

Stadium Refurbishment Strategy Backgrounder

Millions of tax dollars are being promised for a new football stadium in Winnipeg, but not once has the public been consulted. Although the City of Winnipeg recently made public presentations to discuss three options for upgrading the Disraeli Freeway, no level of government has held public presentations or put forward alternative solutions for the Blue Bombers' facility.

The CTF believes that less expensive solutions should be presented, along with a public debate on the matter. The proposal released by the CTF today is an example of the type of solution that the public deserves to see.

As millions of tax dollars have gone into the current stadium over the last 60 years, and as there is still an outstanding debt to previous work done on the current stadium, the CTF believes that renovating the current facility deserves more attention.

According to a 2004 report that was commissioned by the City of Winnipeg (known as the "Tower Report"), structural, mechanical, electrical and roofing renovations to the current stadium were expected to cost approximately \$8.9 million. The report suggested that conducting such repairs and upgrades would provide another 10-20 years of usage. Winnipeg Blue Bombers President and CEO, Lyle Bauer speculated in 2007 that this figure had increased to \$20 million.

The CTF believes that all, or a significant portion of those repairs could be by financed by the private sector and Bomber fans.

Media reports have speculated that the 26 acres of land that the current stadium is located on is worth upwards of \$20-30 million. A local commercial real estate firm confirmed with the CTF that the value of that land is around \$800,000-\$1,000,000 per acre. Developing some of the land around the stadium could raise upwards of \$10 million.

Some will refer to a 2005 city council report that suggests the land around the stadium is only worth \$200,000-320,000 per year. However, that is based on leasing the land. An outright sale of the land and even a partnership with a hotel (additional seating, luxury boxes) or office tower would provide higher returns. Allowing the Bombers to sell the land would require city council approval.

Introducing a "renovation ticket fee", as Saskatchewan has done recently for their stadium, could raise a further \$10 million. This assumes a \$3.60 per ticket fee, ten home games a year and 25,000 fans per game over the next 20 years. This would raise \$18 million, approximately enough to pay off a twenty year loan for \$10 million. Adding the refurbishment fee to playoff games and other events would produce an even greater return.

Finally, the CTF suggested that the \$40 million of provincial and federal dollars currently dedicated to a new stadium could be returned to Manitoba taxpayers through a one-time non-refundable income tax credit. Approximately 900,000 Manitobans are 18 years of age or over. Dividing the \$40 million among that segment works out to a refund of about \$45 per taxpayer.

The CTF acknowledges that its plan is not perfect. After all, the CTF is an advocacy organization not a developer. However, the goal of this exercise is to get some form of public debate started about the "need" for a new stadium.