, as the environmental testing was site specific, Administration will write off the Environmental Testing and Consulting Service to 2021 operations, leaving only the architectural design cost moving forward to any future arena project.

Consultation

No other departments were consulted on this report.

Financial Implications

The total arena complex costs incurred or committed to date are \$313,799. After writing off \$251,842 to 2021 operations, \$61,957 will carry forward to a future arena project.

Prepared by:

Reviewed by:

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Chief Financial Officer, Treasurer

Attachment(s): None

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