

EDITORIALS

A good deal for city sports

The City of Ottawa is right to go ahead with a public-private partnership for a huge new arena in Kanata, despite some well-publicized foulups involving such ventures.

There's good reason for excitement about the prospect of a new 180,000-square-foot arena, with four ice pads, and a soccer facility. It's a deal that uses the hockey and arena management expertise of the Ottawa Senators, with the financial stability of the City of Ottawa, to create new ice space in Kanata, where the population has been booming but arenas have not been built since 1989.

Ottawa Community Ice Partners is a non-profit private consortium including the Ottawa Senators. The partnership is proposing to build the \$27-million sports facility on 10 acres of private land at 1565 Maple Grove Road in Kanata, near the Corel Centre, currently owned by Nortel. The city would get 2,400 hours of ice time a year for use by city sports leagues, at a very reasonable rate of \$143 an hour. The city would also make an annual contribution of \$250,000 to the facility's operating reserve fund.

The partnership, using the impressive marketing muscle of the Senators, would rent out the space to other clients at market rates, and charge a modest management fee of \$135,000 per year. Basically, the staff of the Corel Centre would also be operating the new arena complex. The Ottawa Senators Hockey Club would get a new

this partnership will fail. The Senators organization is now on solid financial ground under its new owner. The development agreement will include the requirement for the partnership to put \$800,000 in an operating reserve fund against the risk of default.

Most impressively in this deal, at the end of the 30-year agreement, the building and land revert to the city's ownership. Even if we conjure up a nightmare scenario where the economy collapses and the payments on the mortgage are not made, the worst that would happen to the city is that it would end up assuming ownership of the sports facility earlier than anticipated, and simply making the payments.

We have seen some difficulties with public partnerships in the last decade for sports facilities in the Ottawa region. But that shouldn't mean that the city fears such projects; only that the city vets the legal agreements it signs, and that it weighs the benefits of each deal with considerable care.

In the case of this project, we have a community that urgently needs new ice surfaces to help create a healthy population, an Ottawa Senators club that wishes to see the expansion of hockey in our city, and a municipal government that is keen to try new ways of providing expensive recreational services. If we don't find a way to build such facilities, we'll be failing the families who grow up here and want sports in their lives.

City councillors will get a detailed look at this project on Sept. 16, followed by a full vote