

MARKHAM LIVE (MISTA) COMMITTEE
February 4, 2013
Canada Room

MINUTES

<u>Attendance:</u> <u>Members:</u> Mayor Frank Scarpitti (ex-officio) Deputy Mayor Jack Heath (ex-officio) Regional Councillor Jim Jones – Chair Councillor Colin Campbell Councillor Alex Chiu Councillor Don Hamilton Councillor Alan Ho Councillor Logan Kanapathi Councillor Howard Shore <u>Regrets:</u> Councillor Moretti	<u>Staff:</u> Andy Taylor, CAO Jim Baird, Commissioner of Development Services Trinela Cane, Commissioner of Corporate Services Brenda Librecz, Commissioner of Community Services Gary Adamkowski, Director, Asset Management Joel Lustig, Treasurer Alex Moore, Senior Manager, Purchasing & Accounts Payable Rino Mostacci, Director of Planning and Urban Design Don Taylor, Manager, Executive Operations Laura Gold, Council/Committee Coordinator
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The Markham Live (MISTA) Committee meeting convened at 4:05 pm with Regional Councillor Jim Jones as Chair.

The Committee considered holding the meeting in a closed session. The Clerk advised that procedurally the meeting should be held in an open session. The meeting continued in an open session.

1. DISCLOSURE OF INTEREST

There was no disclosure of interest.

2. CARILLION PRESENTATION

Regional Councillor Jim Jones welcomed the Carillion team and introduced Markham Council and Staff in attendance.

The Carillion team was comprised of Mr. Paul Boucher Vice President, Infrastructure Development, Mr. Rob Shed, Senior Vice President of P3 Projects, Mr. Jim Lee, VP of Estimating and Ms. Kristen Balendra, Senior Business Development Manager.

The Carillion presentation responded to the following questions regarding the proposed Markham International Sports Training Academy:

Company Overview

The Company overview must include your understanding and role in the MISTA project and how your company's demonstrated experience will lead to a successful outcome.

The following company highlights were provided:

- Takes responsibility for all major aspects involved in Public Private Partnerships (P3);
- Has participated in a number international and provincial P3 projects (e.g. Sunnybrook Health Sciences Centre);
- Has helped raise private capital for P3 projects.

Standard Questions

- a) Please identify the financial backing and resources available to you to construct and operate the facility including all programme elements.*
- b) Describe how you will be able to deliver (construct & operate) the programme elements at no cost to the City of Markham? If not, what municipal, government (Provincial and/or Federal) or other investments will be necessary? (Note: Markham did not receive a favourable response from the Federal Government related to the P3 Canada Fund)*
- c) Do you feel the MISTA structure as set out in the RFI document is commercially viable? If not, what adjustments (if any) in the sports facilities and/or what increase in development latitude would be required to achieve a workable mix?*

The Carillion Team presented their answers to the standard questions regarding the proposed Markham International Sports Training Academy. Some highlights of their presentation included:

- Their experience in overseeing P3 projects and in securing private capital;
- That the preliminary budget numbers provided were for LEED Silver rather than for LEED Platinum;
- That both public and private funding was required to finance the capital cost of constructing the training facility;
- That the public sector may need to supplement the operating cost of the facility on an on-going basis upon its completion;
- That this project needs to be financially supported by another level of government to be financially viable.

Open Forum Questions/Respondent Questions - Opportunity for City of Markham and Respondent to ask questions.

The Committee asked the following questions:

What would be the approximate cost per parking spot at the proposed Markham International Sports Training Academy?

It was reported that a parking spot at the proposed training centre will cost approximately \$15,000 for an above ground spot and approximately \$38,000 to \$40,000 for an underground parking spot.

How much government support do you think is required to make this a viable project?

It was suggested that one level of government would be required to help construct the training centre and that one level of government would be needed to operate the facility.

Do you have an organization in mind to operate the facility?

The Carillion Team had no organization in mind to operate the facility at this time.

What can be done to attract larger investors?

It was explained that risk can be assigned to attract larger investors. For example if a project experiences losses, risk can be assigned so that the smaller investors will take a greater percentage of the losses.

It was noted that having some government investment also helps reduce the perceived risk for private investors. The project can also be phased in to help manage risk.

Do you think private investors will be attracted to this project?

The Carillion Team believed that private investors would be attracted to certain aspects of this project. However, they had not secured a commitment from investors at this time.

Have you built any sports complexes, as most of your experience seems to be in building hospitals and other types of institutions?

It was reported that most of the Carillion sport related projects have been attached to a university. However, one Carillion sport related project was a successful racetrack in the Middle East.

**3. MINUTES OF MARKHAM LIVE (MISTA) COMMITTEE HELD
JANURARY 24, 2012**

Moved by Councillor Alex Chiu
Seconded by Councillor Logan Kanapathi

That the Minutes of the Markham Live (MISTA) Committee held on January 24, 2013 be approved as presented.

CARRIED

4. ADJOURNMENT

The Markham Live (MISTA) Committee adjourned at 5:04 p.m.