



Meeting Date: September 18, 2024

Submitted by: Michael Di Lullo, CAO

Report No: CAO-25-2024

Subject: Addition to the Komoka Wellness Centre – EPIC Partnership

Recommendation:

THAT Report CAO-25-2024 re: Addition to the Komoka Wellness Centre – EPIC Partnership be received;

AND THAT the Mayor and Clerk be authorized to enter into the lease agreement with the Elite Performance and Injury Clinic for the usage of the new addition to the Komoka Wellness Centre.

Purpose:

The purpose of this report is bring forward a proposal from Elite Performance and Injury Centre (referred to as EPIC) to construct an addition to the Komoka Wellness Centre for the purposes of using the building for sports and training needs and to enter into a lease agreement for the usage of that space.

Background:

The Municipality entered into a shared use agreement with EPIC earlier this year with the construction of a concrete pad and temporary dome at the rear of the arena. The partnership is to allow for EPIC – the same company that is building the private recreation centre on Gideon Drive – the chance to grow their business. Since the erection of the dome, there has been widespread interest with up to 100 clients (some professional athletes) making use of this venture.

The concrete pad/dome is a short-term venture whereby after this year and once the weather turns, the idea is to remove the dome structure. The concrete pad would be retained and donated to the Municipality for future use.

As the initial (and long-term) plan is to construct the two-pad private arena in Delaware, there has been a proposal put forward to also add an addition to the Komoka Wellness Centre to enable EPIC to continue using this site while the new arena is constructed – along with a continued partnership between Middlesex Centre and EPIC thereafter.

Analysis:

With the pace of growth and uptake around EPICs offerings, to continue programming, it has been conveyed that both the off-ice programming and physio has already outgrown the dome structure. To accommodate this business venture – the Municipality would be willing to move forward with the addition to the Komoka Wellness Centre, pending Council approval which would include entering into a Lease Agreement with EPIC for the sole use of the additional space being proposed at the rear of the building.

Some of the benefits to Middlesex Centre are as follows:

- In 2024, EPIC has rented in excess of \$50K of summer ice with the goal to double these summertime rentals by next year. This provides significant revenue to the Municipality and ensures the existing ice surfaces at the Wellness Centre are well used during the offseason for hockey and other organized ice activities
- There would be a physio clinic located within the Wellness Centre
- In addition to ice, there would be revenues from meetings rooms and gymnasium rentals (providing benefit to the YMCA in addition to the Municipality)
- The space would not be the Municipality's responsibility as it would be maintained by EPIC and costs related to the construction of the addition would be borne by EPIC
- The addition allows EPIC to continue programming throughout the winter months as well for other sports that are in their offseason during those months
- This addition would position the Wellness Centre to house upper echelon sports teams such as Junior B and/or U18 AAA teams

Staff have reviewed this proposal, and the layout complements the existing structure no impact to the sidewalk or parking space beyond the Wellness Centre. The first floor is sized to an adult pro-hockey team and certain amenities would set our community rink apart from others i.e. ability to attract pro hockey tryouts and high-level competitive teams. On the second floor, the open meetings space replicates the size of the covered structure and therefore would add more area to bring people together

Project Construction

There is consensus that EPIC is going to project manage this addition however recognizing that this is on municipal property, a small working group will be formed whereby municipal staff will be consulted as part of the design and construction process.

Should Council approve of this Lease Agreement, staff will also enter into an Access and Indemnity Agreement with EPIC and their contractor which will enable work to take place on municipal property and reliving responsibility and liability of Middlesex Centre while construction occurs.

Lease Agreement

A lease agreement is listed for adoption which includes indemnification and responsibility on the part of EPIC (rentee) and Middlesex Centre (rentor). This is a standard agreement typical of shared ventures such as this one.

The term is for 25 years with an option for renewal and the rental cost is nominal since EPIC is paying for this addition with no cost impact to Middlesex Centre, building and permit fees will also be waived.

Financial Implications:

The cost for this addition will be borne by EPIC and there will be no cost impact to the Municipality. Any building and development fees (approximately \$70,000) will be waived for this project.

The standard operating costs and associated (incidental) costs will be the responsibility of EPIC, much like other tenants located in the Wellness Centre such as the YMCA.

Strategic Plan:

This matter aligns with following strategic priority:

- Sustainable Infrastructure and Services

The addition to the Wellness Centre is another example of Middlesex Centre working with partners to grow business and community.

Attachments:

Attachment – Draft Lease Agreement