

EXPANSION OF THE BMO CENTRE

A. WHY AN EXPANSION

The London Optimist Sports Centre (LOSC), which owns and operates the BMO Centre at 295 Rectory Street., is looking to expand the current facility. The cost of this addition, which will include two additional playing fields, will be approximately 7.7 million dollars.

This is a major capital investment and while the LOSC has been very successful in operating the BMO Centre as well as their east end facility, the decision to move forward with this project will be positively impacted by the City's willingness to make an investment along with us. Our request to the City of London is for an \$800,000 one time grant with the rest of the funding coming from the LOSC.

The following are some of the reasons that the LOSC believes this will be a positive investment for the City of London.

- **Will help meet the ever increasing demand for indoor sports facilities**

The BMO Centre (four fields) is currently at capacity and the facility on Cuddy Boulevard (two fields) is filled to capacity as well. We are booking late into the evening and can hardly keep up with the demand. Further, with the sale of the Cuddy facility (the lease with the City expires this May) there will be approximately 1500 participants who will lose their practice and playing fields.

- **No further costs to the City**

We have always believed that we are an important and valued partner with the City. If we were not providing these sporting venues, it may well be that the City's recreational department would be expected to not only construct, but to own and operate these facilities, just as they do with hockey arenas and other sports centres. These costs could be in the hundreds of thousands of dollars. LOSC is unique in that it is entirely self-sustainable and does not rely on the municipal government to help cover any of its operating costs. The \$800,000 grant is a one-time ask and the City would not be "on the hook" for any other expenses associated with either the expansion or the ongoing operation of the BMO Centre. This is an innovative model for the community and the LOSC is proud to be an example of how partnerships with municipal governments can work so well.

- **Increased property tax**

Currently, LOSC pays approximately \$70,000 in property taxes annually for the BMO Centre at 295 Rectory Street. With the expansion, that amount will increase to roughly \$100,000 per year.

- **Revitalization of the area**

Londoners and politicians have been thrilled with the success of the BMO Centre and its positive impact on the community that surrounds it. In reality, the LOSC took an old, contaminated rail yard and converted it to a valuable community sports centre, one that has been touted as one of the best in the country. In fact the property has been showcased to other municipalities as a successful brownfield development site. An expansion of the BMO Centre at 295 Rectory Street will create an even greater draw to this area and expose more citizens from London and surrounding area to the overall Western Fair District.

- **Central location**

The location of the BMO Centre has benefited the City in so many ways. The main advantage of course is that Londoners, particular those in the far west, no longer have to drive across the city to play indoor soccer. Unfortunately, the continued operation of the Cuddy facility has meant that many moms and dads as well as adult players still have to drive great distances to play. The addition of the two fields to the BMO Centre's central location however, will make the drive easier for thousands of these travellers.

- **Create construction jobs**

The expansion project will create a number of construction jobs, putting people to work and helping the local economy.

- **Promote active, healthy living**

Thousands of Londoners are using our facility for recreation and to improve their own healthy living. In addition to our playing fields our walking track has been a huge attraction. Hundreds of seniors and others use the walking track free of charge as we do our part in promoting good health for all Londoners.

- **A venue for all Londoners**

While sporting activities have been the primary focus of the facility, it has also been used for a variety of other events including worship services, trade shows and police training exercises. The BMO is truly a community asset and we are happy to offer our facility to any group who may have a need for a venue such as ours.

B. ESTIMATED COSTS FOR THE EXPANSION:

We had an estimate done of the costs that will be involved should we move forward with the construction of the two additional indoor soccer fields. The costs of the expansion are outlined below.

1. Description –Actual Construction Costs*	
a. Includes all of the site work, paving, materials, plumbing, electrical etc.	\$ 5,790,000.00
2. Soft Costs	
a. Includes consultants, insurance etc. development, environmental	\$ 792,000.00
3. Contingency Costs (recommended 5% for new construction of \$5,790,000.00)	\$ 290,000.00
4. Tax (HST)	\$ 893,360.00

TOTAL BUDGET **\$7,765,360.00**

*** A full breakdown of the construction costs is available upon request.**

C. CONCLUSION:

The BMO Centre has been a true London success story. Each year, thousands of Londoners pass through our doors and enjoy all that this facility has to offer. From the very beginning we believed that the key to success is the partnership and collaboration between sport stakeholders, community service clubs, the business sector and the three levels of government. We have not been disappointed and there is no question that the City of London has benefited tremendously from our decision many years ago to build one of the finest indoor sports structures in Canada.

We now have an opportunity to build even further upon that success and to create what can only be described as a giant magnet for sports and health enthusiasts. Needless to say, the expansion of the BMO Centre will also have an even greater impact upon our growing sports tourism industry and London tourism in general. We are proud of our city and we feel privileged to be able to contribute to the ongoing revitalization of this area, while at the same time elevating the overall profile of the Western Fair District.

An investment in this expansion is an opportunity for this Council to leave a lasting legacy to Londoners – an investment that will not require any further costs on their part. With your help we want to undertake this expansion so that the LOSC and the City of London can be a part of creating one of the largest indoor sports facilities in the country – something for which all of us can be very proud.

