

Committee of the Whole (2) Report

DATE: Tuesday, October 22, 2024

WARD(S): 5

**TITLE: GLEN SHIELDS JUVENTUS TRAINING CENTRE FACILITIES
UPDATE OCTOBER 2024**

FROM:

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ACTION: DECISION

Purpose

To provide an update on discussions for the proposed development of soccer training centre facilities at Concord Thornhill Regional Park (CTRP) and to seek approval for staff to continue discussions and negotiations with Glen Shields Football Club and Juventus Academy Toronto (GSFC-JAT) in line with Scenario 3, detailed below.

Report Highlights

- In September 2024 Council authorized staff to continue discussions and negotiations for the proposed development of facilities at CTRP.
- Proposed facilities would support the training needs and program growth of GSFC-JAT as well as provide for community uses.
- GSFC-JAT's proposal, at a high level, would see a third-party commercial entity constructing permanent and semi-permanent structures on City-owned lands that would include turf soccer fields, a soccer bubble, a permanent soccer training facility with stadium field, indoor training, restaurant facilities, sports medicine clinic, and private school uses; the proposed padel courts have been removed from the proposal at this time.

Report Highlights continued

- Three (3) potential scenarios were explored with GSFC-JAT including project development as a Private Facility, Hybrid Public-Private Facility, or as a Public-Private Partnership.
- Staff are seeking Council's direction to continue exploring this project in line with Scenario 3 as outlined in this report.

Recommendations

1. THAT staff be authorized to continue discussions and negotiate agreement terms with Glen Shields Football Club and Juventus Academy Toronto (GSFC-JAT), or a separate, non-arm's length entity on behalf of GSFC-JAT, in line with the proposal outlined as Scenario 3 in this report, and report back as negotiations proceed.

Background

In September 2024 Council authorized staff to continue discussions and negotiations for the proposed design, build, operation, and maintenance of a major soccer training facility and supporting facilities at CTRP and directed Staff to report back with an update in the October meeting cycle.

The project vision presented by GSFC-JAT involves development of a major training centre, parking, stadium field, additional turf fields, and supporting amenities including possible medical centre, educational facilities, and restaurant uses within the same building at CTRP. The padel courts have been removed from the proposal at this time in an effort to reduce overall project costs. Proposed facilities are intended to provide year-round programming and to be the home for the Glen Shields Juventus Football Club and Juventus Academy Toronto (GSFC-JAT) along with community uses.

GSFC-JAT and/or partners are proposing to fully fund the design, construction, operation, and maintenance of the proposed facilities, representing a capital investment of approximately \$25M-\$30M, with the City to provide approximately 3.8 Ha (9.4 acres) of land at CTRP. The training centre would provide high-performance athlete training space and league play, host facilities for tournaments and visiting international teams, and shared-use facilities for the local community.

The project is identified to be completed in three (3) phases:

- Phase 1 – domed artificial turf field (completed for the 2025/2026 season)
- Phase 2 – new FIFA approved grass or artificial turf field (completion in 2026)
- Phase 3 – training centre, parking, stadium field, etc. (completion in 2026+)

The original time pressure to have facilities in place as possible training grounds for the 2026 FIFA World Cup is no longer a factor in the project schedule, however, urgency remains to have agreement(s) in place to allow GSFC-JAT the ability to start construction and complete Phase 1 works ahead of the 2025/2026 winter season.

Previous Reports/Authority

[Glen Shields Juventus Training Centre Facilities at Concord Thornhill Regional Park](#)

Item 12, Report No. 30 of the Committee of the Whole (2), September 17, 2024

[Giovinco Training Centre Presentation](#), Communication C5 Committee of the Whole (1) June 4, 2024

[Council Meeting Minutes Extract](#), Item 17, Report No. 22 of the Committee of the Whole which was adopted without amendment by Council June 25, 2024

Analysis and Options

Three (3) scenarios have been explored during the most recent discussions between staff and GSFC-JAT, as further detailed below.

Scenario 1. Private Facility

This scenario would involve GSFC-JAT leasing land from the City at market rate to fully design, construct, operate, and maintain the proposed facilities for predominantly private club use for Glen Shields Juventus and Juventus Academy Toronto. The City would have access to non-prime time hours for community use, with prime time hours for community use to be provided at the discretion of GSFC-JAT or their facility operator.

Key considerations of this scenario include:

- 100% GSFC-JAT control of facilities including existing soccer fields
- Lease rate based on market assessment for entire site (building and fields)
- Revenue sharing for facility usage, compensation for lost City field permit revenue, lost investment/opportunity costs, sponsorship and naming rights
- Reserve fund contributions for asset lifecycle repairs and replacement
- Development Charges and property tax considerations for the entire leased area and proposed uses
- City loss of 2 premium lit grass fields and 1 lit artificial turf field with limited community use of facilities

To support the City's analysis of Scenario 1, staff commissioned D. Bottero & Associates Limited to complete a Fair Market Annual Rental Rate Report, for negotiation purposes. The report estimated the Fair Market Annual Rent for the Subject Property as of September 13, 2024 at \$1,400,000 for 9.40 acres of land on a net basis. The report also recommended the annual rental rate be linked to fluctuations in the

Consumer Price Index (CPI). Should the Lease Area increase or decrease in size the value would be adjusted accordingly.

Scenario 1 was deemed not viable to staff based on impact to community use of facilities and not affordable to GSFC-JAT because of the DC and property tax requirements.

Scenario 2. Hybrid Public-Private Facility

This scenario would involve the City investing, constructing, operating, and maintaining soccer field improvements (i.e. conversion of grass fields to artificial turf) and GSFC-JAT investing, constructing, operating, and maintaining the training centre facilities and dome. The City would retain and expand field permitting hours for community use and GSFC-JAT would operate the club facilities and supporting amenities aligned with their vision.

Key considerations of this scenario include:

- Separate controls for facility components with the City responsible for the soccer fields and GSFC-JAT responsible for training facilities and dome
- Lease rate based on market assessment for partial site (building only)
- Reserve fund contributions for asset lifecycle repairs and replacement (building only)
- Development Charges and property tax considerations for the partial leased area and proposed uses
- Net increase in City permissible prime time hours for community use

While Scenario 2 would result in reduced third-party capital investment, it was considered by GSFC-JAT as not likely to be affordable because of the DC and property tax requirements along with reduced revenue-generating opportunities to support their capital investment and operating requirements.

Scenario 3. Public-Private Partnership

This scenario would involve the City and GSFC-JAT partnering to develop the project as a public-private partnership. In this arrangement, the City would provide a portion of land at CTRP for use during the agreement term, with GSFC-JAT providing capital investment for all proposed facilities. The operating model for this scenario would need to be further discussed and details determined for Council's consideration.

Key considerations of this scenario include:

- Shared control of the facilities
- 100% capital investment through private funding
- Base lease arrangement
- Gross revenue sharing for all revenue generated at the facility

- Reserve fund contributions for asset lifecycle repairs and replacement
- Net increase in City permittable prime time hours for community use
- A commitment to continued partnership between Juventus Academy Toronto and Glen Shields FC

Through the discussion process staff identified the following community benefits that could result from development of proposed facilities at CTRP through partnership with GSFC-JAT:

- Assists in meeting ATMP provision target for soccer fields to 2031
- Net increase in permittable prime time hours for community use
- Cost avoidance of land acquisition needed to develop 1.5 ULE soccer fields at another location
- Allows City capital funding for soccer fields to be allocated to other projects
- Reduced operating costs by Parks Operations
- Supports economic development and sports tourism objectives
- Provides opportunities for community meeting space and other amenities
- Facility potential to support a professional sports team in Vaughan

Given the partnership, a Municipal Capital Facility (“MCF”) could be considered to provide relief from tax and DC obligations, should Council be of the opinion that an MCF is warranted.

Staff are seeking Council direction to continue discussions and negotiations to explore Scenario 3 in more detail.

Considering development of Parks and Recreation facilities and programs through partnerships is consistent with recommendations of the ATMP

The purpose of the ATMP is to identify current needs and future facility provision strategies consistent with the City’s commitment to providing safe, accessible, and community-responsive parks and facilities that appeal to a wide range of interests and abilities. Given that Vaughan is one of the fastest growing communities in Canada, it is critical to ensure that facility and service provisions keep pace with development. A key component of the ATMP implementation strategy is for the City to consider new and innovative levels of service and provision strategies, including promotion of appropriate community and public-private partnerships to leverage additional resources, expedite development, improve accessibility, and enhance maintenance and programming (2018 ATMP Recommendation #23).

Should Council support continuing with the exploration and negotiation process, staff will continue discussions with GSFC-JAT to further explore proposed terms, including the structure of any ownership entities, financial viability of the proposal, long term

community and financial impacts. Staff will identify the appropriate legal forms of agreement that will be needed to advance this project and mitigate risk to the City.

Financial Impact

Glen Shields Football Club and Juventus Academy Toronto have committed to fully funding the design, construction, operation and maintenance of the proposed facilities and request that the City provides them with, at minimum, priority access to the three existing soccer fields at the park.

The City aspires to negotiate an annual base lease amount, revenue sharing, and/or community use of facility benefits to the City or a combination of these to ensure adequate return on the City's investment. Staff recommend and have discussed with GSFC-JAT providing confirmation of financial backing to support the significant capital and operating costs associated with a building and facilities of this magnitude, and providing audited financial statements annually for the City's review.

Other financial considerations to be further explored include capital improvements related to the existing park assets and repayment of any incremental City costs that could reasonably be expected as a result of the proposed development.

Operational Impact

There are no immediate operational impacts associated with the recommendations of this report. Long-term operational impacts continue to be explored. GSFC-JAT have proposed to assume all responsibility within the perimeter of the leased area(s) and the City will continue to be responsible for operations and maintenance for the balance of park areas and facilities.

Broader Regional Impacts/Considerations

Completion of this project requires continued discussion and coordination with a variety of external agencies related to site servicing.

Conclusion

Through continued discussions between staff and GSFC-JAT a proposed Public-Private partnership development scenario may be possible. Staff are seeking Council approval to continue exploring Scenario 3 as outlined in this report.

For more information, please contact: Jamie Bronsema, Director, Parks Infrastructure Planning and Development, extension 8858

Attachments

N/A

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