

Office
Relocation
Approximately 60,000 sq. ft.
Project Management

CASE STUDY



Established in 1971, the Sport Alliance of Ontario (“SAO”) is a private, non-profit management organization representative of Ontario’s sports sector, including community, educational, and provincial sports-based organizations. It provides leadership and administrative support services to amateur sports and recreation organizations, and acts as their collective voice in Ontario. SAO’s clients include provincial sport organizations (PSO’s), provincial recreational organizations (PRO’s), multi-sport organizations (MSO’s), national sport organizations (NSO’s) and non-sport related clients. With an upcoming lease expiry, SAO engaged Stan Krawitz and his team to represent it in finding and negotiating the best solution for its building relocation/lease renewal needs.

The Challenge

In looking at the project, two significant challenges were identified:

1. The SAO space is occupied by 56 provincial sport and recreation organizations that rent their office space from the SAO. These individual organizations occupied approximately 57,000 square feet of the overall 93,000 square feet of space leased by the SAO, including a cafeteria and print shop. It was clear from the outset that a significant challenge to this project would be building consensus among the many different stakeholders who may not have unified objectives. Stan Krawitz’s experience in this particular arena provided the SAO enormous confidence in Stan and his team’s ability to use their proven processes to bring about consensus among the groups.
2. As a private, non-profit management organization largely supported by funding from the government, the SAO did not have a government covenant, but rather short-term funding commitments insufficient in term to provide the sole support for a long-term lease agreement.

Our Response

At the commencement of the process the SAO established a Building Future Planning Committee comprised of members of the 56 sport organizations to function as the liaison between the stakeholders and the SAO board on all issues related to the future of the building. The team undertook a thorough evaluation of the SAO’s administrative space requirements as well as that of the individual sport organizations.

Stan Krawitz and his team completed a thorough evaluation of SAO's occupancy costs and compared it to the occupancy costs in the different submarkets within the Greater Toronto and Surrounding Areas. They then searched for the large blocks of contiguous space required to house the SAO's operations. A long list of approximately 50 buildings and properties were investigated prior to shortening the list to qualified properties, including properties in Oakville, Burlington, and Hamilton. The team thoroughly interviewed prequalified landlords prior to site visits at short-listed alternative buildings. Short-listed alternates, including the existing building, received a formal Request for Proposal that effectively marketed SAO's tenancy and outlined a number of solutions. The team used it's proven consensus building process to bring all 56 organizations to a common goal and unanimous decision regarding the optimal building to house the SAO.

The negotiating strategy, anchored in painstaking research and a fundamental understanding of the client's business and operations, empowered Stan's team to build a strategy that enhanced the SAO's strengths and lessened any perceived weaknesses.

The Solution

Sport Alliance of Ontario is excited about its new location at Concorde Gate. The relocation has permitted SAO to decrease the size of its operations by approximately 25%, without any loss in functionality or increase in occupancy costs, as well as building signage with exposure to the Don Valley Parkway. The Project Management Team is overseeing the design, construction, furniture, and technology implementations for SAO's new home.

"Please accept our sincere thanks and appreciation for the work that the team did to help us complete the Offer to Lease on our new facility.

"From start to finish it has been a pleasure to deal with each of you. Your advice and guidance helped the SAO to secure a facility that will be a wonderful new home for amateur sport for the next fifteen years. Edmond is also very pleased that it is a financially well-structured deal, providing us with a measure of financial stability going forward."

Douglas R. Rosser
Chairman, Sport Alliance of Ontario