

**Table 3-1****Celebration Centre Capital Costs**

0.1	Site Planning and Servicing	575,000	
0.2	Building Construction		
	Main Performance Centre & Facilities		
	(51,832 sq. ft @ \$500)	25,916,000	
	Additional Theatre		
	4,000 sq. ft @ \$400	1,600,000	
	Subtotal Facility Contribution		<u>28,091,000</u>
<b>3</b>	<b>Professional Fees</b>		
0.1	Architects & Engineers (10%)	2,809,100	
0.2	Specialized Consultants (2%)	561,820	
0.3	Fees for Service (1%)	280,910	
	Subtotal Professional Fees		<u>3,651,830</u>
<b>4</b>	<b>Equipment &amp; Furnishings</b>		2,495,000
<b>5</b>	<b>Miscellaneous Expenses</b>		<u>1,079,650</u>
<b>6</b>	<b>Estimated Land, Design and Construction Costs</b>		42,013,480
<b>7</b>	<b>Project Support Costs</b>		
0.1	Contingency @ 5%	2,100,674	
0.2	Bridge Financing	1,000,000	
0.3	Community Endowment Fund	5,000,000	
	Subtotal Project Support Costs		<u>8,100,674</u>
<b>8</b>	<b>Total Project Cost</b>		<u><u>50,114,154</u></u>

The estimated project capital costs for the Celebration Centre are \$50.1 million. The primary capital costs involve land, facility construction, fit-out and bridge financing for the Celebration Centre estimated at \$45.1 million.

The second, and a vitally important capital cost component incorporated in Table 3-1 is the \$5 million Community Endowment Fund. The Community Endowment Fund is an essential funding tool in maximizing community group access to, and engagement with, the Celebration Centre, as well as supporting the educational, music and dance skills development and performances of Londoners of all ages. The Fund could be managed as to its investment by a third party, such as the London Community Foundation, and the earned income allocated by the facility manager based on Board of Directors' policies and directions to community users.

The key requirements for the Celebration Centre have been identified as profiled in this report as to seating, square footage, etc. The sources of information and input have been based on fourteen other concert halls in North America including visitation to Koerner Hall in Toronto and Centre in the Square in

Kitchener, as outlined in Appendix III. The expertise of Ellis-Don Corporation in building such facilities and Global Spectrum in managing them has been drawn on extensively to develop the capital cost forecasts. Final design efforts, once the project is approved and funded, will solidify the actual physical data on the facility.

### 3.3.5 Estimated Operating Cost Pro Forma

The venue operating program will focus on maximizing revenue generation, particularly from travelling shows and productions and using the main hall for ticketed performances. The strategy will therefore focus on the following two approaches:

- Local professional and community music, choral and dance groups will primarily be booked for Monday to Thursday use of the Celebration Centre. Up to ten to fifteen weekend dates will be allocated to these groups to support their main performances. They could also use the main hall if no bookings are in place.
- Rehearsals and practices will be undertaken in the smaller theatre or off-site. No ticketed revenue events will be displaced for these types of uses which can occur in selected different locations.

Table 3-2 profiles the updated 2017 to 2020 estimated operating pro forma related to revenues and expenses for the Celebration Centre. In Appendix IV are the supporting materials that have been utilized to develop related utilization levels by type of use, various revenue sources and operating costs that collectively supported the development of this summary as sourced from the original Music London, June submission, and updated as new information has been developed. The development of the three year operating pro forma has been based on Music London assessing fourteen other similar performance centres, an analysis of the intended uses and users for the Celebration Centre, thirty years of Orchestra London experience using Centennial Hall and as reviewed by Global Spectrum Inc., based on their multiple venue management experience.

**Table 3-2  
Celebration Centre  
Three Year Operating Budget Pro Forma**

<b>REVENUE</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
<b>Sponsorship</b>	30,000	30,000	30,000	30,000
<b>Box Office Service Fees</b>	49,000	157,238	175,952	178,497
<b>Concessions, Merchandising</b>	42,000	160,458	161,034	161,219
<b>Advertising and Commissions</b>	13,000	58,000	61,700	63,100
<b>Rental Revenue (as base rate)</b>	270,000	843,300	867,875	877,495
<b>Rental Revenue (as recovered operating costs)</b>	150,000	543,820	600,000	650,000
<b>Fundraising and Donations</b>	50,000	100,000	100,000	100,000
<b>Federal Grants</b>	0	0	0	0