



Eastern Area Wellness Centre

Needs Assessment & Business Plan
for Proposed Facility

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Executive Summary

The Wellness Centre

SeaRoots Alliance Inc., a not-for-profit organization formed in 2023, comprised of local community leaders, was born out of a desire to bring a new facility to the Eastern Kings region of Prince Edward Island that would improve the lives of its residents. Having observed steady population growth in the area and a demand for modern, accessible community amenities, SeaRoots recognized the need for a new multi-purpose wellness centre that encompasses the three pillars of community, learning, and recreation.

The region's current sports facility, the Eastern Kings Sportsplex, is approaching the end of its useful life. The facility's aging infrastructure, capacity limitations, and outdated amenities make it challenging for the facility to meet the growing wellness needs of residents, community groups, seniors, and local organizations.

SeaRoots engaged MRSB Consulting to conduct a comprehensive needs assessment and develop a business plan for a new, multi-purpose wellness centre that would serve as a cornerstone for community life in Eastern Kings for decades to come. This work included a market demand analysis, public and key informant engagement, facility scans, best-practice reviews, financial projections, a risk assessment, development of design concept options, and governance recommendations.

Public Engagement Illuminated the Needs of the Eastern Kings Region

To fully understand residents' needs and hear from diverse perspectives, the project team administered a public survey, conducted 20 key informant interviews, and held two public open houses. This engagement collected input from residents, businesses, sports bodies, a provincial government department, municipal representatives, and local community groups.

Residents across Eastern Kings overwhelmingly identified deficiencies in community, recreation, and learning spaces. Key gaps include:

- A lack of indoor recreational space for non-hockey sports
- Insufficient year-round ice time
- Limited community meeting, event, and youth programming space
- Barriers to accessing school gyms and community rooms

- A need for improved accessibility, inclusivity, and emergency-preparedness infrastructure

Residents also emphasized the importance of:

- Youth development and sports participation
- Senior activity and socialization
- Community cohesion and mental health
- Economic attraction and retention of professionals
- Improved access to recreation and learning resources

Another common theme was the request for a new space for the Souris Public Library. While the library is highly used by residents of Souris and neighbouring communities, it faces challenges stemming from its limited space and accessibility issues caused by a shortage of parking and its location on the second story of the building.

Local organizations expressed clear interest in renting office, meeting, and program space within the facility.

Growing Demand for Community Infrastructure Driven by Population Trends

The population in the Eastern Kings County region has steadily grown over the past decade. In 2016, the facility service region¹ had a total population of 5,455 according to census data. By the 2021 census, this figure had grown to 5,572, a 2.1% increase over these five years. Population projections show continued growth in this facility's service region, with estimates indicating it could reach **6,282 residents by 2030** (a 12% increase from 2021) and **up to 6,633 by 2035** (a 19% increase from 2021). This is contrasted to the population projections conducted by the Government of PEI for the Province as a whole, which project a 20.1% increase by 2030 from 2021 figures, and a 31.3% increase by 2035.² Seasonal residents, who contribute to local economic activity and facility usage, further increase the demand for year-round fitness, recreation, and rental spaces.

¹ The facility's service region includes Central Kings (FD), Central Kings (RM), St. Peter's (FD), St. Peter's Bay (RM), Souris (FD), Souris (Town), Eastern Kings (RM), Annandale-Little Pond-Howe Bay (RM), and Souris West (RM).

² Government of Prince Edward Island. (2023, May). *Prince Edward Island Population Projections 2023-2062*. https://www.princeedwardisland.ca/sites/default/files/publications/pt_pop_proj.pdf

This growth underscores the need for updated infrastructure capable of supporting expanded youth programming, wellness services, community organizations, and local sport.

Lessons Learned from Comparable Facilities

Interviews with leadership from modern PEI wellness centres, including Simmons Sports Centre (Charlottetown), Eliyahu Wellness Centre (North Rustico), Cavendish Farms Community Events Centre (Tyne Valley), and Cavendish Farms Wellness Centre (Montague), produced essential insights:

- Strong governance and clear management structures are crucial to sustainability
- Multi-use design, flexible event spaces, and energy-efficient systems improve financial performance
- Diversified revenue streams (ice rentals, room rentals, fitness memberships, advertising, sponsorship, and government grants) significantly reduce operating deficits
- Facilities that serve as emergency reception centres add vital regional resilience

These insights informed the facility's proposed concept design, operational model, and financial plan.

A Critical Investment to Unlock the Region's Potential

A modern Eastern Area Wellness Centre will:

- Replace an aging facility without leaving a recreation void
- Serve as the region's central hub for community, recreation, and learning
- Support long-term regional growth and municipal sustainability
- Provide essential amenities that reduce the need for travel to other communities
- Strengthen emergency-response capacity
- Enable the Souris Public Library to meet community literacy and learning demand

Financial Plan

With the demand for the facility established, the project team reviewed the financial aspects related to the proposed wellness centre, including the required capital investment, ongoing operational costs, potential funding partners, and long-term financial sustainability.

To support SeaRoots in this task, the project team built comprehensive financial models showing projected facility revenues and expenditures over a five-year period. This exercise bore out that any model requiring debt and the corresponding debt servicing obligations would not be considered viable due to significant projected annual losses from the impact of borrowing. Therefore, the capital costs of the facility must be fully funded for the proposed wellness centre to be operationally viable.

SeaRoots will need to secure a **complete capital funding package** through federal and provincial programs, supplemented by annual community contributions. Together, these sources would provide **\$44,276,400** to fully fund the construction of the Eastern Area Wellness Centre.

While other scenarios were analyzed, the 100% funding model is the only financially and operationally feasible path. Critical to the success of this future community facility is a commitment on the part of SeaRoots to raising the necessary capital, including forging effective relationships with government partners, devoting significant energy to a community appeal for donations, and a multi-faceted approach to compelling fund development campaigns.

Just prior to the finalization of this report, this project was listed by name in the 2025 federal budget. Although this is a very promising development that demonstrates federal government support for SeaRoots, a rigorous application process will be required, and the specific dollar value of support has not been finalized.

To maximize the likelihood of success, the following actions are critical:

- ***Launch a fundraising campaign as soon as possible*** to demonstrate strong community backing when applying for government support.
- ***Focus on major capital funding sources first***, rather than smaller program-specific grants.

SeaRoots Alliance sought to gather insights from as broad a cross-section of community members as possible, resulting in a clear and grounded understanding of the gaps and priorities identified by local residents of Easter Kings. While no new facility can meet every request, sustained engagement enabled the project team to identify and prioritize the most meaningful and high-impact elements for concept design.

What began as a grassroots effort to enhance community life, recreation, and learning is no longer aspirational—it is emerging as a tangible and achievable initiative backed by strong community endorsement and multi-level government support. The federal government's commitment to back this project affirms that SeaRoots' vision has resonated and is poised

to make a lasting difference in the lives of Eastern Kings residents for generations to come. With rigorous due diligence completed, including a comprehensive business plan and financial projections, SeaRoots is well positioned to advance confidently into the next phase of this transformative project.

Background

Identified Need

Community growth is a common aspiration among municipalities, large and small, rural and urban. While such growth enriches the lives of residents, it can also create infrastructure and programming constraints for communities to meet growing demand and increasingly diverse needs of their residents.

Supporting the physical and mental well-being of community members can help reduce stress on already-strained health services. Strengthening learning and development spaces for the children and youth of a region yields long-term benefits, builds spirit, and a sense of identity connected to a place.

However, communities located at a distance from more populated centres of education, sports, and commerce can sometimes offer only limited infrastructure for community-building activities. The Eastern Kings region of Prince Edward Island is faced with insufficient capacity for sports and fitness activities, learning centres, and spaces for community-based organizations to conduct their programming.

A group of like-minded residents have pinpointed these gaps and have come together with a mutual and ambitious goal of creating something better for their community - a facility that can support the physical, mental, and social well-being of community members by providing intentionally designed space for community, recreation, and learning. Conversations among community members, multiple levels of government, and local organization leaders ultimately led to the development of a new, not-for-profit organization to champion their efforts, SeaRoots Alliance Inc. (SeaRoots), in Autumn of 2023.

SeaRoots recognizes the need to plan for the future, given that the facility they envision will serve the community for decades to come. Analyzing data from Statistics Canada as well as provincial government population growth estimates, the project team

Community Need

The Eastern Kings region of Prince Edward Island is faced with insufficient capacity for sports and fitness activities, learning centres, and spaces for community-based organizations to conduct their programming.

SeaRoots' Solution

A facility that can support the physical, mental, and social wellbeing of community members by providing intentionally designed space for community, recreation, and learning.

projects that the population of Kings County will swell to 21,611 by 2035. Breaking down the population by 5-year ranges, the single largest age range in the region is 60-64 years old, and 40% of residents in the region are over the age of 55. Considering what will best serve an aging and growing population will be key to the design of any new facility.

The current facility in use is the Eastern Kings Sportsplex. Built in 1978 and governed by a board of dedicated volunteers, this facility served the needs of the community for generations, but is no longer able to meet the needs of the region brought about by the population growth that has enhanced the community. Due to limited amenities in the area, residents and visitors today face constraints in accessing infrastructure that supports their overall well-being and that provides suitable year-round space for their sports and recreation pursuits. Societal trends, such as increased participation in physical recreation and the desire for strong community connections, have heightened the need for added infrastructure.

The majority of respondents surveyed for this needs assessment identified a lack of community, learning, and recreation space in the area. More specifically, the amenities lacking in current facilities include:

- Indoor recreational space for non-hockey sports such as soccer, basketball, baseball, etc.
- Multipurpose and meeting spaces
- Social space for youth/teens
- Day camps and after-school care programming
- Sufficient access to year-round ice times
- Walking track
- Accessibility considerations
- Appropriate dressing rooms for all genders

Unique to the Eastern Kings Sportsplex is its ability to offer a transitional ice surface that can accommodate curling one night, then hockey or ringette the next. Key informants identified this capability as a continued priority for the community. As a result of this reported community value, maintaining the curling activity will be given significance during the business plan and design concept development of a new facility.

The Eastern Kings Region

The Eastern Kings region is mostly made up of several small rural communities and one larger town, Souris. Along with the Town of Souris, many of the outlying communities are incorporated, but a substantial number of Eastern Kings residents are living in

unincorporated communities that lack wellness centres and other infrastructure. These residents in unincorporated areas have access to nearby municipal infrastructure but are not bound by tax regimes that financially support such infrastructure, thereby creating a challenge for small municipalities to uphold their facilities.

The municipalities of interest for this project are:

- Town of Souris
- Rural Municipality of Eastern Kings
- Rural Municipality of Souris West
- Rural Municipality of Annandale-Little Pond-Howe Bay (ALPHB)
- Rural Municipality of Central Kings
- Rural Municipality of St. Peters

The 2021 Census stated the population of all of Kings County was 18,327, and informal projections conducted by the project team estimate that by 2030, the county's population will be 22,383.

Assessment Methodology

SeaRoots engaged MRSB Consulting Services (MRSB) to develop a **needs assessment** and **business plan** to establish a new wellness centre to best meet the needs of residents of the Eastern King region. Of utmost importance to SeaRoots was developing a sound financial plan and designing an appropriate facility through comprehensive community engagement.

Coles Associates Ltd. (Coles) provided sound engineering, sustainable architecture, and technical expertise. Additionally, they possess in-depth industry knowledge that supplied us with Class D Capital Cost estimates, strengthening the accuracy of our estimated build cost.

The needs assessment was grounded in creating the best facility to meet the current and future needs of the Eastern Kings region. Significant input from residents informed our understanding of the existing infrastructure gaps. Through data analysis, we gained a deeper knowledge of projected future demand.

Results of the needs assessment, analysis of future demand, and developing preliminary facility plans were incorporated into the business plan for the Eastern Area Wellness Centre, which includes financial modelling, funding strategies, ownership and governance

structures, and risk mitigation tactics. Ultimately, this provides SeaRoots with a sound decision-making tool and recommendations for moving forward.

As part of this project, the following work was performed:

- Market Demand & Analysis
- Existing Facility Scan
- Best Practices Scan and Lessons Learned Interviews
- Stakeholder Engagement
- Public Consultation
- Key Informant Interviews
- Development of Potential Options
- Capital Cost Estimates for Selected Facility
- Financial Projections for Selected Facility

SeaRoots Alliance Inc. & Objectives

Guided by a vision to create an accessible and inclusive facility for families and individuals of all ages, SeaRoots developed three separate pillars to direct their efforts – community, recreation, and learning.

The primary mission of SeaRoots is to garner community support in establishing a new wellness centre that meets the needs of the community and represents the local culture of the Eastern Kings region. To achieve this, SeaRoots is committed to prioritizing engagement, securing funding, and overseeing the construction required to launch a facility that is fiscally responsible, soundly designed, and properly established. To meet these objectives, SeaRoots has commissioned this needs analysis and business plan.

Community, Recreation, & Learning

Having a not-for-profit organization lead the development of this wellness centre is essential to ensuring that community voices are heard and prioritized in shaping its most important features. SeaRoots has identified three core pillars that are central to the success of the project and the realization of its vision.

Three Pillar Approach for New Wellness Centre



By placing these values at the heart of their work, SeaRoots aims to reduce social isolation and strengthen the fabric of the community.

Community, Recreation, and Learning—these pillars reflect a holistic approach that supports not only the physical health of residents but also fosters opportunities for connection, growth, and belonging. By placing these values at the heart of their work, SeaRoots aims to reduce social isolation and strengthen the fabric of the community.

Community

The new wellness centre can benefit community through:

- ✓ Retaining local residents and attracting people to the area – including physicians and other skilled professionals
- ✓ Supporting locals in extreme weather events as an emergency reception centre
- ✓ Providing space for community groups' operations
- ✓ Being a community hub

More than just creating space where people can meet, this pillar embodies the ability of a wellness centre to enhance the overall appeal of the Eastern Kings region. When thoughtfully implemented, the wellness centre can play a vital role in retaining local residents and attracting people to the area – including physicians and other skilled professionals.

Climate change is bringing about more frequent and intense weather, and the Eastern Kings area has been susceptible to power outages in the past years. When this happens, residents face challenges with access to home heating, electricity, and cooked meals. Recent weather events such as Hurricane Fiona have demonstrated the importance of strong community ties and infrastructure during these times. SeaRoots is interested in supporting residents of the region in the event of any type of emergency, such as weather-related power outages or evacuation orders, and wishes to collaborate with PEI's Emergency Measures Organization and pursue designation for emergency reception centre status.

An additional aspect under consideration by SeaRoots is the need for community organizations to access spaces to meet and conduct their regular activities. Based on their local knowledge, the group identified a gap in available and accessible community space. Spaces that can be used by community groups to conduct office/administration activities, hold meetings, and host events are limited within the Souris community.

Throughout community engagement and key informant interviews, multiple groups stated that they would regularly use the office and meeting space within the facility. This included two non-profit organizations that have existing space but need a larger room to deliver some of their programming, and a municipality that expressed an interest in renting space

in the facility to be used as municipal office space. This is in addition to the many individuals who stated that there is a shortage of community event spaces for irregular meetings, such as AGMs and private gatherings.

The new wellness centre will act as a community hub allowing people of all ages to socialize, learn, and participate in a variety of activities. As a central gathering place, the facility will be able to foster community and encourage sense of belonging amongst residents and visitors.

Recreation

The new wellness centre can support recreation in the region by:

- ✓ Enhancing recreational opportunities in the area
- ✓ Providing appropriate spaces and capacity for recreational activities
- ✓ Encouraging healthy lifestyles through increased physical activity and decreased social isolation

The connection between regular physical activity and improved health outcomes is well known. SeaRoots wishes to support enhanced recreational opportunities in the region through increased ice times and added recreational space in the community. Furthermore, a community that emphasizes appropriate spaces and capacity for recreational activities may give the region an edge in the highly competitive space of attracting health professionals to rural areas.

Individuals living in isolation in the community are at risk of experiencing negative effects to their overall wellbeing. According to 2021 Census data, Prince Edward Island has seen one of the highest increases in the country of single-person households from 2011 to 2016, and a major factor contributing to this trend is the aging population³.

Research from the United Kingdom has uncovered a linkage between social isolation and loneliness in older adults to elevated risks of physical and mental health conditions, such as high blood pressure, heart disease, and cognitive decline.⁴ SeaRoots, as well as other individuals engaged in this study, pointed to the need to

³ Statistics Canada. (2022, July 12). *Home alone: More persons living solo than ever before, but roomies the fastest growing household type*. <https://www150.statcan.gc.ca/n1/daily-quotidien/220713/dq220713a-eng.htm>

⁴ National Institute on Aging. (2019, April 23). *Social isolation, loneliness in older people pose health risks*. <https://www.nia.nih.gov/news/social-isolation-loneliness-older-people-pose-health-risks>

increase socialization in the Eastern Kings Region as a preventative health measure.

Latter sections of this Needs Assessment report will describe in detail the specific needs for recreational facilities, but SeaRoots will ensure that the diverse perspectives gathered from all age groups are taken into account, that that inclusivity is kept as a focus.

Learning

The new wellness centre can support learning in the region by:

- ✓ Promoting lifelong learning through accessible, inclusive, and technologically equipped library space

SeaRoots sees opportunity to promote literacy, lifelong learning, and intellectual growth by incorporating learning into the wellness centre. The vision is to provide a new home to the Souris Public Library. The Souris Town Hall is the library's current location, but it faces constraints in size and accessibility that, according to some users, make it ill-fit to meet the modern-day needs for learning. SeaRoots recognizes the need for accessibility, inclusivity, and improved technology for community library space and sees the new wellness centre as an opportunity to integrate successful perpetual learning into their community.

Market Demand Analysis

In analyzing the market that this wellness centre would serve, the project team looked at population sizes, trends, and key demographics. In calculating the population that this facility would serve, the project team included the towns, rural municipalities, and fire districts within an approximate 20-minute drive. Residents of unincorporated areas are included in the figures for fire districts, meaning all residents in this area are accounted for.

Formal population projections were outside of the scope of this engagement, but for the purpose of this market demand analysis, the project team calculated estimated population growth based on publicly available data and set assumptions explained in the population dynamics section below.

Overall, the market demand analysis showed that the region should anticipate:

- Serving an increased population due to population growth from people moving or returning to the area;
- Designing community infrastructure to support wellness and accessibility for the region's aging demographics;

- Needing more locally accessible community and recreation space for area residents as there are limited non-school options for people in the Souris area.

Population Dynamics

Method 1

Neither Statistics Canada nor the Government of Prince Edward Island publish future-looking population projections by county or municipality. The Province has, however, released provincial-level projections for 2023 – 2062. These projections show that the Island’s population will grow to 297,965 by July 1st, 2062, with the growth rate fluctuating each year.⁵ Using 2021 census figures as the base, the project team used these growth rates to approximate the future populations for these towns, rural municipalities, and fire districts. These projections operate under the assumption that these jurisdictions will grow at an identical rate each year as the province as a whole.

The primary driver of PEI’s projected population growth is international immigration and emigration, returning Canadians, and non-permanent residents. The Government of PEI’s projections indicate that Island resident deaths will surpass births by the year 2034, making the province’s population growth dependent on immigration. It is not possible for the project team to accurately predict immigration levels over the coming decades, as this is highly dependent on federal policy. This methodology produced the following projections:

Table 1, Population projections - Method 1: Calculated using the Province of PEI’s 2023-2062 provincial-level population projection rates

Census Area	Census 2021	Projection 2030	Projection 2035
Central Kings, Fire District	135	165	179
RM of Central Kings	386	471	513
St. Peters, Fire District	686	838	911
RM of St. Peters Bay	231	282	307
Souris, Fire District	1,766	2,157	2,346
Town of Souris	1,079	1,318	1,433
RM of Eastern Kings	687	839	912
RM of ALPHB	223	272	296
RM of Souris West	379	463	503
Facility Service Region	5,572	6,805	7,400

⁵ Government of Prince Edward Island. (2023, May). *Prince Edward Island Population Projections 2023-2062*. https://www.princeedwardisland.ca/sites/default/files/publications/pt_pop_proj.pdf

Kings County	18,327	22,383	24,341
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Method 2

For comparison, the project team produced a second set of population projections using recent population trends. The project team calculated the population growth rate of these six selected jurisdictions municipalities from the 2016 to 2021 censuses and calculated future population figures assuming that these regions continue to grow at the same rate until 2030 and 2035. This methodology projects less population growth.

Table 2, Population projections - Method 2: calculated under the assumption that growth rates remains consistent as prior years

Census Area	Census 2016	Census 2021	Projection 2030	Projection 2035
Central Kings, Fire District	98	135	202	239
RM of Central Kings	349	386	453	490
St. Peters, Fire District	676	686	704	714
RM of St. Peters Bay	237	231	220	214
Souris, Fire District	1776	1,766	1,748	1,738
Town of Souris	1,053	1,079	1,126	1,152
RM of Eastern Kings	698	687	667	656
RM of ALPHB	207	223	252	268
RM of Souris West	361	379	411	429
Facility Service Region	5,455	5,572	5,783	5,900
Kings County	17,154	18,327	20,438	21,611

Averaging the Two Methodologies

The project team calculated the averages between the two methods, which are displayed in the following table. These projections show that the populations in these jurisdictions are expected to continue growing and that new community infrastructure will be needed to support this growth.

Table 3, Population projections - Method 3: equally weighted average between the results from Methods 1 and 2

Census Area	Census 2021	Projection 2030	Projection 2035
Central Kings, Fire District	135	171	192
RM of Central Kings	386	462	501
St. Peters, Fire District	686	771	813
RM of St. Peters Bay	231	251	261
Souris, Fire District	1,766	1,953	2,042
Town of Souris	1,079	1,222	1,292
RM of Eastern Kings	687	753	784
RM of ALPHB	223	262	282
RM of Souris West	379	437	466
Facility Service Region	5,572	6,282	6,633
Kings County	18,327	21,411	22,976

Through community engagement and key-informant interviews, the project team heard that the population in this area is adequately large enough to support the Eastern Kings Sportsplex, and that demand for community meeting space is not currently being met by community centres and schools in the area. This proposed wellness centre would act as a replacement for the Eastern Kings Sportsplex when it reaches the end of its useful life, provide more meeting space, and offer a modern space for the Souris Public Library, whose current space is reportedly inadequate for the number of people who use it.

These population figures show that populations in the area will continue to grow over the coming decade, which will further increase the demand for these types of spaces. Having this larger population will mean more taxpayers to support the construction and operations of this facility. This will also mean more enrollment in the youth sports that use the facility, more demand for meeting space, and more residents seeking to use the library.

Seasonal Residents

Eastern PEI is a second home to many seasonal residents who will support the facility through gym passes and space rentals during their time on the Island. Statistics Canada's census tracks the total number of private dwellings in each census area as well as the number of private dwellings occupied by usual residents. Subtracting these numbers provides the number of private dwellings occupied by unusual residents who do not live in the dwelling permanently. Statistics Canada also provides the average household size in the jurisdiction, which can be multiplied by the number of private dwellings occupied by unusual residents to estimate the number of seasonal residents.

This estimate includes all private dwellings that were unoccupied at the time of the census, which unavoidably means that it includes unrented apartments or homes that remain vacant all year round, and not only those belonging to seasonal residents. Additionally, this estimate does not consider the length of time that each seasonal resident spends on the Island, meaning that regardless of whether someone stays on the Island for the entire summer or just a couple of nights, they are counted the same. In 2021, it is estimated that there were approximately 2,024 seasonal residents for some portion of the year in the facility's service region.

Table 4, Seasonal resident estimate: calculated using census data and the assumptions discussed above

Census area	Census 2021 – Private Dwellings Occupied by Unusual Residents	Average Household Size	Estimated Seasonal Residents
Central Kings, Fire District	5	2.6	13
RM of Central Kings	21	2.5	53
St. Peters, Fire District	131	2.3	301
RM of St. Peters Bay	19	2.1	40
Souris, Fire District	288	2.4	691
Town of Souris	53	2.0	106
RM of Eastern Kings	205	2.3	472
RM of ALPHB	77	2.4	185
RM of Souris West	68	2.4	163
Facility Service Region			2,024

Demographic Trends

The project team used Statistics Canada's 2021 Census data to evaluate key demographic metrics for the six selected municipalities and Kings County as a whole.

Breakdown of Age Groups

Data from the 2021 Census show that the average age of Kings County residents is slightly above the provincial average of 43.1 years of age. Five of the six selected municipalities have average resident ages above the provincial average, with the Rural Municipality of Central Kings being the sole exception. These statistics also show that most eastern municipalities, especially the Town of Souris and the Rural Municipality of Eastern Kings, have a higher composition of

seniors than the provincial average. This proposed facility would allow these seniors to socialize and remain active year-round, bringing about positive health outcomes.

Many of the municipalities nearest to the region also have slightly lower youth populations than the rest of the province. Within these six municipalities, not including the surrounding unincorporated land, there was a total of 395 children under the age of 14 in 2021, and 2,700 across all of Kings County. In addition to youth, another major user group of wellness centres is adults between the ages of 25 and 44. In 2021, there were 610 residents of the six selected municipalities between the ages of 25 and 44 and 3,915 across Kings County.

Table 5, Breakdown of age groups

Census Area	Age 0 to 14	Age 15 to 64	Age 65+	Average Age
Town of Souris	13.9%	55.6%	31.0%	47.6
RM of Eastern Kings	12.4%	59.9%	27.0%	47.3
RM of Souris West	11.8%	63.2%	25.0%	46.6
RM of ALPHB	8.9%	66.7%	24.4%	46.4
RM of Central Kings	16.9%	62.3%	20.8%	42.1
RM of St. Peters Bay	13.0%	65.2%	21.7%	44.8
Kings County	14.7%	61.7%	23.6%	44.8
Prince Edward Island	15.3%	63.5%	21.2%	43.1

Average Household Income (2020)

Households in these eastern municipalities have a lower average household income than the provincial average. This may impact SeaRoots Alliance's fundraising efforts, with households having less disposable income to make donations. It may also limit the prices that the facility can charge for its services after construction and may also restrict municipalities' abilities to increase municipal taxes to support the centre. However, survey results showed that this facility is important to many residents in the area, with many individuals reporting that they are willing to contribute financially and employees feeling that their employers would also donate.

Table 6, Average total household and individual income

Census Area	Average Total Household Income	Average Total Individual Income
Town of Souris	\$61,200	\$39,000
RM of Eastern Kings	\$87,000	\$43,600
RM of Souris West	\$86,000	\$52,600
RM of ALPHB	N/A	N/A

RM of Central Kings	\$76,500	\$35,800
RM of St. Peters Bay	N/A	N/A
Kings County	\$80,700	\$43,600
Prince Edward Island	\$87,900	\$46,120

A common challenge that PEI's rural municipalities face is that residents of unincorporated areas use the amenities and programming provided by nearby municipalities but do not contribute to the tax base that funds the construction and operations of these facilities. An article in the 2025 Fall edition of the *Atlantic Municipal Magazine* discusses this topic, including that PEI's municipalities have small tax bases but serve large amounts of unincorporated areas, given that 65% of PEI's land mass is unincorporated.⁶ These small tax bases, relative to the actual number of residents in an area, make it very challenging for one municipality to fund large projects such as this wellness centre. Even if neighbouring municipalities provide financial support, the abundance of residents living in nearby unincorporated areas will not contribute to the construction of the facility but will have equal access to it.

This was a topic discussed at the Federation of PEI Municipalities' 2025 Annual General Meeting, at which its membership supported advocating for a recreation levy from unincorporated areas to enhance the sustainability of municipally owned recreation centres. If this recreation levy were to be implemented in the future, wellness centres such as these would become more operationally sustainable.

⁶ Mayne, Lori. (2025). *P.E.I. municipalities struggle to stickhandle recreation costs*. <https://www.municipalworld.com/atlantic-digital-editions/atlantic-fall-winter-2025/>

Current Facilities in the Region



Figure 1, Existing recreation, learning, and community space

Situated towards the eastern tip of PEI, residents of the Souris area must commute to any amenities not found in their communities. Given that these communities have a large proportion of seniors, travelling to distant communities can be difficult, especially during the winter months. To ensure the residents of Eastern PEI have the same access to health-supporting amenities as urban areas, gaps in community, recreation, and learning spaces must be minimized and provided in proximity to each community. This proposed wellness centre will bring together these three pillars into one place.

Existing Spaces for Community

The project team looked at what existing options exist for residents and groups in the area to gather and meet. This table shows the community centres, boardrooms, and rentable school rooms available in Kings County.⁷

⁷ This list is non-exhaustive, but shows the options most readily found online.

Table 7, Existing community space in Kings County

Facility; Address	Rental Rates	Amenities and Notes
Fortune Community Centre; 220 Fortune Wharf Rd, Souris	N/A	Space for up to 300 people. Licensed bar and kitchen. Wheelchair accessible
Eastern Kings Community Centre; 85 Munns Rd, Souris	N/A	Capacity for 250. Commercial kitchen and has a liquor license. Wheelchair accessible
Souris Regional School; 15 Longworth St, Souris	Classroom: ⁸ \$20/hour Large Meeting Space: \$40/hour Auditorium: \$50/hour	Classrooms and the cafeteria are available for rent. Reports of barriers to renting space from schools during the school year
École La-Belle-Cloche; 861 PE-2, Souris	Classroom: \$20/hour	Classrooms and the cafeteria are available for rent. Reports of barriers in renting space from schools during the school year
St. Margaret's Community Hall; 11394 Northside Road	N/A	Limited information available online
Little Pond Community Centre; 2574 PE-310, Cardigan	N/A	
Kings Playhouse; 65 Grafton Street, Georgetown	Theatre: N/A Hall: N/A Board Room: \$30/hour Kitchen: N/A	290-seat theatre, community event space, commercial kitchen
Murray Harbour Community Centre; 27 Faye Fraser Lane, Murray Harbour	N/A	Small and large halls with kitchen facilities. Large hall has a stage
Mount Stewart Community Centre; 87 S Main St, Mount Stewart	N/A	Office spaces and a community hall, including a kitchen. go!PEI hosts seniors' fitness classes at the hall
Tracadie Community Centre; 148 Station Rd, Tracadie Cross	Hall: \$30/hour, \$250/day Hall & Bar: \$250/day Hall, bar, & Kitchen: \$500/day Sound System: \$100/day	Recently renovated. Fits up to 200 people and has a kitchen, bar, lighting, and sound system

There is limited community event space for rent in the Souris Area. While rooms, cafeterias, and gymnasiums may be rented from the schools in the area, it was reported that there can be barriers, such as school activities taking precedence over bookings from the general public, and limited rental times being available. This wellness centre would allow groups and individuals to have a space to gather without having to leave the area when school spaces are unavailable.

Existing Spaces for Recreation

The project team also scanned the available recreational facilities in the area, including rinks, school gymnasiums, and fitness centres/gyms.

⁸ All rental rates for schools are current as of 2018.

Table 8, Existing recreation space in Kings County

Facility; Address	Hourly Arena Rental Rate (Private Rentals)	Amenities and Notes
Eastern Kings Sportsplex; 203 Veteran's Memorial Hwy, Souris	\$185	Rink, fitness centre, semi-retired bowling alley. Ice is also used for curling one day per week
École La-Belle-Cloche; 861 PE-2, Souris	N/A	Gymnasium available for rent. School sports have priority
Souris Regional School; 15 Longworth St, Souris	N/A	Gymnasium available for rent. School sports have priority
Cavendish Farms Wellness Centre; 21 Sullivan Dr, Montague	\$190	Regulation-size ice surface, two walking tracks, Provincial library, "Media Room" for 10-12 people, Hambly Room for 120-200 people, Alcove (portion of Hambly Room) for 50 people
Montague Curling Club; 23 Central St, Montague	N/A	Curling rink
TCAP Family Aquatics and Fitness Center; 55 Wood Islands Rd, Montague	N/A	Pool, gym, and fitness centre
Atlantic Fitness East; 219 Kennedy Street, Montague	N/A	Gym (cardio and weight room), Studio A (1500 sq ft), Studio B (800 sq ft), and Day Camp Room for up to 12 people
Morell Community Rink; 59 Queen Elizabeth Dr, Morell	\$175	Rink, community room for up to 100 people
Northumberland Arena; 1251 Gladstone Rd, Murray River	\$120	Rink, used for festivals and events in off-season
Belfast Rec Centre; 3033 Garfield Rd, Belfast	\$175	Rink and community room
Pownal Sports Centre; 145 Pownal Rd, Alexandra	\$260	Rink with seating for 600, community room, meeting room, and retail store for hockey supplies
Three Rivers Sportsplex; 85 Glenelg St, Georgetown	\$180	Rink

The Eastern Kings Sportsplex is the sole rink located near Souris, Eastern Kings, and neighbouring communities. Without the Sportsplex, a significant gap would be created in recreation space for members of these communities. This gap would force these residents to travel to Morell or Montague to access ice surfaces, which would risk bringing these facilities over capacity and make active living less attainable for Souris area residents. While school gyms are available for rent, as with meeting space, key informants reported the same barriers to renting them – school activities take precedence, and there are limited times available.

Existing Spaces for Learning

The following table shows the libraries nearest to the Souris area, how many hours each operates per week, the number of cardholders each library has, and the number of items checked out in 2024.⁹

Table 9, Existing learning space in the area

Facility; Address	Number of Hours Open Per Week	Number of Card Holders (2024)	Number of Items Checked Out (2024)	Square Footage
Souris Public Library; 75 Main St, Souris	19	749	7,379	650
Montague Rotary Library; 53 Wood Islands Rd, Montague	47	2,774	35,448	3,124
Georgetown Genevieve Solomon Memorial Library; 47 Kent St, Georgetown	16	160	1,397	675
Murray River Leona Giddings Memorial Library; 1066 Macinnis St, Murray River	12	230	2,677	1,331
Mount Stewart Public Library; 104 Main St, Mount Stewart	12	216	1,675	N/A
Morell Public Library; 89 Red Head Rd, Morell	15	457	5,187	4,216
St. Peters Public Library; 1968 Cardigan Rd, St Peters	12	183	2,201	792
Average	19	681	7,995	1,798

This scan shows that the Souris Public Library serves the entire eastern tip of PEI, with other municipalities in the Souris area not having their own libraries. This is reflected in the number of cardholders Souris' library has, which is substantially more than most other Kings County libraries. Souris' current library faces challenges such as being limited by space and parking. The current library is approximately 650 square feet, which means a limited number of materials are available and only a small number of people can be in the library at once, as heard through public engagement. In addition to being able to provide more materials and offer more programming, having larger spaces has allowed other public libraries to offer services not currently available in Souris. This includes bookable meeting, event, and quiet spaces, makerspace, community kitchens, and audio recording studios.

⁹ Government of PEI. (N.D.). *PEI Public Library Service Annual Report*.

https://www.princeedwardisland.ca/sites/default/files/publications/pls_annual_report_2024_eng.pdf

Having a new facility to house the library would allow it to properly serve the large population that depends on it, offer more space to display books and materials, increase the number of computer stations, and provide more open space for programming.

The *PEI Public Libraries Act* outlines the agreement that the Province has with communities. Under this agreement, the Province supplies the books, periodicals, records, films, materials, and staff for the library, while the community provides and maintains adequate premises for use as a public library in the district. Under this agreement, libraries do not generate revenue for their community. This also means the community incurs operational expenses such as utilities, snow removal, and janitorial services for library space.

Leading Practices & Lessons Learned

The project team conducted four informational interviews with members of management or leadership of comparable facilities across PEI to learn from their experience operating these centres. These structured interviews provided insights into each facility, including the successes, lessons learned, governance and management structure, necessary staffing levels, revenue streams, and significant operating costs. For the newly constructed centres, the project team included questions regarding lessons learned from the construction phase and how the build was funded. These interviews were important to conduct as they will allow SeaRoots Alliance to learn from the approach of other facilities, both the positive and negative aspects.

Simmons Sports Centre

Simmons Sports Centre, located in Charlottetown, PEI, opened in December 2024 and replaced the original facility of the same name. The City of Charlottetown owns this facility, and the City's Arenas Superintendent manages day-to-day operations. Bookings for the arena can be made through the City of Charlottetown website, and City residents receive discounted rates.

This is a state-of-the-art facility and is the most recently constructed wellness centre on PEI. It has a regulation-sized ice surface, walking track, multi-purpose room, kitchen/canteen, and an outdoor swimming pool. The facility has accessibility features incorporated and is Net Zero Ready to accommodate potential future renewable energy systems.

The arena has six dressing rooms and seating for 590 spectators, with an additional 1,200 square foot heated room where spectators can view the events. The arena keeps its ice surface installed from mid-August to mid-May but rents the floor space for events and

activities during the summer months when the ice is removed. The facility was constructed with infrastructure in place to add a second ice surface should demand continue to grow.

The outdoor swimming pool is heated and 25 meters long, allowing it to be used competitively and for leisure. The pool is open from mid-June until Labour Day, and day passes are priced at \$2. Outdoor public washrooms and change rooms are available to serve the pool's and sports fields' users.

The Simmons Sports Centre allows the City to deliver community and recreational programming, including swimming lessons, summer day camps, fitness for seniors, and yoga classes. The facility has boardrooms and a multi-purpose room, allowing community members and groups to hold meetings and events while also generating revenue.

During the redesign, parking was expanded to a total of 183 parking spaces in front of the building and an additional 23 spaces behind, 88 total spaces more than before. New walkways were also constructed connecting this facility to the two neighbouring schools.

Total costs for this facility amounted to \$33.6 million, with project funding coming from the three levels of government. The City of Charlottetown contributed approximately \$15.7 million, the Province provided more than \$8.1 million, and the Government of Canada supplied approximately \$9.8 million through the Investing in Canada Infrastructure Program.¹⁰ Under this program, the new facility had to have the same amenities as before, but upgraded to meet today's standards.

The City aims to recover at least 50% of the operating costs through its operations, and in the 2025/2026 fiscal year, expects to recover 54%, with \$370,000 in revenue and \$690,000 in expenses projected. Revenue is generated by renting out the ice surface, floor space, and meeting rooms and selling day passes to the pool. The ice surface is very busy with an occupancy rate of 95%. The 2025/2026 ice surface rental rates are as follows:

Table 10, Simmons Sports Centre ice pad rental rates

Rate Type	Hourly Rate (HST Included)
Prime ¹¹	\$255.00
Non-Prime & Minor Sport Prime	\$202.00
Minor Sport Non-Prime	\$140.00
Public School Rate	\$75.00

¹⁰ Government of Prince Edward Island. (2025, January 31). *City Celebrates Grand Opening of Simmons Sports Centre Multisport Recreation Facility Open Year-Round to the Public*. <https://www.princeedwardisland.ca/en/news/city-celebrates-grand-opening-of-simmons-sports-centre-multisport-recreation-facility-open>

¹¹ Prime time is from 4 pm to close from Monday to Friday, and all day Saturday and Sunday

Revenue is also generated through selling advertising space and sponsorships, under the following rates:

Table 11, Simmons Sports Centre advertisement rates

Advertisement/Sponsorship Type	Annual Fee
Arena Wall Ads	\$1,100 (Including taxes)
Rink Board Ads	\$1,110 (Including taxes)
Zamboni Sponsorship	\$7,500 plus tax
Cost to produce all signage is the responsibility of the customer.	

Construction of the Simmons Sports Centre was tendered in phases, with the City releasing seven separate RFPs divided as follows:

1. Pre-Engineering Steel and Envelope
2. Demolition of Simmons Sports Centre Pool and Arena
3. Elevator and Lift
4. Concrete, Underground Services, and Site Preparation Package
5. Pool
6. Community Building, Arena Interior, and Site Works
7. Specialized Rink and Mechanical Systems

While a single contractor, Fitzgerald and Snow (2010) Ltd., won most of these tenders, the phased approach ensured the City received the most value from their contracts by increasing the number of submissions. The City had a very positive experience using Fitzgerald and Snow, and they would likely use the phased approach again.

Eliyahu Wellness Centre

The Eliyahu Wellness Centre Canada Games Place is located in North Rustico, PEI, and was constructed in preparation for the 2023 Canada Games, during which it hosted short-track speed skating and figure skating. The community's previous rink, the North Star Arena, was governed by local community members. This volunteer group did not feel capable of planning the construction of a facility this large, so the Town of North Rustico took control. The facility's General Manager now reports to the Town's CAO and attends a monthly council meeting to provide reports to Council.

This 24-million dollar facility is home to PEI's only Olympic-sized ice surface, as well as a fitness centre, 180-metre walking track, campus space for the Mount Academy, and a community room with a full kitchen. This facility is open from 6 am to 11 pm seven days a week. The building has accessible washrooms and an elevator to accommodate all user

groups. The walking track circles the ice surface, which was reported to be a poor design feature by the representative of this facility, who stated that it causes confusion and disorder among user groups.

While the walking track is free to use, revenue is generated through ice surface rentals, fitness centre memberships, and room rentals for meetings and community events. Wellness centre rates, which include HST, are as follows:¹²

Table 12, Eliyahu Wellness Centre fitness centre membership rates

Membership Rates	1 month	3 months	12 months	Day-pass
Adult	\$57.50	\$155.25	\$414.00	\$11.50
55/plus & Student	\$40.25	\$125	\$373.75	
Family	\$126.50	\$296.70	\$860.20	

Including HST, the ice surface is rented out for \$260 during the spring and summer and \$240 during the fall and winter. During the fall and winter, the ice surface is discounted to \$160 before 7 AM and after 10 PM, seven days a week.¹³ Bookings can be made by phone, email, or online form. This is the first year the wellness centre has kept its ice surface for the summer months. They have had positive results this summer and have had adequate demand to justify leaving it in.

The facility's ice surface is generally rented between 75 and 77 hours per week from October through May, and 60 to 65 hours per week during the spring and summer.

The facility has three rooms for rent. The hospitality room can be rented for \$80.50 per hour (\$517.50 per day), the Cultural Centre is \$51.75 per hour (\$287.50 per day), and the Boardroom is \$40.25 per hour (\$240.00 per day), but is free for community members and non-profit organizations. This facility has only recently begun its room rentals, which have not yet been lucrative.

The facility also generates revenue through selling advertising opportunities, which include naming rights to rooms within the facility, space on rink boards for \$1,000 per year, billboards for \$1,500 per year, or lit signs for \$2,000 per year under a five-year contract.¹⁴

¹² Eliyahu Wellness Centre. (n.d.). *Gym Memberships*. <https://eliyahuwellnesscentre.ca/gym-memberships/>

¹³ Eliyahu Wellness Centre. (n.d.). *Ice Schedule*. <https://eliyahuwellnesscentre.ca/ice-schedule/>

¹⁴ Eliyahu Wellness Centre. (n.d.). *Advertising Opportunities*. <https://eliyahuwellnesscentre.ca/advertising-opportunities/>

This facility was constructed with support from the Government of Canada, the Government of Prince Edward Island, the Town of North Rustico, and the PEI 2023 Canada Winter Games Host Society, in addition to many fundraising efforts.¹⁵

Management from this centre commended Simmons Sports Centre's design choice of having all necessary infrastructure to accommodate a second ice surface, but waiting until demand deems it necessary before constructing it. This interviewee provided lessons learned from when the Eliyahu Wellness Centre was built, with the most important being to prepare for unforeseen costs during construction.

Cavendish Farms Community Events Centre

The Cavendish Farms Community Events Centre, located in Tyne Valley, PEI, was built to replace the Tyne Valley Community Sports Centre, which was destroyed by a fire two years prior. The facility was opened in December 2021 and is governed by a 10-member volunteer Board of Directors.

This events centre offers a regulation-size rink, fitness centre, and event and meeting space. In addition to insurance proceeds and fundraising, this event centre was funded by all three levels of government, with pre-construction estimates amounting to approximately \$10 million.¹⁶

The amenities within this facility are modern. The arena has a seating capacity of 667, which increases to 2,000 when the NHL-sized ice surface is covered, and has six dressing rooms. The arena has a state-of-the-art sound system and lighting, and the events space is widely used for weddings, parties, corporate events, and community gatherings. The building is also equipped with meeting and office space for community groups and event organizers.

The ice surface is typically rented out at \$190/hour, but a discount is available to some minor sports organizations. The fitness centre on the top floor holds a wide range of exercise equipment, hosts group fitness classes, and offers personal training services. Membership rates for the gym are as follows:¹⁷

¹⁵ Jeux du Canada Games. (2023, February 18). *Town of North Rustico and 2023 Canada Games Officially Open Eliyahu Wellness Centre at Canada Games Place*. <https://www.canadagames.ca/news/town-of-north-rustico-and-2023-canada-games-officially-open-eliyahu-wellness-centre-at-canada-games-place>

¹⁶ Yarr, K. (2021, December 16). *2 years after fire, Tyne Valley opens new arena*. CBC News. <https://www.cbc.ca/news/canada/prince-edward-island/pei-tyne-valley-area-open-1.6288064>

¹⁷ Rural Municipality of Tyne Valley. (n.d.). *Facilities and Recreation*. <https://www.ruralmunicipalityoftynevalley.com/facilities-recreation>

Table 13, Cavendish Farms Community Events Centre fitness centre membership rates

Membership Rates	1 month	6 months	12 months	Day-pass
Regular	\$50	\$240	\$420	\$5
Senior & Student	\$40	\$190	\$335	
Family (15+ yrs. old)	N/A	\$450	\$800	

In 2024, the facility received funding from the Province's Community Renewable Energy Generation fund to install a 99-kilowatt solar energy system and eight heat pumps.¹⁸ While the facility did benefit from this investment, the effects of the solar panels were less than expected. Electric vehicle charging stations are also available at this location, and the building has fully accessible washrooms with green fixtures.

The facility sells advertising space, which helps to generate revenue and bring the facility closer to breaking even. Advertising spaces for 4' by 8' wall signs are available around the facility, with the annual fee being \$500 for the first year, which covers the cost of making the sign, and \$230 each year after. Other advertisement opportunities are available, which range between \$2,000 and \$3,000 per year, depending on placement. Businesses are also able to sponsor family skates.

Cavendish Farms Wellness Centre

The Cavendish Farms Wellness Centre, located in Montague, PEI, was constructed in 2009 and replaced Montague's previous rink, the Iceland Arena. This wellness centre has a regulation-sized rink with seating for 850 spectators, six dressing rooms, a heated skybox, and a media room. It is also equipped with a year-round ice-making plant.

In addition to the arena, the 44,000 square foot facility holds two walking tracks, the Montague Provincial Library, a kitchen facility, and meeting space. The facility is a designated warming centre and is supplied with a generator, 25 cots, and 25 supply packages for emergencies and inclement weather.

From 2009 until 2024, this facility was operated by a non-profit organization made up of community members, called the Community Welfare League of Montague, but was owned by the Town of Montague (and later the Town of Three Rivers). While this non-profit organization had operated this facility and the preceding rink for a combined 60 years, rising insurance costs had made continued ownership unfeasible. Insurance dues

¹⁸ Government of Prince Edward Island. (2024, September 27). *Tyne Valley rink on the way to net zero* [Press release]. <https://www.princeedwardisland.ca/en/news/tyne-valley-rink-on-the-way-to-net-zero>

reportedly grew from \$8,000 15 years ago to \$40,000 last year.¹⁹ The facility also began encountering challenges associated with the previous management structure and was in a difficult financial position when the Town took over. Repairs had begun to be neglected, and the Town spent \$100,000 on necessary repairs upon its takeover.

The facility is now in a safe financial position, with its operating revenue recovering 61.6% of annual total expenses last year. Expenses not covered through its operations are paid for through proceeds from solar energy sales, and EDA and government grants.

Interviewees have stated that facilities governed by volunteer groups can face additional challenges compared to those managed by municipalities. With the proposed Eastern Area Wellness Centre set to be governed by a volunteer group, it is crucial that management controls be set, roles and responsibilities be defined, and a strict maintenance schedule be followed.

The arena is booked at \$190/hour with bookings arranged by phone, email, or online form. In recent years, the Town has installed a solar energy array, reducing the facility's operating costs. In 2024, the facility operated with nine employees, including cleaners, ice makers, a facility manager, and an office administrator. The facilities canteen is leased out to a third party who operates it year-round as a restaurant with four or five employees. Leasing out the canteen provides the Town with \$20,000 in revenue. Advertising opportunities are sold across the facility, primarily signage, with Cavendish Farms paying an annual fee for the naming rights.

The cost of constructing this wellness centre was split evenly between the Town of Montague (which has since been amalgamated into the Town of Three Rivers), the federal Government, and the Government of Prince Edward Island, each contributing \$2,246,494 for a total of \$6,739,482.²⁰

Public Engagement

The project team engaged members of the public through key informant interviews, a public survey, and two public open houses. This engagement was aimed at identifying what amenities and components should be included in the facility to fulfill demand in the area, gauge the level of support for the proposed wellness centre, and establish the benefits that

¹⁹ Stewart, D. (2024, September 21). *Town of Three Rivers, P.E.I., takes over Cavendish Farms Wellness Centre*. PNI Atlantic News. <https://www.saltwire.com/atlantic-canada/town-of-three-rivers-pei-takes-over-cavendish-farms-wellness-centre-100995335>

residents see stemming from this facility. This public engagement was far-reaching and included residents from the area, local municipal governments, sports organizations, nearby businesses and non-profits, and Island-wide community groups.

Key Informant Interviews

The project team, with direction from the SeaRoots Alliance, engaged numerous individuals and groups for discussions regarding the community's wants and needs and prospective user group perspectives. Key informants were identified and approached for their specific expertise in the three pillars foundational to the development of the new facility: community, recreation, and learning. Additionally, we spoke with the current Eastern Kings Sportsplex manager to discuss existing operations, facility challenges, and needs for the community. Altogether, these interviews yielded constructive feedback that, with the aid of the other research and public engagement activities, helped determine the feasibility of the new wellness centre and guide decision-making for the design proposed in this report.

Community Perspective

Community members, municipal government representatives, and various groups identified many benefits that would come with having a state-of-the-art facility in the Eastern Kings region. Key informants noted that having a facility like this would aid community building and socialization by serving as a central gathering place for people to meet, participate in various recreational activities, and support local sports teams. It would also ensure that community members had access to the desired infrastructure for various programming within their community, instead of having to travel to other areas for access.

Accessibility was top of mind for many key informants who identified the need for community spaces that have inclusive design for differently abled individuals and different groups' programming needs. Key informants also noted that having multi-purpose spaces in the facility would allow flexibility for community use and different activities – from board meetings to yoga to workshops to birthday parties, etc. Informants recognized that this facility could bring new event opportunities for the community, providing space for tournaments and perhaps even larger concerts than local theatres can accommodate.

A facility like this would aid community building and socialization through being a central gathering place for people to meet, partake in various recreational activities, and support local sports teams.

Proponents noted, however, that limited accommodations in the area may prohibit such events from materializing.

Community members acknowledged that this new venue would serve the entire Eastern Kings region and not just Souris and identified a priority of having the space act as an Emergency Measures Organization (EMO) facility. Community key informants cited residents' worries about cost likely being the biggest barrier to the facility. Recently built community facilities in other PEI municipalities have had news stories highlighting the risks of budget issues and delays that can occur when building a new facility. Project management, clear leadership, and community education regarding the project is important to have in place. It is also worth noting that municipal key informants shared that there are many residents in the region that live in unincorporated areas and who, therefore, do not contribute municipal taxes that go towards operating expenses for facilities like this. This observation is important to keep in mind as the project advances since the actual regular users will be more than the population contributing to operating expenses.

Recreation Perspective

Key informants from various sports organizations noted the need for more than just ice surfaces for Island sports groups. Ice-based sports groups, such as hockey, ringette, curling, and figure skating, highlighted the limited availability they all face for existing ice surfaces. Many recreational groups expressed desire for a gymnasium and multi-use space that can be used for a variety of sport activities and allow space for training activities for different sports teams. Many sports group representatives expressed that they are willing to be flexible and that, if they cannot have the perfect space for their sport, they still value having a space that they can use for practicing and conditioning. The height of such multi-purpose spaces is worth considering since certain sports – like figure skating – require a higher than standard ceiling height for their off-ice warmups. Key informants also suggested that having a multi-purpose room with turf installed could provide flexibility for different outdoor sports to use for indoor training options.

Key informants representing sports groups emphasized the critical need to have sports people involved in the design of the facility as the project advances.

Value adding for recreational groups is worth considering. Planning for audiovisual (AV) equipment, wireless internet, hardwired internet connection ports, and even Bluetooth

connections can be beneficial for groups who want to livestream events or require AV equipment to deliver programming.

Key informants representing sports groups emphasized the critical need to have sports people involved in the design of the facility as the project advances. One informant noted that designers can unknowingly misjudge the practical needs of sports, and even if they start with the proper specs and needs of groups, the revision process can lead to spaces or design features being removed or changed. These changes can mean that, in the end, the user groups do not have what they need to offer their programming effectively and conveniently. Having the key user groups involved in planning will help make sure the finished product is useful for their needs.

Determining what sports to prioritize for the new facility is an important step to take before finalizing the design. Key informants noted that certain spaces should be built to regulation size for the priority sport(s) if the facility aims to be a viable option for official games and effective practices. Many key informants we spoke to recognized that not everyone can have what they want, and that there is no way a facility of this size can cater to every sport in the area fully. Due to this fact, many key informants expressed their desire for the facility to prioritize adaptability so that different groups can benefit by having access to indoor community space.

Sports representatives and community members shared additional practical considerations for the new facility's design, including having the walking track be set apart from the rink space. Numerous key informants noted that many rinks have walking tracks surrounding the ice pads, but that this means that walking track users can feel on display when the ice surface is also in use. This limits use of the track, so key informants value a set apart walking track that can be used comfortably at any time. A key informant also noted that the current fitness centre in the Eastern Kings Sportsplex is 24/7 and if the fitness centre moves to the new facility then the fitness centre should have its own entrance to accommodate the fitness centre's hours.

Learning and Accessibility Perspectives

To understand how best to incorporate the learning pillar into the design of the facility, we spoke to a representative from a local non-profit group and a library representative to hear their perspectives on community-based learning infrastructure. The key informants were overall positive and receptive to the prospect of a learning centre being incorporated

into the facility. These individuals along with other community members noted that the current library space in Souris is very small and not very accessible, and this limits how people can use the space and how many can access it at any given time. Having a larger, more accessible library space would benefit community-based learning and social programming. One key informant noted that their organization's adult education day programming participants would be daily users of the new facility if there was a learning centre included. This facility has the potential to be a gamechanger for community inclusivity by being a central community space where residents can meet each other and enjoy various recreational and learning programs.

This facility has the potential to be a gamechanger for community inclusivity by being a central community space where residents can meet each other and enjoy various recreational and learning programs.

Key informants greatly valued the idea of having more accessible community space in the region, and identified several design and furnishing choices to help make the space more inclusive, including having standard accessibility features for doors, lower handles, wheelchair friendly adjustable tables to accommodate all wheelchair users, and signage with pictures to help non-English speakers and individuals who have difficulty reading navigate the building. They also recommended including a sensory room available for community's daily use, since the only Snoezelen room in the area (located at Harbourview Training Centre) has limited hours and experiences high demand. A second sensory room that is open seven days a week could be beneficial for the whole community.

Informants identified that having quiet zones, a makerspace, and flexible meeting rooms would also be beneficial additions to the learning centre. Key informants were able to envision many different user groups and opportunities for new community activities in a space like this, such as family activities and community workshops. On a practical note, if the new facility would like to host the community's library, a key informant noted that physical library space falls under municipal jurisdiction and that library staffing and materials fall under provincial jurisdiction so collaboration is key between the levels of government to pursue such a venture.

Overall, key informants expressed anticipation for a new building and saw great value in the region having access to a modern facility with amenities for residents of all ages and abilities. Sports groups desire to be consulted in the final design to ensure that the finished

facility is practical to their basic needs so they can offer excellent programming to residents in the Souris area. Community members expressed value in having a facility like this in Souris so that they do not need to travel as much to other communities to access such spaces, and they noted the in-community proximity is especially valuable to seniors and community members who face barriers to travelling outside of the region.

Eastern Kings Sportsplex

The project team met with the General Manager of the Eastern Kings Sportsplex to learn about how the facility currently operates, how much demand it sees, and what challenges it is encountering. This facility opened in 1978, meaning it is 47 years old at the time of this report. The facility is owned by the Town of Souris and governed by a Board of Directors. This facility operates with a general manager, a part-time bookkeeper, two ice makers, and cleaning staff through the Employment Development Agency (EDA). This facility has a single ice pad, a 24-hour fitness centre, a canteen, a kitchen, a hospitality room, and a decrepit bowling alley that is limited in its use. During the summer months, when the ice is removed, the floor beneath it is rented out for events and recreation. A unique feature of this facility is that it is used for curling on Tuesday, which is expected to continue in this proposed wellness centre.

Infrastructure Canada reports that the average useful life of new municipally owned indoor ice arenas is 50 years for urban municipalities and 37 years for rural municipalities.²¹ At 47 years old, the Eastern Kings Sportsplex is rapidly approaching the end of its functional lifespan. The effects of aging are no longer manageable inconveniences; they are now significant barriers to safe, reliable, and year-round operation. Extreme humidity has forced the facility to invest in costly dehumidification just to

Eastern Kings Sportsplex has exceeded Infrastructure Canada's average useful lifespan for a rural, municipally owned indoor ice arena.²⁰

Extensive community engagement provided compelling evidence that retrofitting the Eastern Kings Sportsplex is neither practical nor responsible.

A new, purpose-built facility is necessary to better serve the region's needs in the years to come.

²¹ Statistics Canada. (2022, September 27). *Average expected useful life of new municipally owned culture, recreation and sport facilities, by urban and rural, population size, Infrastructure Canada.* <https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=3410018301&pickMembers%5B0%5D=1.1&cubeTimeFrame.startYear=2020&cubeTimeFrame.endYear=2020&referencePeriods=20200101%2C20200101>

maintain basic visibility in the arena, while persistent moisture on the floor beneath the ice surface increasingly disrupts summer programming. Even the fitness centre can no longer meet community demand, constrained by a floor that cannot safely support additional equipment.

Without meaningful action, these issues will only intensify, limiting the Sportsplex's ability to serve the community and putting essential programming at risk.

Extensive community engagement provided compelling evidence that retrofitting the Eastern Kings Sportsplex is neither practical nor responsible. A modern community wellness centre that meaningfully integrates recreation, learning, and community demands capabilities far beyond what the current building can deliver. The facility cannot accommodate the new functional areas, increased capacity, improved energy efficiency, updated technology, and enhanced accessibility that residents have identified as essential. Taken together, the building's advanced age, growing functional failures, and unknown but increasingly concerning structural limitations, lead to an unavoidable conclusion: decommissioning and demolishing the Eastern Kings Sportsplex is the only financially sound and operationally viable path forward. A new, purpose-built facility is necessary to better serve the region's needs in the years to come.

Survey

The project team, in consultation with SeaRoots Alliance Inc., administered a public survey to learn more about the demand for a new wellness centre in the Souris area, which amenities the community would like to have included, and what benefits the public sees this facility producing. The survey remained open from July 25 until August 11, and a total of 221 participants began the survey. Participation in the survey was incentivized through a draw of two, \$100 gift cards for local businesses.

The survey captured a large number of responses from residents of the communities nearest to where the proposed wellness centre is expected to be built. Approximately 30% of survey respondents live in the Town of Souris, 22% live in the Rural Municipality of Eastern Kings, and 15% live in Souris West, showing this survey captured responses from the targeted area. Unsurprisingly, most respondents (89%) reported that they currently use the Eastern Kings Sportsplex most often when accessing ice surfaces, showing the need for a solution as this existing facility approaches the end of its useful life. This facility is also where many (53%) respondents access the gymnasium and community space, with schools in the Souris Area being the primary alternative option (34%).

While the Eastern Kings Sportsplex is very well used and is a valued piece of the community, most respondents are prepared to switch to a new facility should it include their most desired amenities, with 88% responding affirmatively to this.

When asked which amenities they would be likely to use, respondents most frequently chose the indoor walking track (79%), community space (72%), the gymnasium (69%), ice surfaces (65%), and the community library (59%). After-school programs and day camps were selected by fewer respondents (45%), but this may be because only respondents with youth would have a use for these spaces, whereas other options can be more widely used. While the ice surface was not reported to be the most widely used amenity, it was the most interesting feature to respondents when they were limited to selecting just one option, with 45% choosing it, compared to the second most important amenity, which was the walking track at 19%.

Across many open-ended questions, respondents reported that there is a lack of pool access in their community and that this is something that many wanted included in the proposed facility. Adding a pool to the facility would add significantly to both construction and operating costs. It would also greatly increase the facility's footprint, which is another reason why it is not recommended that a pool be included in this facility.

When asked what types of events the facility should accommodate, the two leading answers were community social events (87%) and sport (87%), followed by birthday parties (65%), workshops and learning events (64%), and private events like meetings (61%). When prompted which sports the

Community Survey

Highlights:

(221 survey submissions received)

The indoor walking track, community space, and gymnasium were the top three amenities survey respondents said they are likely to use, while the **ice surface** interested them most.

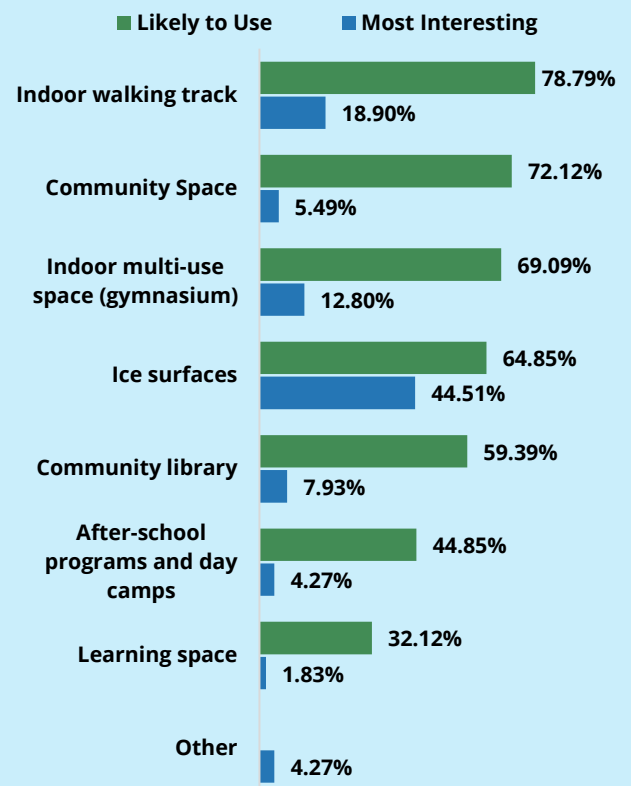


Figure 2, Which of the following would you be likely to use if they were included in the proposed Souris-based wellness centre? Which amenity is most interesting to you?

facility should accommodate, ice sports were the most popular, including hockey (80%), ringette (72%), and curling (59%). Sports played in a gymnasium were also popular, including pickleball (54%), indoor soccer (49%), and basketball (32%).

Respondents saw the value in this facility and the benefits that it would provide. 90% felt that the facility would support year-round active living; 76% felt it would provide year-round community space; 75% felt it would provide more recreational spaces in the area; 73% felt it would provide more year-round community social experiences; and 48% felt it would provide more learning spaces in the area. This demonstrates the value that the community places on SeaRoots Alliance's three pillars, which are not all currently being provided. 71% of respondents reported that there is a lack of year-round community, learning, and recreation space for youth, adults, and seniors in the area.

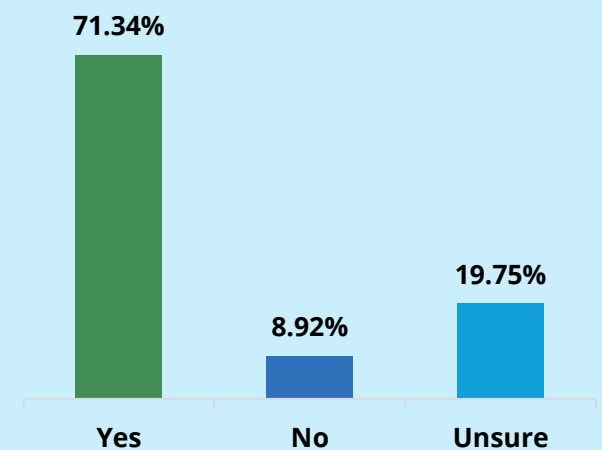
Adequate childcare and activities for youth are also missing from the area, with 80% of respondents feeling that there is a need for additional after-school care and day camps in their area.

To fund this facility, extensive fundraising efforts will almost certainly be needed. Respondents reported a relatively strong willingness to contribute to the facility, with more than half (54%) willing to make an individual contribution to support the facility. 41% also reported that they feel their employer, or a business they own, would be willing to donate to the facility.

Overall, respondents were in support of the idea of the proposed facility, and they were appreciative of the work that SeaRoots Alliance is doing. A very small

Majority of respondents reported a lack of year-round community, learning, and recreation space for youth, adults, and seniors in the area.

Figure 3, Is there a lack of year-round community, learning, and recreation space for youth, adults, and seniors in your area currently?



Fast Findings:

- **Supporting active living:** 90% felt the facility would support year-round active living.
- **Increasing social experiences:** 73% felt it would provide more year-round social experiences.
- **Donating to the facility:** 54% expressed willingness to make an individual contribution to support the facility.

number of respondents reported concerns regarding how much this facility would cost.

Open Houses

MRSB, Coles Associates Ltd., and SeaRoots Alliance Inc. led two public open houses, which provided an opportunity for the project team and SeaRoots Alliance to share information on the project and collect feedback from community members.

The first open house was held on August 26, 2025, at École La-Belle-Cloche with more than 30 members of the general public, all six SeaRoots board members, and three members of the project team in attendance. Following a presentation that informed attendees of the purpose of this project and what work has been completed to date, members of the public were provided the opportunity to share input and suggestions. Suggestions included to learn about what is required for the facility to serve as an EMO space, to engage with the provincial health authority to discuss the possibility for long-term tenancy in this facility, and to consider other amenities to include, such as a soft play area.

Many attendees shared their support for the proposed facility and highlighted the benefits that would come to their community if this facility were to be constructed. Many also commended SeaRoots Alliance's approach to planning this facility with their choice to conduct a feasibility study to ensure the facility is operationally sustainable and also engaging the community so that the most demanded amenities are included. Kent MacDonald, MP, attended this session and also shared his support for the facility, stating that funding for these facilities has historically been divided equally between the federal, provincial, and municipal governments, in addition to fundraising. Three anonymous comments were left. One requested that indoor turf be included, another suggested exploring the feasibility of renovating the Eastern Kings Sportsplex, and the final one noted that Maritime Electric's billing cycle prevented the existing facility from installing its ice surface earlier in the season this year and suggested exploring why this was.

The second public open house was held virtually on August 27, 2025, with fewer attendees. Participants did not voice recommendations or suggestions during this session, but one participant commended the work that SeaRoots is doing in conducting an assessment of community needs to inform the development and establishment of a new community wellness centre.

Overall, the public response to the concept of the Eastern Area Wellness Centre was positive. However, a few concerns were raised during the public open houses. One community member suggested that rather than constructing a new facility, renovating the existing structure might be a more practical option. There was broad agreement that the

current library space is insufficient and that a new, larger facility is needed to better serve the community. Nonetheless, some concern was expressed about the potential financial impact on the Town Hall of moving the library. This concern may be misguided, as the Town of Souris does not currently receive rental income from the library. This is due to the agreement that communities have with the Province, in which the community provides the space and the Province provides the books and materials.

Selected Option

Following the public engagement and in conversations with the SeaRoots Board, it became clear that there were some features of the proposed new facility that aligned with identified needs, were broadly supported, and would be considered core elements of the design. These core components were:

- Ice surface and associated team rooms
- Walking track
- Learning Centre

Starting with those elements as essential, the consultant design team began developing different options including various combinations of the other amenities that had been supported through the public engagement process to provide optimal value to the community. Keeping in mind the likelihood that the eventual construction of this new facility would mean the decommissioning of the existing Eastern Kings Sportsplex, elements of that existing facility that would need to be replaced including a kitchen space, a fitness centre, and capacity to serve as a community emergency reception centre were included.

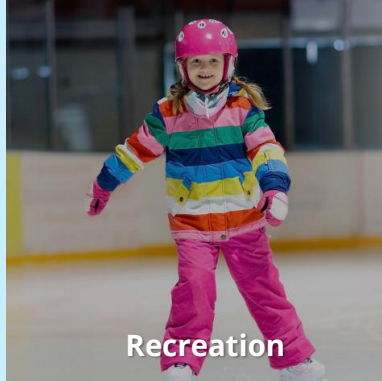
Several preliminary options were developed at a very high level for discussion and the SeaRoots Board provided their input on additional components they wanted to see incorporated into the design. Following discussion of these preliminary options, the SeaRoots Board selected the design option they believed best represented the needs and interests of the community and that selection became the proposed facility for which the business plan and financial projections have been developed.

Eastern Area Wellness Centre

Design direction as of December 2025



Community



Recreation



Learning

Facility components to support community, recreation, and learning:

- ✓ Ice surface and associated team rooms
- ✓ Walking track
- ✓ Learning centre
- ✓ Multi-use gymnasium and studio space
- ✓ Fitness centre
- ✓ Kitchen
- ✓ Meeting and office space
- ✓ Concessions stand and pro shop
- ✓ Emergency Reception Centre
- ✓ Designed to be Net Zero Ready

Business Plan

Financial Summary

This business plan has been generated to reflect the financial implications and recommendations for establishing the Eastern Area Wellness Centre. Projected financial statements have been prepared by our internal Certified Professional Accountant and are based on the following assumptions:

- The facility will be situated on a parcel of land where the Eastern Kings Sportsplex is currently located and will be provided at a nominal cost of \$1.
- The size of the facility being proposed is 69,000 ft² and it will be constructed for \$44,276,400, including:
 - \$41,158,900 in construction costs
 - \$1,122,500 in land improvement costs
 - \$1,966,900 in equipment costs
 - \$25,600 for furniture and fixtures
 - \$2,500 in computer hardware
- The project will be fully funded in contributions predominantly through a combination of federal and provincial government funding. The remaining portion of capital expenditure will be funded through various community fundraising initiatives.
- The ice surface will be available for use eight months of the year.
- Prime ice times will have a 90% occupancy rate, and non-prime ice times will have a 60% occupancy rate over the projected period.
- Curling will occupy the ice surface for one full day each week.
- All revenue and expense items will increase at an average annual inflation rate of 5.6%
- All values are based on the current value of Canadian dollars (CAD)

Key points to note in this business plan are as follows:

- Recommendations are meant for the consideration of SeaRoots and are grounded in our experience in developing business, strategic, and governance plans for similar initiatives.
- The new Eastern Area Wellness Centre comes with a significant cost, and SeaRoots has taken pains to balance the current and future needs of the community with fiscal responsibility. While revenue might seem conservative and expenditures may seem inflated, these are reflective of today's economic realities. Capital and

operating costs have increased in recent years, resulting in much higher costs than facilities constructed even within the past five years.

- Operating expenditures in particular have ballooned, and if debt repayment is added questions about feasibility will arise.
- Regardless of the method used to obtain funding for this facility, significant effort will be required by SeaRoots to secure the financial future of the facility through intense fundraising, robust marketing, professional proposal writing and application submissions, and effective relationship building.

Governance, Management, & Operating Structure

Facility Ownership & Oversight

Numerous possible ownership models were identified through engagement. The ultimate decision requires that SeaRoots enter into discussions with the Town of Souris and mutually agree on the best course ahead.

Currently, the Town of Souris owns the Eastern Kings Sportsplex, and a board of directors operates it. This remains an option for the new Eastern Area Wellness Centre. Alternatively, a second model could be for SeaRoots Alliance to own and operate the facility. A third option is for the Town of Souris to maintain ownership of the land, but for SeaRoots to own the building infrastructure.

Along with Mayor Jo-Anne Dunphy and Deputy Mayor Boyd Leard, Town Council is composed of five councillors who meet monthly. Meeting agendas and minutes are posted on the town's website. There are seven staff positions, including the Chief Administrative Officer (Shelley LaVie), Office Administration, Maintenance, and Events staff

If the Town maintains ownership, a facility of this size and complexity will be a challenge for a small municipality such as the Town to operate. One way to address this is for the facility to be operated by a Board of Directors, with a designated liaison from the Town who serves as a point of communication between the Board and the Town and helps safeguard the Town's interests.

SeaRoots and the board of the Eastern Kings Sportsplex might consider a merger to form a single governing entity to establish and operate the Eastern Area Wellness Centre.

SeaRoots, in its current form, may benefit from partnering with the Sportsplex Board by inviting one or two of its members to join, bringing valuable facility operations experience to the team from the outset.

The Learning Centre space within the Eastern Area Wellness Centre will be established and by the board but will be operated by the provincial Public Library Service who will provide and maintain inventories of archives and materials. Having the Learning Centre situated at the Wellness Centre will serve the community's needs and will drive traffic into the facility.

Human Resources

It is anticipated that the building will employ five full-time employees, two part-time employees, and a seasonal employee. Wages and benefits have been projected and allocated to three separate functions: building staff, maintenance staff, and cleaning staff. All wages are projected to increase annually at a rate of 5.6%.

Wages and Wage Levies					
Position	Year 1	Year 2	Year 3	Year 4	Year 5
Building Staff	110,900	117,000	123,600	130,500	137,700
Maintenance and Cleaning Staff	188,600	199,200	210,300	222,100	234,300
Sub-total	299,500	316,200	333,900	352,600	372,000
Benefits @ 12%	35,900	37,900	40,100	42,300	44,600
TOTAL	335,400	354,100	374,000	394,900	416,600

Building Staff

Two salaried, full-time employees will oversee the facility as a whole. A property manager will be responsible for the facility's budget, its staff, and payroll. A scheduling coordinator will handle rentals of the ice pad, gymnasium, group studios, office space, and any outdoor activities. The scheduling coordinator will also ensure an appropriate schedule of cleaning and maintenance according to facility usage.

Maintenance Staff

A full-time ice manager will be assigned to maintaining proper ice conditions and associated equipment. One part-time and one seasonal ice maintenance staff will assist in the changeover between regular ice and curling ice, and other tasks as assigned by the Ice Manager.

Cleaning Staff

Cleaning staff will include a full-time rink cleaner, a full-time gymnasium cleaner, and a part-time cleaner.

Capital Costs

The complete capital cost, in 2025 dollars, for a facility of this nature is expected to be \$44,276,400. Financial projections include capital assets at their cost less accumulated depreciation. Each capital asset is amortized over its estimated useful life at amortization rates on a declining balance basis.

Future capital purchases are amortized from the beginning of their purchase, not acquisition. In the year of purchase, these assets are assigned partial (50%) amortization, and no amortization is assigned in the year of disposal.

Table 14, Capital costs

Capital Assets for Proposed Facility		
Asset Type	Estimated Cost	Amortization Rate
Buildings	\$ 41,158,900	4%
Land improvements	1,122,500	8%
Equipment	1,966,900	20%
Furniture and fixtures	25,600	20%
Computer hardware	2,500	45%
Total	\$ 44,276,400	

Operational Costs

Marketing

Dedicated to transparency, SeaRoots will undertake marketing initiatives for the facility in order to inform the community of the activities of the Eastern Area Wellness Centre, maximize its utilization, and ultimately promote health and wellness for residents of the region. A variety of social media, print, media, and traditional advertising will support this. It is expected that the facility will spend \$20,000 in year 1 with annual increased expenditures of 5.6%.

Office Administration, Professional Fees & Telecommunications

Office expenses include subscriptions, supplies, postage, fees, licenses, and so on. Professional fees are related to legal, accounting, engineering, and other services rendered. Phone and internet are standard telecommunications costs, and the integrity of these services must be ensured for user groups renting the facility.

Table 15, Estimated office, professional fee, and telecommunications expenses

Estimated Expenses for Offices, Professional Fees, and Telecommunications					
	Year 1	Year 2	Year 3	Year 4	Year 5
Office	3,600	3,800	4,100	4,400	4,700
Professional fees	8,500	9,000	9,500	10,000	10,500
Telecommunications	22,500	23,800	25,200	26,600	28,100

Repairs and Maintenance

A facility of this magnitude requires staff to maintain its upkeep, but other materials costs will also be incurred, such as the purchase of equipment and tools, water/sewer fees, waste collection, and ice pad maintenance. Outside of interest charges, maintenance is the most significant operating expense for the Eastern Area Wellness Centre, and sound estimates based on the building characteristics have been provided by Coles Associates.

Table 16, Estimated expenses for repairs and maintenance

Estimated Expenses for Repairs and Maintenance				
Year 1	Year 2	Year 3	Year 4	Year 5
240,000	253,500	267,700	282,500	298,300

Utilities

Associated with a facility of this size that contains an ice pad are significant refrigeration and heating costs. Estimates for a building of the size and function of the Eastern Area Wellness Centre have been provided by Coles Associates. Geothermal heating systems and

provisions for the future inclusion of solar-generated energy will assist in reducing energy costs for the facility.

Table 17, Estimated expenses for utilities

Estimated Expenses for Utilities				
Year 1	Year 2	Year 3	Year 4	Year 5
700,000	738,900	780,000	823,400	869,200

Property Taxes

Assuming a taxable assessed value at just over \$20 million (50% of the total construction cost) and a fee of \$1 for every \$100 of assessed value, the estimated property tax in year 1 is \$205,800, and annual increases of 5.6% are expected.

Generating Revenue

Although revenue for the Eastern Area Wellness Centre will primarily come from sponsorship and user fees, a crucial area of revenue defining the financial sustainability of the facility is the ratio of funding provided from various government funding sources, community donations, and fundraising.. Other income sources include gymnasium and other rental fees.

This business plan will demonstrate that financial sustainability is reliant on successful funding outcomes, however operational revenue will remain unchanged in either scenario.

Ice Pad

The single largest opportunity for generating sales revenue at the Eastern Area Wellness Centre is through ice pad rentals. In the first year of operations, this is expected to generate almost half a million dollars, with annual increases.

Along with local organized sports and athletics (curling, minor hockey, ringette, sledge hockey, figure skating), other users of the ice pad surface could be the town for public skates (offered at a small fee) and private rentals (birthday parties, extra practice, private lessons, etc). Daily rentals are split into prime, when demand is highest, and nonprime rentals.

It is anticipated that the majority of ice pad rentals (80%) will be generated through usage by organized sports.

Table 18, Estimated ice pad revenue

Estimated Ice Pad Revenue				
Year 1	Year 2	Year 3	Year 4	Year 5
464,300	490,100	517,300	546,200	576,600

Prime Rentals

Prime hours for ice pad rentals are from 4-9pm daily a total of 209 days per year, or 1,045 hours available. The ice pad will not be available during painting, maintenance, and ice making.

During prime hours, the rental rate will be \$220 per hour for organized sports and \$240 per hour for private rentals. The projected occupancy rates for these are 72% and 18%, respectively.

Nonprime Rentals

Nonprime rentals are between 6am and 4pm and 10-11pm daily for a total of nine hours a days, and 1,881 hours available per year based on 209 days annually. During nonprime hours, the rental rate will be \$200 per hour for organized sports and \$220 per hour for private rentals in year one. The projected occupancy rates for these are 48% and 12%, respectively.

Gymnasium

Year-round access to the gymnasium will accommodate a variety of uses, including sports teams and community events, and will be an appropriate space for hosting programs, training, competitions and more. Users will have the ability to rent the space for half-days (9am-1pm, 1pm-5pm) or full days (9am-5pm), plus evening rentals (5-10pm). Daytime rates throughout the year will remain at \$60 per hour, and evening rentals will be set at \$75 per hour.

Weekday occupancy is seasonally dependent throughout the year and is expected to fluctuate between 25% and 60%. Weekday evening occupancy is highest in the spring, fall and winter (75%) and lowest during the summer months (20%). Both rental rates and occupancy will see the highest revenue opportunity for the gymnasium on weekends during summer months. Given that each season lasts thirteen weeks, there will be twenty-six high-revenue opportunities in the summer, and it will be important to focus on filling these rental times.

Table 19, Estimated gymnasium rental revenue by season

Estimated Gymnasium Rental Revenue by Season					
	Year 1	Year 2	Year 3	Year 4	Year 5
Spring	\$51,400	\$54,300	\$57,300	\$60,500	\$63,900
Summer	19,300	20,400	21,500	22,700	24,000
Fall	51,400	54,300	57,300	60,500	63,900
Winter	51,400	54,300	57,300	60,500	63,900
Total	\$ 173,500	\$ 182,600	\$ 192,400	\$ 202,500	\$ 213,300

Rental Revenue

Other spaces in the Eastern Area Wellness Centre that offer opportunities for revenue generation are the concession stand and pro shop (3500 ft²), fitness centre (4,500 ft²), studio space (2,000 ft²), and rentable office suites (1,500 ft²).

It is assumed that the rental fee for the concession stand and pro shop areas would be \$8.50/ft² subject to an annual increase of 5.6%. The Eastern Area Wellness Centre will rent this space to a food vendor.

It is assumed that the fitness centre will be rented for \$7.25/ft² in year 1 and subject to an annual rental increase of 5.6%. The fitness centre will be rented and managed by an outside entity, but the equipment from the current fitness centre at the Eastern Kings Sportsplex will be relocated to the new fitness centre. The Fitness Centre will have its own separate entrance and be accessible during hours of operation, or 24 hours a day by swipe card access.

The facility will also feature a walking track on the second level near these rentable spaces. This be available for use only during facility hours of operation but will be free of charge.

On the second level, a studio space is available for either full-day or half-day rentals. This space can be used for fitness classes, art classes, book clubs, community organization meetings, and small private functions. Full-day rentals are priced at \$350, with an average of one full-day booking per week expected in the first year. Half-day rentals are priced at \$200 and expected to average two per week.

The facility offers three 500 ft² office suites on the second level for rent. At \$20 per ft² the Eastern Area Wellness Centre can generate between 30,000-\$37,000 in each of the five initial years of operations, assuming 100% occupancy. An example of well-suited tenants could include health care practitioners such as physiotherapists and massage therapists, or a satellite office for community navigators or organizations such as Seniors Active Living Centre.

Table 20, Estimated rental revenues

Estimated Rental Revenue				
Year 1	Year 2	Year 3	Year 4	Year 5
131,400	138,700	146,500	154,600	163,000

Advertising

Throughout the facility, there will be vacant surface space with high exposure, such as the ice pad, rink boards, and wall space. Advertisements in these spaces can be sold for an annual fee that ranges from \$1,000 to \$2,500, depending on visibility. The highest exposure for advertising is on the ice surface, and the Eastern Area Wellness Centre can offer up to eight advertisements here at an annual cost of \$2,500 per space. There will be one hundred advertising spots on the boards surrounding the ice surface priced at \$1,000 per year, and it is expected that 30 spots will be sold in year one, with annual increases of 10% to 70 spots filled in year five.

Finally, there is an opportunity to sell advertising on available wall space in the arena at an annual cost of \$1,500. An estimated twenty spots will be available, and it is expected that half of these will sell in year one, and by year five, all spaces will be filled, generating annual revenue of over \$35,000. Additionally, advertising opportunities exist outside the arena, specifically in the gymnasium, including spaces on the floor, scoreboard, and walls; however, these are not built into the financial model.

Table 21, Estimated Advertising Revenue

Estimated Advertising Revenue					
	Year 1	Year 2	Year 3	Year 4	Year 5
Ice Advertisements	20,000	21,100	22,300	23,500	24,800
Board Sponsors	30,000	42,200	55,700	70,600	86,900

Wall Space	15,000	15,800	25,100	26,500	37,200
Total	65,000	79,100	103,100	120,600	148,900

Government Assistance and Donations

Operating Grants, Funding, and Donations

Municipal and provincial levels of government, as well as community donors, will have a vested interest in the societal health, wellness, and educational benefits offered by the Eastern Area Wellness Centre. In order to be financially feasible, it will be critically important for the facility to receive ongoing annual assistance in the form of government grants and funding, which will be supplemented by community donations. This facility will require \$347,100 in annual operating grants, funding, and community donations from residents, communities, and organizations in order to be financially feasible.

To drive community donations, ongoing fundraising initiatives and campaigns will be required. For example, the Wellness Centre could feature a “puck wall” in the lobby, where community members can purchase pucks to be mounted in memory of loved ones, or as a contribution to a facility that serves as “home ice” to their favourite sports team or athlete. Alternatively, a “Chase The Ace” or other type of fundraising venture would be possible. During the engagement stage, the project team met with a representative from the Community Foundation of PEI, who confirmed that they offer fundraising administration, which may be a service that provides value to SeaRoots Alliance during these fundraising campaigns. Working with this organization would also allow SeaRoots to leverage the Causable Gold Rush Platform, which facilitates a weekly raffle with proceeds going to charitable organizations.

Wage Subsidy

Historically, the Eastern Kings Sportsplex has received wage subsidies averaging 51% of its total annual wage and wage levies expense. It is assumed this support will continue to help cover employee wages for the new facility.

Grant-in-lieu of Property Tax

Historical financial information shows the Eastern Kings Sportsplex receives grants-in-lieu of property tax averaging 70% of the total taxable amount annually. It is assumed that this will also continue for the new facility and that property taxes will be offset by this amount.

Naming Rights

Nine different pieces of equipment (ex. Zamboni, scoreboard) and amenities (ex. Walking track, learning centre, and overall facility) have been identified as opportunities to provide long-lasting naming rights for businesses under a specified term (not less than five years

for smaller items, not less than twenty years for facility). Depending on exposure and level of prestige, the annual price for naming rights can range from \$2,500 for the scoreboard to \$50,000 for the entire facility. Longer-term agreements are recommended to limit the effort required to market and sell naming rights on an ongoing basis.

Recreation Grant

The Eastern Kings Sportsplex receives an annual recreation grant valued at \$8,500. It is assumed that this will also be provided to the new facility.

Government Assistance and Donations					
	Year 1	Year 2	Year 3	Year 4	Year 5
Operating grants, funding, and donations	347,000	357,000	358,400	367,600	367,300
Wage subsidy	171,300	180,900	191,100	201,700	212,800
Grant-in-lieu of property tax	144,100	152,000	160,500	169,500	178,900
Naming rights	104,500	110,400	116,500	122,900	129,900
Recreation grant	8,500	8,500	8,500	8,500	8,500
Total	775,400	808,800	835,000	870,200	897,400

Funding & Financing Options

Forging the path ahead will require SeaRoots to judiciously analyze its financial future, balancing diligence and ambition. Although funding and financing arrangements are not in place, the project team is providing a synopsis of a fully funded facility and recommends that SeaRoots pursue this as the only viable option for long-term financial sustainability. This scenario assumes that funding is secured from multiple levels of governments and community donors and includes current debt in the form of an operating loan.

A Fully Funded Facility

Under this scenario, SeaRoots will enter into funding agreements with various federal and provincial government funding sources and will successfully solicit annual community donations. From these sources, the project will receive a total of \$44,276,400 in contributions.

Sources of capital funding for recently established projects of this type have included the following:

- Canada Community Building Fund (federal)

- Green and Inclusive Community Building Fund (federal)
- Rural Growth Initiative (provincial)

Many other smaller sources of funding to support services and programs offered at the Eastern Area Wellness Centre could be accessed, such as the Live Well PEI Wellness Grant and specialized funding through the Alliance for Mental Well-Being.

It is important to note that government programs, eligibility criteria, application dates, and available funds are in constant flux. Some of the programs mentioned above may not be currently open or may be subject to budget constraints. The list is also not exhaustive in nature. Dedicated efforts to manage funding sources are required for a project of this kind.

We make the following recommendations for garnering support from various levels of government:

- Launch a capital fundraising campaign as soon as possible. When approaching potential funders, a critical success factor will be the presence of a growing pool of funds that demonstrates community support.
- In order to leverage the maximum funds available from government sources, aim to raise no less than one-quarter of the project's total capital cost.
- Prioritize large, capital funding sources over smaller programming grants.
- Establish a Fund Development Committee to focus on seeking out government funding partners and nurturing these relationships.

Direct revenue from sales will not be sufficient to cover annual operating costs so an operating line of \$340,000 will be obtained with an interest rate of prime plus 1.5%. Declining amortization of capital assets will slightly strengthen the financial position of the facility over time, but an annual operating deficit is expected for the duration of the five years of projections and beyond.

Regardless of funding and financing structure, high annual operating costs are driven by key expense items such as utilities, wages, and maintenance. These projected costs are substantially higher than those of the previous facility but are aligned with the needs of the facility given its size, modern amenities, and requirement for additional staff.

We must recognize that achieving 100% funding requires significant effort by the community, governing board, and management and relies on the generosity of many funders and donors. Proponents of the new facility will need to carefully consider the feasibility of successfully achieving 100% funding for the construction of the facility and the sustainability of receiving continued funding for its operations. This is the only funding and

financing option that comes close to being a viable model for a facility of this size and featuring all the amenities proponents wish for.

Table 22, Option #1 projected cash flow

Projected Cash Flow Years 1-5					
	Year 1	Year 2	Year 3	Year 4	Year 5
Cash Inflows	1,609,300	1,699,300	1,794,300	1,894,100	1,999,200
Cash Outflows	1,496,500	1,728,300	1,789,500	1,889,100	1,993,900
Net Cash Inflow (Outflow)	112,800	(29,900)	4,800	5,000	5,300
Opening Cash	-	112,800	83,800	88,600	93,600
Cash Surplus	112,800	83,800	88,600	93,600	98,900

Sustainability & Energy Benchmarks

The SeaRoots Alliance Wellness Centre has been envisioned as a model of environmental responsibility and long-term operational resilience. In alignment with the organization's stated goal of pursuing *net zero* performance, the facility will be designed to meet or exceed the standards, which will enable a pathway toward Net Zero Energy readiness. The approach begins with sustainable site design—minimizing disturbance to natural systems, managing stormwater on-site, and integrating low-maintenance, native landscaping to enhance biodiversity and reduce water demand.

A high-performance building envelope should form the foundation of energy efficiency, with walls, roofs, and glazing systems designed to achieve 25–30% greater thermal performance than code minimums under NECB 2020. Material selection should emphasize low embodied carbon, recycled content, and regional sourcing, ensuring durability, longevity, and reduced maintenance costs over the life of the facility. Life-cycle assessment tools should guide material choices to minimize embodied energy and support procurement transparency.

Mechanical and electrical systems will be central to sustainability success. The design should incorporate geothermal heating and cooling supported by heat recovery ventilation, along with provisions for ground mounted (in the contractor laydown area) or roof mounted solar photovoltaic and solar-thermal systems to offset electrical demand.

A future installation of a 100kW rooftop solar photovoltaic system would create a strong sustainability and energy-resilience opportunity for the Eastern Area Wellness Centre. A rooftop array would require approximately 7,500-10,000 ft² of clear roof space, which the building can easily accommodate. The installation cost is significant and estimated at \$250,000, but energy savings would provide a favourable 12-13 year payback on this investment. Furthermore, a rooftop solar photovoltaic system would advance the sustainability goals of SeaRoots Alliance Inc. by supplying clean energy, cutting operating emissions, and delivering reliable and predictable cost savings. Additional and specific information on cost estimates and energy generation can be found in Appendix 2.

Energy-efficient LED lighting, daylight harvesting, and advanced automation controls will further reduce consumption while maintaining optimal comfort. Building systems should be sub-metered and monitored to verify performance and guide operational improvements over time.

Given that this new wellness centre is conceived as a hub for community wellness, indoor environmental quality will be treated as a core sustainability measure. The design should exceed ASHRAE 62.1 ventilation standards, employ low-VOC materials, and prioritize natural daylight in public areas such as the walking track, gymnasium, and group studios. Visual connections to the outdoors, natural textures, and warm finishes will reinforce user well-being through a biophilic design approach.

Finally, sustainability should extend into building operation and stewardship. A comprehensive commissioning and energy management plan should begin at design inception and continue through occupancy, verifying that systems perform as intended. Operational programs such as waste reduction, recycling, and green cleaning will strengthen long-term performance, while community education on sustainable living will amplify the project's social impact. Together, these measures ensure that the SeaRoots Wellness Centre not only meets the functional needs of its community but also stands as a benchmark for responsible, energy-efficient, and resilient public infrastructure on Prince Edward Island.

Proposed Location

The project team recommends that the proposed Eastern Area Wellness Centre be located at the existing site of the Eastern Kings Sportsplex. The new facility requires a parcel of land that is adequately large to accommodate the building's 69,000 square foot footprint. Additionally, there must also be space for a significant number of parking spaces to

accommodate the large number of users the facility will serve during peak hours between its meeting space, arena, gymnasium, learning centre, and walking track.

Using the existing site of the Eastern Kings Sportsplex is the most logical option for many reasons. As the population hub of the area, the Town of Souris would be the best location for this wellness centre, ensuring that it is conveniently located for its userbase. The site of the Eastern Kings Sportsplex is the only parcel of land big enough to fit this facility that the Town of Souris owns, meaning that if it were not placed there, additional land would need to be purchased. The purchase of additional land from a private party, the necessary landscaping, and the installation of infrastructure such as plumbing and electrical would all add significant capital costs to this project.

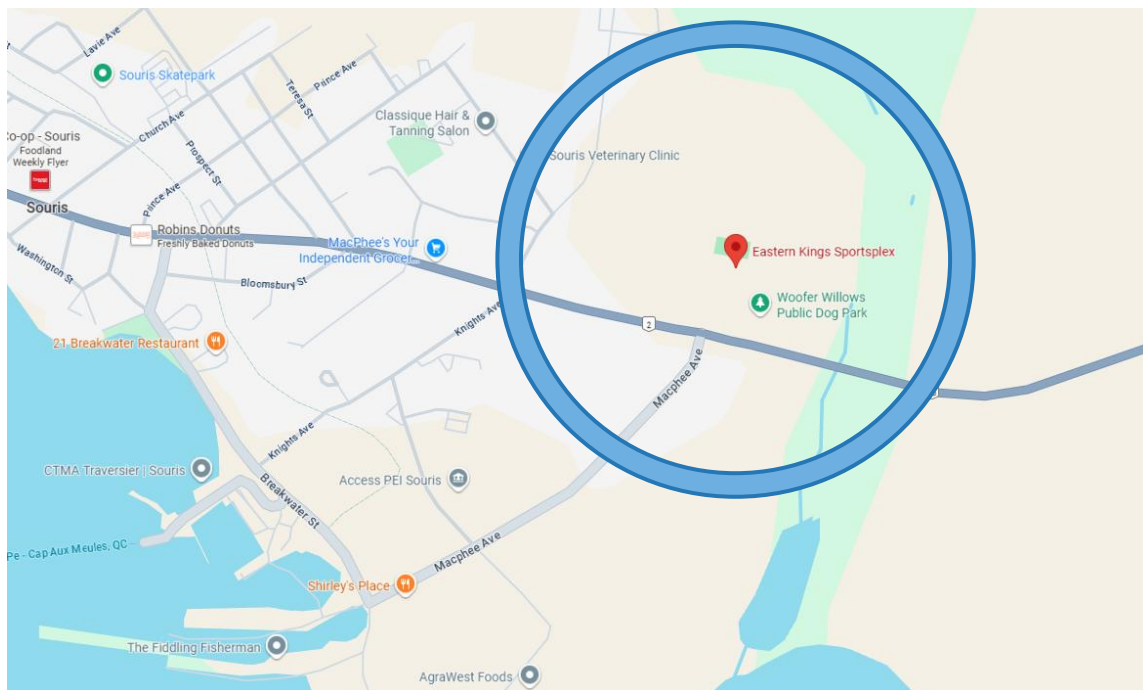


Figure 4, Existing location of the Eastern Kings Sportsplex, Google Maps 2025

The capital costs for this project, even without the additional costs of purchasing and preparing a new site, are already very significant and may be challenging to fund. Should these capital costs not be fully funded by higher levels of government and fundraising, they would need to be covered through debt; however, servicing a loan of any size jeopardizes the operational feasibility of this facility, and so it is imperative that capital costs be minimized.

As mentioned, the parcel of land that houses the Eastern King Sportsplex is already owned by the Town of Souris and has the necessary infrastructure in place for a wellness centre. As was accomplished during the construction of the new Simmons Sports Centre, the old

facility would continue to operate while the new facility is constructed and would only be demolished after the new facility is operational. Another attractive feature of this site is that there is more town-owned land near it, which can serve as overflow parking during the construction of the new facility.

Disposition of Eastern Kings Sportsplex

As Eastern Kings Sportsplex approaches the end of its useful life, it is facing many challenges which make it impractical to continue operating beyond the short term, without extensive renovations. These challenges include outdated amenities, poor accessibility, insufficient space, and humidity and moisture problems. Renovation of the existing facility to meet the community's future wellness needs would be a very costly project, and the core of the building would still be nearly 50 years old.

A new facility would improve upon all of the current amenities of the Eastern Kings Sportsplex and would mean having a state-of-the-art wellness centre for generations to come. However, it does not appear feasible for the Eastern Kings Sportsplex and the new facility to both continue operating. Existing users of the Eastern Kings Sportsplex would be expected to migrate to the newly constructed facility, leading to significant financial losses for the Eastern Kings Sportsplex. Additionally, without substantial renovations, the arena floor is poorly-suited for recreational activities due to moisture accumulation, making it impractical to be used as a second gymnasium space. Additionally, demolishing the Eastern Kings Sportsplex would mean more space for parking and room for future expansions of the new facility, such as for an outdoor ice surface.

As the new facility is recommended to be located on the existing site of the Eastern Kings Sportsplex, the old facility would be demolished once the new facility is wholly constructed, ensuring that there would be no significant gaps in ice surface and fitness centre availability. The costs associated with demolishing the old facility have been included in the cost model.

Investing in a new facility is the practical choice, but also a progressive commitment to the health, recreation, and vitality of the community for decades to come. Renovating an outdated structure would only delay the inevitable and divert funds toward temporary fixes rather than meaningful progress to benefit the region. By constructing a modern, efficient, and accessible complex, the community will gain a state-of-the-art wellness centre that meets today's needs and anticipates tomorrow's opportunities. Demolishing the old Sportsplex once the new facility is ready ensures a smooth transition, continuous service,

and room for future growth. This move creates a chance to build a stronger, more sustainable future that residents can take pride in and benefit from for generations.

Risk Analysis

The following table outlines potential risks based on expert project management experience. Conducting risk analyses and identifying proactive mitigation strategies helps set projects up for success.

Risk Analysis

Risk Description <small>Likelihood without mitigation marked*</small>	Risk Type	Impact	Mitigation Strategy
Budget escalation due to design development or market volatility	Financial	High	Maintain cost tracking; conduct value engineering at key design stages; confirm escalation assumptions.
Insufficient funding to implement plan	Financial	High	Carefully define scope and phases and design to be financially feasible and sustainable for the community. Create a devoted fund development working group that includes a charter with a decision tree for "go or no-go" points along the process, with plans to reimburse or forfeit financial contributions if the project is cancelled.
Incomplete or unclear scope during early design stages	Technical/ Schedule	High	Hold scope definition workshops; maintain clear design documentation; validate program areas early.
Regulatory or code compliance revisions	Regulatory	Medium	Engage code consultant early; coordinate with Fire Marshal and municipal reviewers at schematic stage.
Geotechnical or site servicing issues discovered during design	Technical/ Cost	High	Undertake early geotechnical and servicing studies; include contingencies and flexible design responses.
Insufficient sustainability or energy modeling to support funding applications	Sustainability/ Funding	High	Set clear sustainability targets; complete preliminary energy model by 30% design; align with funding criteria.
Client or stakeholder scope changes after design milestones	Stakeholder / Schedule	High	Implement formal change management; track decisions; communicate cost/schedule implications immediately.
Coordination challenges among multiple subconsultants	Management	Medium	Use BIM coordination and regular design integration meetings; designate a single coordination lead.
Tender market capacity or limited contractor interest	Procurement	High	Engage contractors early for feedback; issue advance tender notices; prequalify bidders if appropriate.
Insufficient documentation quality or coordination leading to change orders	Technical/ Financial	High	Implement internal QA/QC and peer reviews; conduct constructability reviews prior to tender release.
Mobilization delays at start of construction	Schedule/ Logistical	Medium	Ensure contractor readiness through preconstruction meetings; define mobilization period clearly in tender.
Unforeseen site conditions or conflicts discovered during early excavation	Technical/ Cost	High	Conduct thorough subsurface investigations; review as-built utilities; provide for allowances in early contracts.
Delay in obtaining approvals or permits	Regulatory/ Schedule	High	Develop a permit matrix; engage in pre-application meetings; submit phased permits where possible.



High Likelihood



Medium Likelihood



Low-Medium Likelihood



Low Likelihood

Next Steps

The moment is right for SeaRoots Alliance to move from momentum to action. Recently, the group received exciting news in the 2025 federal budget: the Government of Canada intends to support the new wellness centre through funding.²² With this announcement and the completion of the assessments and planning work done for this report, the project is well positioned to advance to its next steps.

Focus areas for SeaRoots' immediate future include securing funding, developing final construction-ready plans, and entering property negotiations for the new centre. Key steps for ensuring the plan's success will be:

- Finalizing the federal funding agreement,
- Engaging the Government of Prince Edward Island to discuss and confirm provincial contributions,
- Confirming direction and partnership with the Town of Souris and the Eastern Kings Sportsplex, and
- Launching a capital campaign to raise funds and to energize the community about the coming centre.

It is critical that SeaRoots prioritize fund development and secure financial support from all levels of government and from the broader Island community. As the Business Plan states, the proposed centre must be fully funded to be fiscally viable. While the federal funding has been officially promised, it still requires SeaRoots to complete an application and approval process. SeaRoots, with any external support required, should work quickly to complete the process to confirm the federal contribution amount and use it as a basis for further fund development. It is standard for projects such as these to have cost-sharing between all levels of government, and the group will need to confirm provincial financial support for the capital project and for the proposed new library location in short order.

A key strength of this project has been how supportive the Town of Souris and the broader community has been in the planning process. Now that the plan is about to become reality, the Town will need to be involved to an even greater extent. It is important that SeaRoots enter into substantive discussions with the municipality to determine the ownership model

²² Department of Finance Canada. (2025, November 4). *Canada Strong: Budget 2025*. (p. 103) Government of Canada. <https://budget.canada.ca/2025/report-rapport/pdf/budget-2025.pdf>

for the new facility and hold serious conversations about the future of the Eastern Kings Sportsplex in relation to the new centre.

Continuing community engagement for the new wellness centre's development will also be central to the project's ongoing success. SeaRoots will need to design and launch an intentional fundraising and education campaign to engage community members in the centre's progress and to garner donations and sponsorships to support its build. It will be important to celebrate early wins, share progress openly, and reinforce that this is a collaborative, evolving journey.

The Eastern Area Wellness Centre is truly an exciting project for the region, and once built, it will bring new opportunities and enhanced community, recreation, and learning experiences to the area. A facility of this stature has been a dream for so long for so many residents, and now, it is becoming reality. By staying true to their pillars of community, recreation, and learning, SeaRoots Alliance has created a plan to benefit the region. By maintaining strong visibility and sustaining partner confidence, SeaRoots Alliance can advance decisively toward a modern, inclusive, and financially responsible wellness centre that strengthens regional wellbeing and serves generations to come.

Appendices

- Appendix 1** Financial Projections, Fully Funded
- Appendix 2** Energy Considerations
- Appendix 3** Coles Associates Ltd. Site Plan
- Appendix 4**..... Coles Associates Ltd. Architectural drawings

Appendix 1: Financial Projections, Fully Funded

**EASTERN AREA WELLNESS CENTRE (TBI)
PROJECTED FINANCIAL STATEMENTS
FOR THE YEARS TO END ONE TO FIVE
(Unaudited - See Notice to Reader)**

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NOTICE TO READER ON THE COMPILATION OF A FINANCIAL PROJECTION

We have compiled a financial projection of Eastern Area Wellness Centre (tbi) consisting of Projected Statements of Financial Position as at Years One to Five, Projected Statements of Operations and Net Assets and Projected Statements of Cash Flow for the years then ending and Projected Statement of Monthly Cash Flow for Year One using assumptions, including the hypotheses set out in Note 2, with an effective date of December 5, 2025 and other information provided by management. Our engagement was performed in accordance with the applicable guidance on compilation of a financial projection set out in the CPA Handbook-Assurance.

A compilation is limited to presenting, in the form of a financial projection, information provided by management and does not include evaluating the support for the assumptions, including the hypotheses or other information underlying the projection. Accordingly, we do not express an opinion or any other form of assurance on the financial projection or assumptions, including the hypotheses. Further, since this financial projection is based on assumptions regarding future events, actual results will vary from the information presented even if the hypotheses occur, and the variations may be material. We have no responsibility to update this communication for events and circumstances occurring after the date of this communication.

MRSB Chartered Professional Accountants Inc.

**CHARLOTTETOWN, P.E.I., CANADA
DECEMBER 5, 2025**

M | R | S | B

EASTERN AREA WELLNESS CENTRE (TBI)
PROJECTED STATEMENTS OF FINANCIAL POSITION
AS AT YEARS ENDED ONE TO FIVE
(Unaudited – See Notice to Reader)

	OPENING	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
ASSETS						
Current						
Cash	\$ -	\$ 112,800	\$ 83,800	\$ 88,600	\$ 93,600	\$ 98,900
Accounts receivable	-	300	300	300	300	300
	<u>-</u>	<u>113,100</u>	<u>84,100</u>	<u>88,900</u>	<u>93,900</u>	<u>99,200</u>
Capital Assets - Note 4(a)	<u>44,276,400</u>	<u>42,140,600</u>	<u>40,158,100</u>	<u>38,309,300</u>	<u>36,578,600</u>	<u>34,952,700</u>
	<u>\$44,276,400</u>	<u>\$42,253,700</u>	<u>\$40,242,200</u>	<u>\$38,398,200</u>	<u>\$36,672,500</u>	<u>\$35,051,900</u>
LIABILITIES						
Current						
Accounts payable and accruals - Note 4(b)	\$ -	\$ 113,100	\$ 84,100	\$ 88,900	\$ 93,900	\$ 99,200
Other						
Deferred contributions - Note 4(c)	<u>44,276,400</u>	<u>42,140,600</u>	<u>40,158,100</u>	<u>38,309,300</u>	<u>36,578,600</u>	<u>34,952,700</u>
	<u>44,276,400</u>	<u>42,253,700</u>	<u>40,242,200</u>	<u>38,398,200</u>	<u>36,672,500</u>	<u>35,051,900</u>
NET ASSETS						
Unrestricted Net Assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$44,276,400</u>	<u>\$42,253,700</u>	<u>\$40,242,200</u>	<u>\$38,398,200</u>	<u>\$36,672,500</u>	<u>\$35,051,900</u>

(The accompanying notes form an integral part of the projected financial statements.)

EASTERN AREA WELLNESS CENTRE (TBI)
PROJECTED STATEMENTS OF OPERATIONS AND NET ASSETS
FOR THE YEARS TO END ONE TO FIVE
(Unaudited – See Notice to Reader)

	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
REVENUE					
Revenue - Note 4(d)	\$ 1,609,600	\$ 1,699,300	\$ 1,794,300	\$ 1,894,100	\$ 1,999,200
Other					
Contributions - Note 4(c)	<u>2,135,800</u>	<u>1,982,500</u>	<u>1,848,800</u>	<u>1,730,700</u>	<u>1,625,900</u>
	<u>3,745,400</u>	<u>3,681,800</u>	<u>3,643,100</u>	<u>3,624,800</u>	<u>3,625,100</u>
EXPENDITURES					
Amortization of capital assets - Note 4(a)	2,135,800	1,982,500	1,848,800	1,730,700	1,625,900
Insurance	60,000	63,300	66,800	70,500	74,400
Interest and bank charges	1,800	1,900	2,000	2,100	2,200
Marketing - Note 4(e)	20,000	21,100	22,300	23,500	24,800
Miscellaneous	12,000	12,700	13,400	14,100	14,900
Office	3,600	3,800	4,100	4,400	4,700
Professional fees	8,500	9,000	9,500	10,000	10,500
Property taxes - Note 4(f)	205,800	217,200	229,300	242,100	255,500
Repairs and maintenance - Note 4(g)	240,000	253,500	267,700	282,500	298,300
Telecommunications	22,500	23,800	25,200	26,600	28,100
Utilities - Note 4(h)	700,000	738,900	780,000	823,400	869,200
Wages and wage levies - Note 4(i)	<u>335,400</u>	<u>354,100</u>	<u>374,000</u>	<u>394,900</u>	<u>416,600</u>
	<u>3,745,400</u>	<u>3,681,800</u>	<u>3,643,100</u>	<u>3,624,800</u>	<u>3,625,100</u>
EXCESS OF REVENUE OVER EXPENDITURE	-	-	-	-	-
NET ASSETS - BEGINNING OF YEAR	-	-	-	-	-
NET ASSETS - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(The accompanying notes form an integral part of the projected financial statements.)

EASTERN AREA WELLNESS CENTRE (TBI)
PROJECTED STATEMENT OF MONTHLY CASH FLOW
FOR YEAR ONE
(Unaudited – See Notice to Reader)

	January	February	March	April	May	June	July	August	September	October	November	December	TOTAL
CASH INFLOWS													
Revenue	\$ 215,700	\$ 150,700	\$ 150,700	\$ 150,700	\$ 92,700	\$ 82,000	\$ 82,000	\$ 82,000	\$ 150,700	\$ 150,700	\$ 150,700	\$ 150,700	\$ 1,609,300
CASH OUTFLOWS													
Insurance	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	60,000
Interest and bank charges	150	150	150	150	150	150	150	150	150	150	150	150	1,800
Marketing	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	20,400
Miscellaneous	-	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	11,000
Office	-	300	300	300	300	300	300	300	300	300	300	300	3,300
Professional fees	700	700	700	700	700	700	700	700	700	700	700	700	8,400
Property taxes	17,200	17,200	17,200	17,200	17,200	17,200	17,200	17,200	17,200	17,200	17,200	17,200	206,400
Repairs and maintenance	-	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	220,000
Telephone	-	1,900	1,900	1,900	1,900	1,900	1,900	1,900	1,900	1,900	1,900	1,900	20,900
Utilities	-	91,900	91,900	91,900	61,900	13,800	13,800	13,800	13,800	61,900	61,900	91,900	608,500
Wages and wage levies	30,400	29,400	29,400	29,400	24,900	24,900	24,900	24,900	29,400	29,400	29,400	29,400	335,800
	<u>55,150</u>	<u>169,250</u>	<u>169,250</u>	<u>169,250</u>	<u>134,750</u>	<u>86,650</u>	<u>86,650</u>	<u>86,650</u>	<u>91,150</u>	<u>139,250</u>	<u>139,250</u>	<u>169,250</u>	<u>1,496,500</u>
NET CASH INFLOW (OUTFLOW)	160,550	(18,550)	(18,550)	(18,550)	(42,050)	(4,650)	(4,650)	(4,650)	59,550	11,450	11,450	(18,550)	112,800
OPENING CASH	-	160,550	142,000	123,450	104,900	62,850	58,200	53,550	48,900	108,450	119,900	131,350	-
CASH SURPLUS	\$ 160,550	\$ 142,000	\$ 123,450	\$ 104,900	\$ 62,850	\$ 58,200	\$ 53,550	\$ 48,900	\$ 108,450	\$ 119,900	\$ 131,350	\$ 112,800	\$ 112,800

(The accompanying notes form an integral part of the projected financial statements.)

**EASTERN AREA WELLNESS CENTRE (TBI)
PROJECTED STATEMENTS OF CASH FLOW
FOR THE YEARS TO END ONE TO FIVE
(Unaudited – See Notice to Reader)**

	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
CASH INFLOWS					
Revenue	\$ 1,609,300	\$ 1,699,300	\$ 1,794,300	\$ 1,894,100	\$ 1,999,200
CASH OUTFLOWS					
Insurance	60,000	63,300	66,800	70,500	74,400
Interest and bank charges	1,800	1,900	2,000	2,100	2,200
Marketing	20,400	21,100	22,300	23,500	24,800
Miscellaneous	11,000	12,600	13,300	14,000	14,800
Office	3,300	3,800	4,100	4,400	4,700
Professional fees	8,400	9,000	9,500	10,000	10,500
Property taxes	206,400	217,200	229,300	242,100	255,500
Repairs and maintenance	220,000	252,400	266,500	281,300	297,000
Telephone	20,900	23,700	25,100	26,500	28,000
Utilities	608,500	769,200	776,600	819,800	865,400
Wages and wage levies	335,800	354,100	374,000	394,900	416,600
	<u>1,496,500</u>	<u>1,728,300</u>	<u>1,789,500</u>	<u>1,889,100</u>	<u>1,993,900</u>
NET CASH INFLOW (OUTFLOW)	112,800	(29,000)	4,800	5,000	5,300
OPENING CASH	<u>-</u>	<u>112,800</u>	<u>83,800</u>	<u>88,600</u>	<u>93,600</u>
CASH SURPLUS	<u>\$ 112,800</u>	<u>\$ 83,800</u>	<u>\$ 88,600</u>	<u>\$ 93,600</u>	<u>\$ 98,900</u>

(The accompanying notes form an integral part of the projected financial statements.)

**EASTERN AREA WELLNESS CENTRE (TBI)
NOTES TO THE PROJECTED FINANCIAL STATEMENTS
FOR THE YEARS TO END ONE TO FIVE
(Unaudited – See Notice to Reader)**

1. Basis of Preparation

Eastern Area Wellness Centre (tbi) (the “Organization”) is a not-for-profit entity and will be incorporated under Part II of the Prince Edward Island Companies Act. The objective and purpose of the Organization will be the oversight and management of an arena and wellness centre in Souris, Prince Edward Island.

These projected financial statements have been prepared to determine operational models and the project's feasibility. The projected financial statements have been prepared as of December 5, 2025 using the hypotheses detailed in Note 2, together with assumptions that are based on management's judgment as to the most probable set of economic conditions, as well as the entity's planned courses of action for the period covered.

These projected financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations.

In view of uncertainties inherent in predicting future conditions and actions, actual results achieved for the period will vary from the information presented, and the variations may be material.

2. Hypotheses

The projection is based on the following hypotheses:

- Land will be used from the Eastern Kings Sportsplex for the nominal cost of \$1.
- A 69,000 square foot facility can be constructed for \$44,276,400, including:
 - \$41,158,900 in construction costs.
 - \$1,122,500 in land improvement costs.
 - \$1,966,900 in equipment costs.
 - \$25,600 for furniture and fixtures.
 - \$2,500 in Computer hardware.
- The project will receive a total of \$44,276,400 in contributions predominantly received through a combination of federal and provincial government funding. The remaining portion of capital expenditures will be funded through various community fundraising initiatives.
- The ice surface will be installed and ready for use for eight months annually.
- Prime ice times will have a 90% occupancy rate, and non-prime ice times will have a 60% occupancy rate over the projected period.
- Curling occupies the ice surface for one full day each week.
- Revenue and expenses will increase at an average annual rate of 5.6% based on the annual inflation between 2020 – 2025.
- All values are based on the current value of Canadian dollars (CAD) on the effective date of December 5, 2025.

EASTERN AREA WELLNESS CENTRE (TBI)
NOTES TO THE PROJECTED FINANCIAL STATEMENTS
FOR THE YEARS TO END ONE TO FIVE
(Unaudited – See Notice to Reader)

3. Significant Accounting Policies

The accounting policies of Eastern Area Wellness Centre (tbi) are in accordance with Canadian accounting standards for not-for-profit organizations. Outlined below are those policies considered particularly significant.

a) Cash and cash equivalents

Cash and cash equivalents consist of cash on hand and bank deposits.

b) Financial instruments

The Organization's financial instruments consist of cash, accounts receivable, accounts payable and accrued liabilities. All financial instruments are initially recognized at fair value and subsequently measured at amortized cost. Transaction costs and financial fees associated with financial instruments carried at amortized cost are recorded as adjustments to the initial fair value recognized and amortized over the life of the financial instrument or shorter, dependent upon the expected period of cash flow.

Transacting in financial instruments exposes the Organization to certain financial risks and uncertainties. These risks include:

- Interest rate risk: The demand operating loan is bank debt and will float at short-term market rates of interest. The Organization has the option to fix the interest rate on its mortgage for the balance of the term.
- Credit risk: The Organization's exposure to credit risk relates to accounts receivable and arises from the possibility that a customer does not fulfill its obligations. The Organization performs continuous evaluation of its accounts receivable and records an allowance for doubtful accounts. No individual customer is significant to the Organization.
- Liquidity risk: The Organization's exposure to liquidity risk is dependent on the collection of accounts receivable, purchasing commitments, and obligations or raising of funds to meet commitments and sustain operations. The Organization controls liquidity risk by managing working capital, cash flows, and the availability of borrowing facilities.

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3. Significant Accounting Policies (continued)

c) Capital Assets

Capital assets are stated at cost less accumulated amortization. Contributed capital assets are recognized at nominal value in the financial projections when the fair value at the date of contribution cannot be reasonably determined. Capital assets are amortized over their estimated useful lives on a declining balance basis at the following rates:

Land improvements	8%
Buildings	4%
Equipment	20%
Computer hardware	45%
Furniture and fixtures	20%

Capital assets acquired during the year but not placed into use are not amortized until they are placed into use. One-half of the annual rate is recorded in the year of acquisition; no amortization is recorded in the year of disposal.

d) Contributions

Contributions are recognized using the deferral method. Under this method, restricted contributions for which externally imposed restrictions remain unfulfilled are accumulated as deferred contributions in the statement of financial position. Restricted contributions for the purchase of capital assets that will be amortized are deferred and recognized as revenue on the same basis as the amortization expense related to the acquired capital assets.

e) Revenue recognition

Revenue is recognized when goods are shipped, or services are provided, and the customer takes ownership and assumes risk of loss, collection of the relevant receivable is probable, persuasive evidence of an arrangement exists, and the sales price is fixed or determinable.

f) Going concern and future operations

These projected financial statements have been prepared on the going concern basis, which assumes that the Organization will continue in operation for the foreseeable future and be able to realize its assets and discharge its liabilities in the normal course of business.

EASTERN AREA WELLNESS CENTRE (TBI)
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4. Summary of Significant Assumptions

a) Capital assets

	YEAR 1		
	Cost	Amortization	NBV
Land improvements	\$ 1,122,500	\$ 89,800	\$ 1,032,700
Buildings	41,158,900	1,646,400	39,512,500
Equipment	1,966,900	393,400	1,573,500
Computer hardware	2,500	1,100	1,400
Furniture and fixtures	25,600	5,100	20,500
	<u>\$ 44,276,400</u>	<u>\$ 2,135,800</u>	<u>\$ 42,140,600</u>

	YEAR 2		
	Cost	Amortization	NBV
Land improvements	\$ 1,122,500	\$ 82,600	\$ 950,100
Buildings	41,158,900	1,580,500	37,932,000
Equipment	1,966,900	314,700	1,258,800
Computer hardware	2,500	600	800
Furniture and fixtures	25,600	4,100	16,400
	<u>\$ 44,276,400</u>	<u>\$ 1,982,500</u>	<u>\$ 40,158,100</u>

	YEAR 3		
	Cost	Amortization	NBV
Land improvements	\$ 1,122,500	\$ 76,000	\$ 874,100
Buildings	41,158,900	1,517,300	36,414,700
Equipment	1,966,900	251,800	1,007,000
Computer hardware	2,500	400	400
Furniture and fixtures	25,600	3,300	13,100
	<u>\$ 44,276,400</u>	<u>\$ 1,848,800</u>	<u>\$ 38,309,300</u>

	YEAR 4		
	Cost	Amortization	NBV
Land improvements	\$ 1,122,500	\$ 69,900	\$ 804,200
Buildings	41,158,900	1,456,600	34,958,100
Equipment	1,966,900	201,400	805,600
Computer hardware	2,500	200	200
Furniture and fixtures	25,600	2,600	10,500
	<u>\$ 44,276,400</u>	<u>\$ 1,730,700</u>	<u>\$ 36,578,600</u>

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4. Summary of Significant Assumptions (continued)

a) Capital assets (continued)

	YEAR 5		
	Cost	Amortization	NBV
Land improvements	\$ 1,122,500	\$ 64,300	\$ 739,900
Buildings	41,158,900	1,398,300	33,559,800
Equipment	1,966,900	161,100	644,500
Computer hardware	2,500	100	100
Furniture and fixtures	25,600	2,100	8,400
	<u>\$ 44,276,400</u>	<u>\$ 1,625,900</u>	<u>\$ 34,952,700</u>

b) Accounts payable and accrued liabilities

It is assumed that 30-day payment terms will be received from suppliers.

c) Deferred contributions

	YEAR 1		
	Contributions	Amortization	NBV
Land improvements	\$ 1,122,500	\$ 89,800	\$ 1,032,700
Buildings	41,158,900	1,646,400	39,512,500
Equipment	1,966,900	393,400	1,573,500
Computer hardware	2,500	1,100	1,400
Furniture and fixtures	25,600	5,100	20,500
	<u>\$ 44,276,400</u>	<u>\$ 2,135,800</u>	<u>\$ 42,140,600</u>

	YEAR 2		
	Contributions	Amortization	NBV
Land improvements	\$ 1,122,500	\$ 82,600	\$ 950,100
Buildings	41,158,900	1,580,500	37,932,000
Equipment	1,966,900	314,700	1,258,800
Computer hardware	2,500	600	800
Furniture and fixtures	25,600	4,100	16,400
	<u>\$ 44,276,400</u>	<u>\$ 1,982,500</u>	<u>\$ 40,158,100</u>

	YEAR 3		
	Contributions	Amortization	NBV
Land improvements	\$ 1,122,500	\$ 76,000	\$ 874,100
Buildings	41,158,900	1,517,300	36,414,700
Equipment	1,966,900	251,800	1,007,000
Computer hardware	2,500	400	400
Furniture and fixtures	25,600	3,300	13,100
	<u>\$ 44,276,400</u>	<u>\$ 1,848,800</u>	<u>\$ 38,309,300</u>

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4. Summary of Significant Assumptions (continued)

c) Deferred contributions (continued)

	YEAR 4		
	<u>Contributions</u>	<u>Amortization</u>	<u>NBV</u>
Land improvements	\$ 1,122,500	\$ 69,900	\$ 804,200
Buildings	41,158,900	1,456,600	34,958,100
Equipment	1,966,900	201,400	805,600
Computer hardware	2,500	200	200
Furniture and fixtures	25,600	2,600	10,500
	<u>\$ 44,276,400</u>	<u>\$ 1,730,700</u>	<u>\$ 36,578,600</u>

	YEAR 5		
	<u>Contributions</u>	<u>Amortization</u>	<u>NBV</u>
Land improvements	\$ 1,122,500	\$ 64,300	\$ 739,900
Buildings	41,158,900	1,398,300	33,559,800
Equipment	1,966,900	161,100	644,500
Computer hardware	2,500	100	100
Furniture and fixtures	25,600	2,100	8,400
	<u>\$ 44,276,400</u>	<u>\$ 1,625,900</u>	<u>\$ 34,952,700</u>

d) Revenue

Revenue will be generated from various rental opportunities in the facility, as outlined below:

	Year 1	Year 2	Year 3	Year 4	Year 5
Ice pad revenue	\$ 464,300	\$ 490,100	\$ 517,300	\$ 546,200	\$ 576,600
Gymnasium	173,500	182,600	192,400	202,500	213,300
Rental revenue	131,400	138,700	146,500	154,600	163,000
Advertising	65,000	79,100	103,100	120,600	148,900
Government assistance and donations	775,400	808,800	835,000	870,200	897,400
	<u>\$ 1,609,600</u>	<u>\$ 1,699,300</u>	<u>\$ 1,794,300</u>	<u>\$ 1,894,100</u>	<u>\$ 1,999,200</u>

Ice pad revenue- Revenue will be earned through the rental of ice time to organized sport associations and private parties between September and April annually. Ice rentals between 4 pm and 9 pm daily will be charged a prime rate, while remaining ice rentals will be charged a non-prime rate. It is assumed that 90% of available prime ice times and 60% of available non-prime ice times will be booked annually.

	Year 1	Year 2	Year 3	Year 4	Year 5
Ice pad revenue					
Organized sports	\$ 346,100	\$ 365,300	\$ 385,600	\$ 407,100	\$ 429,700
Curling	23,400	24,700	26,100	27,600	29,100
Private	94,800	100,100	105,600	111,500	117,800
	<u>\$ 464,300</u>	<u>\$ 490,100</u>	<u>\$ 517,300</u>	<u>\$ 546,200</u>	<u>\$ 576,600</u>

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4. Summary of Significant Assumptions (continued)

(d) Revenue (continued)

Organized sport – It is assumed that 80% of ice rental revenue will be earned through organized sport associations.

<i>Organized sports</i>	Year 1	Year 2	Year 3	Year 4	Year 5
Prime hours	\$ 165,500	\$ 174,700	\$ 184,400	\$ 194,700	\$ 205,500
Non-prime hours	<u>180,600</u>	<u>190,600</u>	<u>201,200</u>	<u>212,400</u>	<u>224,200</u>
	<u>\$ 346,100</u>	<u>\$ 365,300</u>	<u>\$ 385,600</u>	<u>\$ 407,100</u>	<u>\$ 429,700</u>

Prime – It is assumed 72% of the available 1,045 prime ice rentals will be rented by organized sports organizations at a rate of \$220 in Year 1, increasing by 5.6% in Year 2 to Year 5.

<i>Organized sports - prime</i>	Year 1	Year 2	Year 3	Year 4	Year 5
Hourly rate	\$ 220.00	\$ 232.23	\$ 245.14	\$ 258.77	\$ 273.16
Occupancy rate	72%	72%	72%	72%	72%
Available hours	<u>1,045</u>	<u>1,045</u>	<u>1,045</u>	<u>1,045</u>	<u>1,045</u>
Total	<u>\$ 165,500</u>	<u>\$ 174,700</u>	<u>\$ 184,400</u>	<u>\$ 194,700</u>	<u>\$ 205,500</u>

Non-prime - It is assumed 48% of the available 1,881 non-prime ice rentals will be rented by organized sport at a rate of \$200 in Year 1, increasing by 5.6% in Year 2 to Year 5.

<i>Organized sports - non -prime</i>	Year 1	Year 2	Year 3	Year 4	Year 5
Hourly rate	\$ 200.00	\$ 211.12	\$ 222.86	\$ 235.25	\$ 248.33
Occupancy rate	48%	48%	48%	48%	48%
Available hours	<u>1,881</u>	<u>1,881</u>	<u>1,881</u>	<u>1,881</u>	<u>1,881</u>
Total	<u>\$ 180,600</u>	<u>\$ 190,600</u>	<u>\$ 201,200</u>	<u>\$ 212,400</u>	<u>\$ 224,200</u>

Private ice rentals – It is assumed that 20% of ice rental revenue will be earned through private bookings.

<i>Private</i>	Year 1	Year 2	Year 3	Year 4	Year 5
Prime hours	\$ 45,100	\$ 47,700	\$ 50,300	\$ 53,100	\$ 56,100
Non-Prime hours	<u>49,700</u>	<u>52,400</u>	<u>55,300</u>	<u>58,400</u>	<u>61,700</u>
	<u>\$ 94,800</u>	<u>\$ 100,100</u>	<u>\$ 105,600</u>	<u>\$ 111,500</u>	<u>\$ 117,800</u>

Prime – It is assumed 18% of the available 1,045 prime ice rentals will be rented by private parties at a rate of \$240 in Year 1, increasing by 5.6% in Year 2 to Year 5.

<i>Private - prime</i>	Year 1	Year 2	Year 3	Year 4	Year 5
Hourly rate	\$ 240.00	\$ 253.34	\$ 267.43	\$ 282.30	\$ 297.99
Occupancy rate	18%	18%	18%	18%	18%
Available hours	<u>1,045</u>	<u>1,045</u>	<u>1,045</u>	<u>1,045</u>	<u>1,045</u>
Total	<u>\$ 45,100</u>	<u>\$ 47,700</u>	<u>\$ 50,300</u>	<u>\$ 53,100</u>	<u>\$ 56,100</u>

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4. Summary of Significant Assumptions (continued)

d) Revenue (continued)

Non-Prime - It is assumed 12% of the available 1,881 non-prime ice rentals will be rented by private parties at a rate of \$220 in Year 1, increasing by 5.6% in Year 2 to Year 5.

Private - non -prime	Year 1	Year 2	Year 3	Year 4	Year 5
Hourly rate	\$ 220.00	\$ 232.23	\$ 245.14	\$ 258.77	\$ 273.16
Occupancy rate	12%	12%	12%	12%	12%
Available hours	1,881	1,881	1,881	1,881	1,881
Total	<u>\$ 49,700</u>	<u>\$ 52,400</u>	<u>\$ 55,300</u>	<u>\$ 58,400</u>	<u>\$ 61,700</u>

Gymnasium Revenue – The facility will partner with a variety of athletic associations and organizations, allowing them to host programs, training sessions, and competitions. It is assumed occupancy will depend on the season as well as the timing of bookings, as outlined below:

Gymnasium	Year 1	Year 2	Year 3	Year 4	Year 5
Spring	\$ 51,400	\$ 54,300	\$ 57,300	\$ 60,500	\$ 63,900
Summer	19,300	20,400	21,500	22,700	24,000
Fall	51,400	54,300	57,300	60,500	63,900
Winter	51,400	54,300	57,300	60,500	63,900
Total	<u>\$ 173,500</u>	<u>\$ 182,600</u>	<u>\$ 192,400</u>	<u>\$ 202,500</u>	<u>\$ 213,300</u>

Spring, fall, and winter daily gymnasium revenue – It is assumed that during the spring, fall, and winter, the gymnasium will be open from 9 am to 10 pm for a total of 13 available hours. It is assumed the hourly rate for booking will increase by 5.6% in Year 2 to Year 5.

Morning – It is assumed that the hourly rate for bookings between 9 am and 1 pm, Monday to Friday, will be \$60 in Year 1, with an occupancy rate of 25%. It is assumed that the hourly rate for bookings between 9 am and 1 pm on Saturday and Sunday will be \$75 in Year 1 and have an occupancy rate of 75%.

<i>Morning</i>	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
Rate	\$ 60	\$ 60	\$ 60	\$ 60	\$ 60	\$ 75	\$ 75
Occupancy	25%	25%	25%	25%	25%	75%	75%
Hours available	4	4	4	4	4	4	4
Total	<u>\$ 60</u>	<u>\$ 60</u>	<u>\$ 60</u>	<u>\$ 60</u>	<u>\$ 60</u>	<u>\$ 225</u>	<u>\$ 225</u>

Afternoon – It is assumed that the hourly rate for bookings between 1 pm and 5 pm, Monday to Friday, will be \$60 in Year 1, with an occupancy of 50%. It is assumed that the hourly rate for bookings between 1 pm and 5 pm on Saturday and Sunday will be \$75 in Year 1, with an occupancy of 75%.

<i>Afternoon</i>	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
Hourly rate	\$ 60	\$ 60	\$ 60	\$ 60	\$ 60	\$ 75	\$ 75
Occupancy	50%	50%	50%	50%	50%	75%	75%
Hours available	4	4	4	4	4	4	4
Total	<u>\$ 120</u>	<u>\$ 120</u>	<u>\$ 120</u>	<u>\$ 120</u>	<u>\$ 120</u>	<u>\$ 225</u>	<u>\$ 225</u>

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4. Summary of Significant Assumptions (continued)

d) Revenue (continued)

Evening - It is assumed that the hourly rate for bookings between 5 pm and 9 pm, Monday to Friday, will be \$75 in Year 1, with an occupancy of 75%. It is assumed that the hourly rate for bookings between 5 pm and 9 pm on Saturday and Sunday will be \$100 in Year 1, with an occupancy of 75%.

<i>Evening</i>	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
Hourly rate	\$ 75	\$ 75	\$ 75	\$ 75	\$ 75	\$ 100	\$ 100
Occupancy	75%	75%	75%	75%	75%	75%	75%
Hours available	5	5	5	5	5	5	5
	<u>\$ 281</u>	<u>\$ 281</u>	<u>\$ 281</u>	<u>\$ 281</u>	<u>\$ 281</u>	<u>\$ 375</u>	<u>\$ 375</u>

Based on the above, the average daily revenue in Year 1 during the spring, winter and fall seasons will be \$461 Monday to Friday, and \$825 on Saturday and Sunday. It is assumed each season will be a 13-week period.

	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
Daily Revenue	\$ 461	\$ 461	\$ 461	\$ 461	\$ 461	\$ 825	\$ 825
Weeks	13	13	13	13	13	13	13
	<u>\$ 6,000</u>	<u>\$ 6,000</u>	<u>\$ 6,000</u>	<u>\$ 6,000</u>	<u>\$ 6,000</u>	<u>\$ 10,700</u>	<u>\$ 10,700</u>

Total **\$51,400**

Summer daily gymnasium revenue – It is assumed that during the summer season, the gymnasium will be open from 9 am to 10 pm for a total of 13 available hours. It is assumed the hourly rate for booking will increase by 5.6% in Year 2 to Year 5.

Morning – It is assumed that the hourly rate for bookings between 9 am and 1 pm, Monday to Friday, will be \$60 in Year 1, with an occupancy rate of 25%. It is assumed that the hourly rate for bookings between 9 am and 1 pm on Saturday and Sunday will be \$60 in Year 1, with an occupancy rate of 50%.

<i>Morning</i>	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
Rate	\$ 60	\$ 60	\$ 60	\$ 60	\$ 60	\$ 60	\$ 60
Occupancy	25%	25%	25%	25%	25%	50%	50%
Hours available	4	4	4	4	4	4	4
Total	<u>\$ 60</u>	<u>\$ 60</u>	<u>\$ 60</u>	<u>\$ 60</u>	<u>\$ 60</u>	<u>\$ 120</u>	<u>\$ 120</u>

Afternoon – It is assumed that the hourly rate for bookings between 1 pm and 5 pm, Monday to Friday, will be \$60 in Year 1, with an occupancy of 25%. It is assumed that the hourly rate for bookings between 1 pm and 5 pm on Saturday and Sunday will be \$60 in Year 1, with an occupancy of 50%.

<i>Afternoon</i>	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
Hourly rate	\$ 60	\$ 60	\$ 60	\$ 60	\$ 60	\$ 60	\$ 60
Occupancy	25%	25%	25%	25%	25%	50%	50%
Hours available	4	4	4	4	4	4	4
	<u>\$ 60</u>	<u>\$ 60</u>	<u>\$ 60</u>	<u>\$ 60</u>	<u>\$ 60</u>	<u>\$ 120</u>	<u>\$ 120</u>

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4. Summary of Significant Assumptions (continued)

d) Revenue (continued)

Evening - It is assumed that the hourly rate for bookings between 5 pm and 9 pm, Monday to Sunday, will be \$60 in Year 1, with an occupancy of 20%.

<i>Evening</i>	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
Hourly rate	\$ 60	\$ 60	\$ 60	\$ 60	\$ 60	\$ 60	\$ 60
Occupancy	20%	20%	20%	20%	20%	20%	20%
Hours available	5	5	5	5	5	5	5
	<u>\$ 60</u>	<u>\$ 60</u>	<u>\$ 60</u>	<u>\$ 60</u>	<u>\$ 60</u>	<u>\$ 60</u>	<u>\$ 60</u>

Based on the above, the average daily revenue in Year 1 during the summer season will be \$180 Monday to Friday, and \$300 on Saturday and Sunday. It is assumed each season will be a 13-week period.

Summer	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
Daily revenue	\$ 180	\$ 180	\$ 180	\$ 180	\$ 180	\$ 300	\$ 300
Weeks	13	13	13	13	13	13	13
	<u>\$ 2,300</u>	<u>\$ 2,300</u>	<u>\$ 2,300</u>	<u>\$ 2,300</u>	<u>\$ 2,300</u>	<u>\$ 3,900</u>	<u>\$ 3,900</u>

Total \$19,300

Rental Revenue – The Centre will earn revenue from renting various facility components.

Rental revenue	Year 1	Year 2	Year 3	Year 4	Year 5
Studio space	\$ 39,000	\$ 41,200	\$ 43,500	\$ 45,900	\$ 48,400
Office space	30,000	31,700	33,400	35,300	37,200
Concession/pro shop	29,800	31,400	33,200	35,000	36,900
Gym	32,600	34,400	36,400	38,400	40,500
	<u>\$ 131,400</u>	<u>\$ 138,700</u>	<u>\$ 146,500</u>	<u>\$ 154,600</u>	<u>\$ 163,000</u>

Studio space – It is assumed that studio space will be available for full and half-day rentals.

<i>Studio space</i>	Year 1	Year 2	Year 3	Year 4	Year 5
Full-day rentals	\$ 18,200	\$ 19,200	\$ 20,300	\$ 21,400	\$ 22,600
Half-day rental	20,800	22,000	23,200	24,500	25,800
Total	<u>\$ 39,000</u>	<u>\$ 41,200</u>	<u>\$ 43,500</u>	<u>\$ 45,900</u>	<u>\$ 48,400</u>

Full-day rentals – It is assumed that the facility will average one full-day rental each week at a fee of \$350 in Year 1, increasing by 5.6% in Year 2 to Year 5.

Full-day rentals	Year 1	Year 2	Year 3	Year 4	Year 5
Daily rate	\$ 350.00	\$ 369.46	\$ 390.00	\$ 411.69	\$ 434.58
Annual rentals	52	52	52	52	52
	<u>\$ 18,200</u>	<u>\$ 19,200</u>	<u>\$ 20,300</u>	<u>\$ 21,400</u>	<u>\$ 22,600</u>

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4. Summary of Significant Assumptions (continued)

d) Revenue (continued)

Half-day rentals – It is assumed that the facility will average two half-day rentals each week at a fee of \$200 in Year 1, increasing by 5.6% in Year 2 to Year 5

Half-day rentals	Year 1	Year 2	Year 3	Year 4	Year 5
Daily rate	\$ 200.00	\$ 211.12	\$ 222.86	\$ 235.25	\$ 248.33
Annual rentals	104	104	104	104	104
	<u>\$ 20,800</u>	<u>\$ 22,000</u>	<u>\$ 23,200</u>	<u>\$ 24,500</u>	<u>\$ 25,800</u>

Office space rental – It is assumed that the 1,500 square foot section will be rented for \$20 per square foot in Year 1 and increase by 5.6% in Year 2 to Year 5.

Office space	Year 1	Year 2	Year 3	Year 4	Year 5
Cost per square foot	\$ 20.00	\$ 21.11	\$ 22.29	\$ 23.52	\$ 24.83
Square feet	1,500	1,500	1,500	1,500	1,500
Total	<u>\$ 30,000</u>	<u>\$ 31,700</u>	<u>\$ 33,400</u>	<u>\$ 35,300</u>	<u>\$ 37,200</u>

Concession/pro shop rental – It is assumed the 3,500 square foot section will be rented for \$8.50 per square foot in Year 1 and increase by 5.6% in Year 2 to Year 5.

Concession/pro shop	Year 1	Year 2	Year 3	Year 4	Year 5
Cost per square foot	\$ 8.50	\$ 8.97	\$ 9.47	\$ 10.00	\$ 10.55
Square feet	3,500	3,500	3,500	3,500	3,500
Total	<u>\$ 29,800</u>	<u>\$ 31,400</u>	<u>\$ 33,200</u>	<u>\$ 35,000</u>	<u>\$ 36,900</u>

Gym rental – It is assumed the 4,500 square foot section will be rented for \$7.25 per square foot in Year 1 and increase by 5.6% in Year 2 to Year 5.

Gym	Year 1	Year 2	Year 3	Year 4	Year 5
Cost per square foot	\$ 7.25	\$ 7.65	\$ 8.08	\$ 8.53	\$ 9.00
Square feet	4,500	4,500	4,500	4,500	4,500
Total	<u>\$ 32,600</u>	<u>\$ 34,400</u>	<u>\$ 36,400</u>	<u>\$ 38,400</u>	<u>\$ 40,500</u>

Advertising revenue – This facility will offer opportunities for local companies to advertise, including on the ice, the boards, and on wall space throughout the facility.

Advertising	Year 1	Year 2	Year 3	Year 4	Year 5
Ice advertisements	\$ 20,000	\$ 21,100	\$ 22,300	\$ 23,500	\$ 24,800
Board sponsors	30,000	42,200	55,700	70,600	86,900
Wall space	15,000	15,800	25,100	26,500	37,200
Total	<u>\$ 65,000</u>	<u>\$ 79,100</u>	<u>\$ 103,100</u>	<u>\$ 120,600</u>	<u>\$ 148,900</u>

Ice advertisements – The ice surface will include eight advertising opportunities at a cost of \$2,500 in Year 1, increasing by 5.6% in Year 2 to Year 5.

Ice advertisements	Year 1	Year 2	Year 3	Year 4	Year 5
Annual cost	\$ 2,500.00	\$ 2,639.00	\$ 2,785.73	\$ 2,940.61	\$ 3,104.11
Number of spaces	8	8	8	8	8
Total	<u>\$ 20,000</u>	<u>\$ 21,100</u>	<u>\$ 22,300</u>	<u>\$ 23,500</u>	<u>\$ 24,800</u>

EASTERN AREA WELLNESS CENTRE (TBI)
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4. Summary of Significant Assumptions (continued)

d) Revenue (continued)

Board sponsors – The ice surface will include 100 advertising opportunities on the boards at a cost of \$1,000 in Year 1, increasing by 5.6% in Year 2 to Year 5. It is assumed that 30 spaces will be occupied in Year 1, increasing to 70 spaces by Year 5.

<i>Board sponsors</i>	Year 1	Year 2	Year 3	Year 4	Year 5
Annual cost	\$ 1,000.00	\$ 1,055.60	\$ 1,114.29	\$ 1,176.25	\$ 1,241.65
Occupancy	30%	40%	50%	60%	70%
Number of spaces	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>
	<u>\$ 30,000</u>	<u>\$ 42,200</u>	<u>\$ 55,700</u>	<u>\$ 70,600</u>	<u>\$ 86,900</u>

Wall space – There will be an estimated twenty wall advertising spaces available in the arena at an annual cost of \$1,500 in Year 1, increasing by 5.6% in Year 2 to Year 5. It is assumed that 50% of spaces will be occupied in Year 1, increasing to 100% occupancy in Year 5.

<i>Wall space</i>	Year 1	Year 2	Year 3	Year 4	Year 5
Annual cost	\$ 1,500.00	\$ 1,583.40	\$ 1,671.44	\$ 1,764.37	\$ 1,862.47
Occupancy	50%	50%	75%	75%	100%
Number of spaces	<u>20</u>	<u>20</u>	<u>20</u>	<u>20</u>	<u>20</u>
Total	<u>\$ 15,000</u>	<u>\$ 15,800</u>	<u>\$ 25,100</u>	<u>\$ 26,500</u>	<u>\$ 37,200</u>

Government assistance and donations – In order to be financially feasible, the facility will require annual operating assistance, including government funding, community donations, and revenue from naming rights associated with different parts of the facility, as outlined.

Government assistance and donations	Year 1	Year 2	Year 3	Year 4	Year 5
Operating grants, funding, and donations	\$ 347,000	\$ 357,000	\$ 358,400	\$ 367,600	\$ 367,300
Wage subsidy	171,300	180,900	191,100	201,700	212,800
Grant-in-leau of property tax	144,100	152,000	160,500	169,500	178,900
Naming rights	104,500	110,400	116,500	122,900	129,900
Recreation grant	<u>8,500</u>	<u>8,500</u>	<u>8,500</u>	<u>8,500</u>	<u>8,500</u>
	<u>\$ 775,400</u>	<u>\$ 808,800</u>	<u>\$ 835,000</u>	<u>\$ 870,200</u>	<u>\$ 897,400</u>

Operating grants, funding, and donations – Additional annual funding is required to ensure the financial feasibility of the facility, which will require operating grants, funding, and community donations totalling \$347,100 in Year 1 and increasing to \$367,500 in Year 5.

Wage subsidy – Based on historical financial information, the existing Eastern Kings Sportsplex receives annual wage subsidies averaging 51% of the total annual wage and wage levies expense. For further information on the total wage and wage levies expense calculation, see Note 4(i).

<i>Wage subsidy</i>	Year 1	Year 2	Year 3	Year 4	Year 5
Total wages and levies	\$ 335,400	\$ 354,100	\$ 374,000	\$ 394,900	\$ 416,600
Subsidy percentage	<u>0.51</u>	<u>0.51</u>	<u>0.51</u>	<u>0.51</u>	<u>0.51</u>
	<u>\$ 171,300</u>	<u>\$ 180,900</u>	<u>\$ 191,100</u>	<u>\$ 201,700</u>	<u>\$ 212,800</u>

EASTERN AREA WELLNESS CENTRE (TBI)
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4. Summary of Significant Assumptions (continued)

d) Revenue (continued)

Grant-in-lieu of property tax – Based on historical financial information, the existing Eastern Kings Sportsplex receives grants-in-lieu of property taxes averaging 70% of the total taxable amount annually. For further information on the total property tax calculation, see Note 4(f).

<i>Grant-in-lieu of property tax</i>	Year 1	Year 2	Year 3	Year 4	Year 5
Property tax expense	\$ 205,800	\$ 217,200	\$ 229,300	\$ 242,100	\$ 255,500
Grant-in-lieu percentage	0.70	0.70	0.70	0.70	0.70
	<u>\$ 144,100</u>	<u>\$ 152,000</u>	<u>\$ 160,500</u>	<u>\$ 169,500</u>	<u>\$ 178,900</u>

Naming rights: Naming rights associated with various components of the facility will be available on an annual basis and are assumed to increase by 5.6% in Year 2 to Year 5.

<i>Naming rights</i>	Year 1	Year 2	Year 3	Year 4	Year 5
Walking track	\$ 10,000	\$ 10,600	\$ 11,200	\$ 11,800	\$ 12,500
Facility	50,000	52,800	55,700	58,800	62,100
Gymnasium	20,000	21,100	22,300	23,500	24,800
Learning centre	10,000	10,600	11,200	11,800	12,500
Dressing rooms	12,000	12,700	13,400	14,100	14,900
Scoreboard	2,500	2,600	2,700	2,900	3,100
Total	<u>\$ 104,500</u>	<u>\$ 110,400</u>	<u>\$ 116,500</u>	<u>\$ 122,900</u>	<u>\$ 129,900</u>

Recreation grant – Based on historical financial information, the existing Eastern Kings Sportsplex receives an annual recreation grant of \$8,500. It is assumed this will be received annually in Year 1 to Year 5.

e) Marketing

It is assumed the facility will spend \$20,000 in Year 1 on marketing through a variety of social media, print, and traditional advertising outlets. It is assumed that the annual advertising expenditure will increase by 5.6% in Year 2 to Year 5.

f) Property taxes

It is assumed the facility will be assessed at 50% of the total construction cost of the building, resulting in a taxable value of \$20,612,150. Based on historical financial information, the existing Eastern Kings Sportsplex is charged \$1 for every \$100 of assessed value (\$1.50 Provincial rate less the \$0.50 credit). Given the historical combined tax rate of \$1.00 per \$100 of assessed value, the estimated property tax in Year 1 will be \$206,100, increasing by 5.6% in Year 2 to Year 5.

Property taxes	Year 1	Year 2	Year 3	Year 4	Year 5
Estimated assessment value	\$ 41,158,900	\$ 43,447,300	\$ 45,863,000	\$ 48,413,000	\$ 51,104,800
Factor	0.50	0.50	0.50	0.50	0.50
Taxable value	\$ 20,579,450	\$ 21,723,650	\$ 22,931,500	\$ 24,206,500	\$ 25,552,400
Combined tax rate	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00
Property tax	<u>\$ 205,800</u>	<u>\$ 217,200</u>	<u>\$ 229,300</u>	<u>\$ 242,100</u>	<u>\$ 255,500</u>

EASTERN AREA WELLNESS CENTRE (TBI)
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(Unaudited – See Notice to Reader)

4. Summary of Significant Assumptions (continued)

g) Repairs and maintenance

Repairs and maintenance have been allocated to various sections of the building and have been estimated based on guidance from Coles Associates Ltd., given the size, structure, and operations of the facility. It is assumed that repairs and maintenance expenditures will increase by 5.6% in Year 2 to Year 5.

Repairs and maintenance	Year 1	Year 2	Year 3	Year 4	Year 5
Ice pad	\$ 50,000	\$ 52,800	\$ 55,700	\$ 58,800	\$ 62,100
Building	75,000	79,200	83,600	88,200	93,100
Equipment	25,000	26,400	27,900	29,500	31,100
Garbage	18,000	19,000	20,100	21,200	22,400
Snow removal	30,000	31,700	33,500	35,400	37,400
Landscaping	12,000	12,700	13,400	14,100	14,900
Water/sewer	20,000	21,100	22,300	23,500	24,800
Cleaning	10,000	10,600	11,200	11,800	12,500
	<u>\$ 240,000</u>	<u>\$ 253,500</u>	<u>\$ 267,700</u>	<u>\$ 282,500</u>	<u>\$ 298,300</u>

h) Utilities

Utilities have been estimated based on guidance from Coles Associates Ltd., given the size and structure of the facility, and are assumed to increase by 5.6% in Year 2 to Year 5.

Utilities	Year 1	Year 2	Year 3	Year 4	Year 5
Electric	\$ 550,000	\$ 580,600	\$ 612,900	\$ 647,000	\$ 683,000
Oil	150,000	158,300	167,100	176,400	186,200
	<u>\$ 700,000</u>	<u>\$ 738,900</u>	<u>\$ 780,000</u>	<u>\$ 823,400</u>	<u>\$ 869,200</u>

i) Wages and wage levies

Wages and wage levies have been allocated to sections of the facility and include wage levies of 12%.

Position	Year 1	Year 2	Year 3	Year 4	Year 5
Building staff	\$ 110,900	\$ 117,000	\$ 123,600	\$ 130,500	\$ 137,700
Maintenance and cleaning staff	188,600	199,200	210,300	222,100	234,300
Sub-total	299,500	316,200	333,900	352,600	372,000
Benefits @ 12%	35,900	37,900	40,100	42,300	44,600
	<u>\$ 335,400</u>	<u>\$ 354,100</u>	<u>\$ 374,000</u>	<u>\$ 394,900</u>	<u>\$ 416,600</u>

Building staff – It is assumed the facility will hire two full-time staff, including a property manager and a scheduling coordinator. Both positions are assumed to be salaried positions, with wages increasing by 5.6% in Year 2 to Year 5.

<i>Building staff</i>	Year 1	Year 2	Year 3	Year 4	Year 5
Property manager	\$ 70,800	\$ 74,700	\$ 78,900	\$ 83,300	\$ 87,900
Scheduling coordinator	40,100	42,300	44,700	47,200	49,800
	<u>\$ 110,900</u>	<u>\$ 117,000</u>	<u>\$ 123,600</u>	<u>\$ 130,500</u>	<u>\$ 137,700</u>

**EASTERN AREA WELLNESS CENTRE (TBI)
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(Unaudited – See Notice to Reader)**

4. Summary of Significant Assumptions (continued)

i) Wages and wage levies (continued)

Maintenance staff – It is assumed that maintenance staff will be comprised of various full-time, part-time, and seasonal staff. It is assumed that wages will increase by 5.6% in Year 2 to Year 5.

<i>Maintenance staff</i>	Year 1	Year 2	Year 3	Year 4	Year 5
Ice maintenance - full-time	\$ 42,900	\$ 45,300	\$ 47,800	\$ 50,500	\$ 53,300
Ice maintenance - seasonal	32,200	34,000	35,900	37,900	40,000
Ice maintenance - part-time	20,300	21,400	22,600	23,900	25,200
Cleaning - full-time (rink)	37,100	39,200	41,400	43,700	46,100
Cleaning - full-time (gymnasium)	37,100	39,200	41,400	43,700	46,100
Cleaning - part-time	19,000	20,100	21,200	22,400	23,600
	<u>\$ 188,600</u>	<u>\$ 199,200</u>	<u>\$ 210,300</u>	<u>\$ 222,100</u>	<u>\$ 234,300</u>

j) Economic dependence

The feasibility of the facility is dependent on fundraising, donations, and operating grants to meet commitments and sustain operations. For each year, fundraising, donations, and operating grants accounted for an average of 47% of total revenue.

Appendix 2: Energy Considerations

Energy Cost Breakdown by Building Area

This provides an estimated breakdown of annual energy costs per square foot for the Eastern Area Wellness Centre, based on the original projected Year 1 utilities of \$700,000. Area sizes are taken from the programming summary, and energy allocations reflect typical operational intensities for recreation facilities. Non-rink areas assume 50–60 hours of operation per week. The rink assumes 16 hours per day of ice time availability during the 8-month ice season.

Allocated Annual Energy Costs

Area	Square Feet	Energy Allocation	Annual Energy Cost	Cost per Sq.Ft.
Ice Pad/Team Rooms	23,000	50%	\$350,000	\$15.22
Gymnasium	8,000	10%	\$70,000	\$8.75
Fitness Centre	4,500	8%	\$56,000	\$12.44
Walking Track	5,000	5%	\$35,000	\$7.00
Group Studio	2,000	4%	\$28,000	\$14.00
Learning Centre	3,500	4%	\$28,000	\$8.00
Offices	1,500	3%	\$21,000	\$14.00
Kitchen	1,000	6%	\$42,000	\$42.00
Support (M/E, circulation, washrooms, storage, etc.)	20,500	10%	\$70,000	\$3.41
Totals	69,000	100%	\$700,000	\$10.14

These values reflect relative energy intensity across different functional areas. The ice pad remains the largest energy consumer due to refrigeration, dehumidification, and extended operating hours. Non-rink areas demonstrate significantly lower energy intensity but still contribute meaningfully to the overall building load.

Cost Savings and Installation Costs of a 100 kW Rooftop Solar Array

A 100-kilowatt (kW) rooftop solar photovoltaic (PV) system represents a practical and policy-compliant renewable energy option for the proposed 69,000 ft² Eastern Area Wellness Centre. PEI's strong solar resource—averaging approximately 1,100 kilowatt-hours (kWh) of annual electricity production per installed kilowatt—allows a 100 kW array to generate roughly 110,000 kWh per year. At current commercial electricity rates of \$0.17–\$0.18 per kWh, this results in annual operating cost savings of approximately \$20,000 through either avoided electricity purchases or net-metering credits.

The estimated installation cost for a commercial rooftop solar system of this scale is \$2.50 per watt, consistent with Canadian market pricing for systems in the 50–250 kW range. Based on this benchmark, the total installed cost for a 100 kW array is approximately \$250,000. This capital estimate includes solar panels, inverters, racking, wiring, engineering, and installation. Under PEI's current net-metering rules, the 100 kW size also fits within the province's system cap, enabling the facility to receive full retail-rate credits for exported electricity during periods of overproduction—further strengthening the financial case.

A simple payback period of approximately 12–13 years is expected for the array, assuming stable energy pricing and typical system performance. This payback horizon, while not rapid, is appropriate for an asset with a 25–30 year life cycle and provides long-term protection against utility cost escalation.

A rooftop 100 kW system generally requires 7,500–10,000 square feet of usable roof area, depending on the selected panel wattage, tilt, spacing, and orientation. Modern high-efficiency commercial panels typically require about 75–100 square feet per kilowatt when laid out with appropriate row spacing for maintenance and shading reduction. Given the Wellness Centre's large available roof area, accommodating a 100 kW array is expected to be feasible without compromising roof access or mechanical equipment placement.

Energy Cost Implications of Year-Round Ice Operations

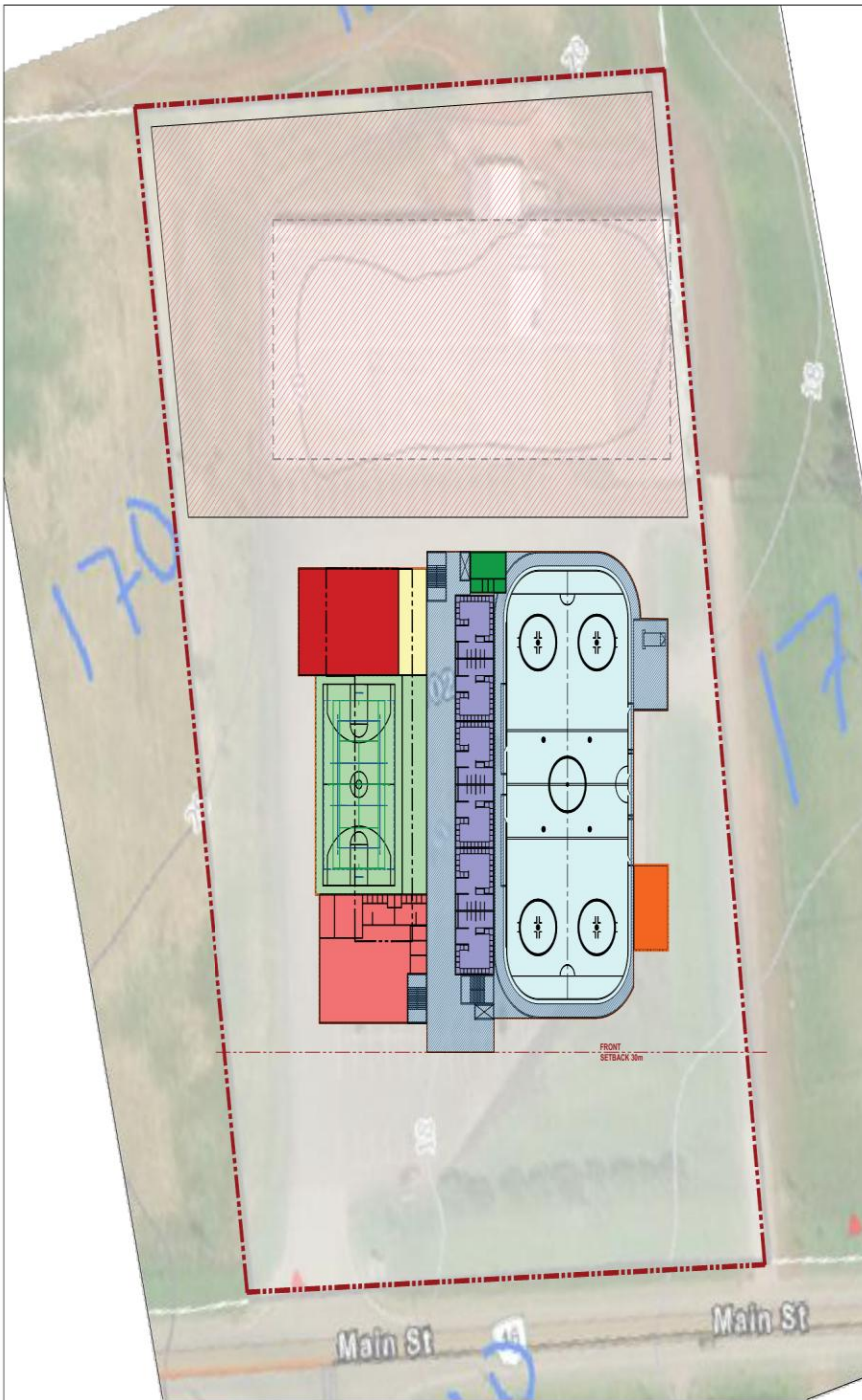
The original business plan for the Eastern Area Wellness Centre estimates annual utility costs of approximately \$700,000, based on maintaining ice in the arena for eight months of the year, from September through April. These costs reflect the significant electrical and heating demands associated with ice plant operation, building conditioning, lighting, and ventilation. Refrigeration alone typically represents 40–50 percent of an arena's total energy consumption, making it the single largest operational load.

If the facility were to maintain ice year-round, the refrigeration system would operate for an additional four months, increasing its annual duty cycle by 50 percent. When this extended refrigeration demand is blended into the overall building energy profile, the total annual utility cost is expected to increase by roughly 22–25 percent. Applying this factor to the original \$700,000 estimate results in an expected annual utility cost of approximately \$860,000 with year-round ice. This represents an incremental annual cost of about \$160,000 solely attributable to the additional refrigeration operation.

Over a five-year period, this increased load would have a substantial impact on the operating budget. Even assuming modest inflationary increases, maintaining ice throughout the full 12 months of the year would add more than \$800,000 in cumulative utility expenditures compared with the original eight-month model. These costs would need to be considered carefully in long-term financial planning, programming decisions, and discussions regarding sustainable facility operations.

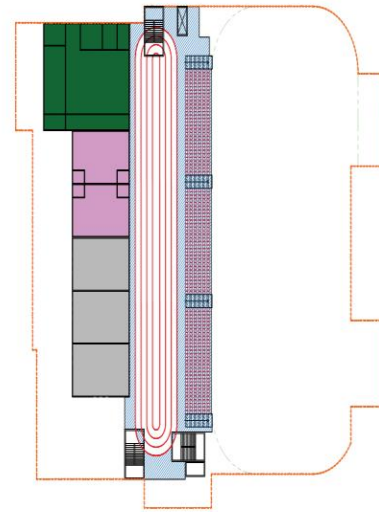
While year-round ice provides additional programming flexibility and expanded rental opportunities, it carries a meaningful increase in utility expenses. Retaining the original eight-month ice schedule remains significantly more economical and better aligned with the cost assumptions underlying the current business plan.

Appendix 3: Coles Associates Ltd Site Plan



ROOM NAME	AREA	OCC LOAD	ROOM NAME	AREA	OCC LOAD
NHL ICE PAD	17,000 sqft		KITCHEN (COMMERCIAL)	1,000 sqft	
TEAMS ROOM	6,000 sqft	650	EMO COMMAND CENTRE	500 sqft	
OFFICIALS ROOM			OFFICES (2x500)	1,500 sqft	6
FITNESS CENTRE	4,500 sqft	80	LEARNING CENTRE (LIBRARY)	3,000 sqft	25
GROUP STUDIO	2,000 sqft	40	CONCESSION/ PRO SHOP/ ADMIN	3,500 sqft	35
WALKING TRACK	5,000 sqft		CIRCULATION STORAGE/ LOBBY	17,000 sqft	
HIGH SCHOOL GYM	8,000 sqft	20	TOTAL:	69,000 sqft	816

REQUIRED PARKING AREA 71,000 sqft 220
 EXISTING PARKING: 152



2 SECOND FLOOR - OPTION 3
 SCALE: 1/32"=1'-0"

MAIN FLOOR AREA: 4,720 sqm 50,800 sqft
 SECOND FLOOR LINE
 EXISTING BUILDING

1 GROUND FLOOR - OPTION 3
 SCALE: 1/32"=1'-0"

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Client
 SeaRoots Alliance Inc

Project Title
 SeaRoots Alliance Facility
 Souris

Sheet Title
 Option 3

No.	Description	Date	Date: 2024-06-15	Revision
1	Issued For Client Review	2024-06-15	Dim By: RT	
	Chk By:		Project Number: 251044	
			Drawing Number: A100	

Appendix 4: Coles Associates Ltd Architectural Drawings



NORTH VIEW



SOUTH VIEW

PRELIMINARY ONLY NOT FOR CONSTRUCTION

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Client
Client Name

Project Title
SeaRoots Alliance Facility
Souris

Sheet Title
3D Views

No.	Description	Date	Date:	Revision
			Des By: GS	△
			CHK By: RT	
			Project Number: 251044	
			Drawing Number: A030	