

**TO:** Mayor Savage and Members of Halifax Regional Council

Original Signed by 

**SUBMITTED BY:** \_\_\_\_\_  
Jacques Dubé, Chief Administrative Officer

**DATE:** August 30, 2021

**SUBJECT:** Halifax Wanderers Football Club Corp-Request to amend License Agreement

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## **ORIGIN**

June 20, 2017 Halifax Regional Council motion: MOVED by Councillor Mason, seconded by Councillor Mancini;

THAT Halifax Regional Council:

- 1) Authorize the CAO, or his delegate, to negotiate and execute a rental agreement with Sports Entertainment Atlantic (SEA) for the use of the Wanderers Grounds to host a professional soccer team and other events in a temporary stadium on the site with seating for up to 7000 spectators based on the Key Terms and Conditions outlined in Table 2 of the staff report dated June 7, 2017 and with such changes or conditions as may be deemed by the CAO to be in the best interest of the Municipality. This shall be subject to the consideration of any management issues with the sporting events(s) scheduled for fall 2017, as outlined in the staff report dated June 7, 2017; and
- 2) Further direct staff to consider the following with regard to an agreement with SEA and the management of the Wanderers Grounds:
  - a. the visual impact of the stands along Summer and Sackville Streets be addressed through means such as their scale and appearance;
  - b. the stands, particularly those along Summer and Sackville Streets be removed at the end of the season;
  - c. restrict the number of larger scale games or events involving the full stadium setup in the first year to 14 games only pending the first annual evaluation of impacts;
  - d. that events be finished by 11:00 p.m.;
  - e. that standards and timelines be developed to ensure prompt site clean-up;
  - f. that the facility and events on the site be designed and managed to minimize impacts on surrounding land uses, including the hospital and residential uses;
  - g. that impacts on hospital parking are addressed with the Nova Scotia Health Authority; and
  - h. that there be on-going reviews, including an annual review, to address issues.

## **AMENDED MOTION PUT AND PASSED UNANIMOUSLY**

March 24, 2021 letter to HRM from the Halifax Wanderers Football Club Corporation.

## **LEGISLATIVE AUTHORITY**

The *Halifax Regional Municipality Charter*, S.N.S. 2008, c. 39 subsection 61(5)(c) provides:

- 61(5) The Municipality may...  
(c) lease property owned by the Municipality at market value

*Halifax Regional Municipality By-law U-100, the User Charges By-law*, Schedule 4, subsection 3(d) provides:

3. For greater certainty, nothing in this Schedule applies to:  
(d) AAA Sport Fields when booked for Canadian Premier League soccer games by contract with the Municipality;

## **RECOMMENDATION**

It is recommended that Halifax Regional Council direct and authorize the Chief Administrative Officer, or his delegate, to negotiate and execute an Amending Agreement to the License and Rental Agreement with the Halifax Wanderer's Football Club Corporation dated March 8, 2019 subject to the Key Terms and Conditions set out in Table 1.

## **BACKGROUND**

The Wanderers Grounds is an HRM-owned natural turf sport field located on a 9.66-acre parcel on the block bordered by Sackville Street, Bell Road and Summer Street. The site is within the boundary of the original Halifax Common grant of 1763 that comprised 235 acres. Abutting the site to the northwest and on the same block is the Nova Scotia Museum of Natural History and new parkade for the QEII Health Sciences Centre. To the south across Sackville Street is the Public Gardens, and to the west across Summer Street is Camp Hill Cemetery. To the northwest are several hospital facilities that form part of the QEII Health Complex, and to the north is Citadel High School. Also located on the same parcel of land is the Halifax Lawn Bowls, the Bengal Lancers equestrian facility, municipal greenhouses, and an operations yard. The entire 9.66-acre parcel is a municipally registered heritage property.

In the fall of 2017, HRM completed a \$1M capital rehabilitation of the field resulting in the site being upgraded to a premiere Class AAA field with international level of play capabilities. Prior to the upgrade, the field has accommodated several sports including tackle and touch football, rugby, lacrosse, and Ultimate Frisbee. Since the upgrade, the field remains available for public bookings for game-only play compatible with a premiere class field.

In April 2018, a staff report was submitted to Regional Council recommending that two separate rental agreements be negotiated and executed with Sports & Entertainment Atlantic (SEA) to rent the Wanderers Grounds for sporting events. The first agreement was for a 1-year license and rental agreement for 2018 that would allow for SEA to erect and operate a temporary stadium at the Wanderers Grounds to host a maximum of eight (8) events, including rugby, soccer and football. The second agreement was a 3-year license and rental agreement for the Halifax Wanderers Football Club (HWFC) of the Canadian Premier League (CPL) to host professional soccer games at the Wanderers Grounds for the 2019, 2020 and 2021 seasons. This agreement included a requirement that upon the expiration or termination of the Agreement, HWFC would, at its own expense, remove the Stadium and other moveable property, and restore the Property to its original condition. Council unanimously approved the report, and the 1-year agreement was executed in May 2018 followed by the 3-year agreement in March 2019. In October of 2019 Regional Council approved an amendment to the agreement to allow HWFC to leave the stadium seating and infrastructure in place between seasons until the end of the agreement. The 3-year agreement was intended to provide an opportunity for HRM to assess the partnership and use of the field in order to inform potential permanent infrastructure and amenities at the site.

In March of this year, the HWFC provided a letter to staff (Attachment 2) requesting that the 3-year agreement be extended for an additional two (2) years, for the 2022 and 2023 seasons, with an option to renew for 1-year.

**DISCUSSION**

For the 2019 season, a total of 18 HWFC games were hosted at the Wanderers Grounds, and an additional five (5) SEA events which were booked separately. The HWFC events were well attended, with most games being played at or near stadium capacity, and over 4,000 season tickets sold. Halifax Regional Police reported receiving very few complaints related to HWFC games, including noise impacts, increased traffic, and sufficiency of parking.

As a result of the COVID-19 pandemic and N.S. Public Health directives, no HWFC games were hosted at the Wanderers Grounds in 2020. The pandemic has also impacted the 2021 HWFC schedule with the season opening being delayed until July, and games being played under strict Public Health guidelines, including a maximum attendance allowance of 4,000. In mid-September, the Province allowed the attendance limit to be lifted when the HWFC made it a requirement for all attendees to provide proof of vaccine. Games played this season have been well attended, most at or near the maximum spectator limit. The HWFC have met the required Public Health protocols to date and all other contractual obligations. Other than CPL mandated game dates, HRM staff continue to maintain control over all other booking dates, for both the HWFC and other groups, to ensure that the field continues to meet all maintenance standards as required for a premier AAA field.

With the current agreement expiring November 30<sup>th</sup> of this year, the HWFC have formally requested the agreement be extended by an additional two years. Meetings with the HWFC and staff regarding a proposed 2-year amendment agreement have been ongoing. Requests for changes to the Key Terms and Conditions included in the original 3-year agreement, as well as new considerations, have been brought forward by the HWFC for staff to review and consider.

Based on the above measures, staff consider the HWFC events hosted at the Wanderers Grounds to date to be successful. However, COVID-19 has impacted events and programming at the site, thereby reducing the ability to have a fulsome assessment of the 3-year agreement. Therefore, it is recommended that HRM negotiate and execute a 2-year Amending Agreement with the HWFC for 2022 and 2023, in order to provide more information and assessment on the use of the site.

Highlights of the Key Terms and Conditions including changes to those previously approved by Regional Council on June 21, 2017 (Attachment 1), are outlined in Table 1.

**Table 1: Highlights of Key Terms and Conditions**

Seating Infrastructure	<ul style="list-style-type: none"> <li>The maximum load capacity for the property, including spectators, participants, officials, security, and staff will be 8,000 people, as established by HRM (Attachment 3)</li> </ul>
Rental Rate	<ul style="list-style-type: none"> <li>The rental rate per CPL game for the Amending Agreement will be based on fair market value as well as full cost recovery, including field maintenance and utilities costs.</li> </ul>
Additional Considerations	<ul style="list-style-type: none"> <li>The term of the Agreement will be extended to November 30, 2023</li> <li>A one-year renewal option to the term, at the sole discretion of HRM, will be included in the Amending Agreement</li> <li>HRM would permit the HWFC to book the Wanderers Grounds for practices based on prior approval by Parks and Facility Scheduling staff regarding frequency and available dates, and at the corporate rental rate as set out in <i>By-law U-100, the User Charges By-law</i> in effect for April 1<sup>st</sup>, 2022</li> <li>HWFC would be permitted to host a maximum of 25 CPL games, including any</li> </ul>

	<p>qualifying or championship games, for each of the remaining two years of the agreement</p> <ul style="list-style-type: none"><li>• HWFC will receive priority booking for CPL mandated dates for the duration of the agreement</li><li>• For the remainder of the term, the playing season would open April 15<sup>th</sup> and close Nov 15<sup>th</sup>, including the current 2021 season</li><li>• HWFC will provide HRM with the CPL schedule for games to be held at the facility by March 15<sup>th</sup> of each year of the agreement, with no other event applications for the Wanderers Grounds to be reviewed or considered until the CPL schedule has been confirmed.</li><li>• HWFC will be required to maintain and insure all HWFC property throughout the Term, including all materials facing Summer Street and Sackville Street, and meet all site clean-up requirements following all CPL games, as established by HRM</li><li>• HWFC will remove the Stadium and all HWFC property by April 1<sup>st</sup> of 2024, or April 1<sup>st</sup> of 2025 if the one-year renewal option is exercised.</li><li>• The HWFC will work with HRM in identifying and implementing beautification work to improve the overall appearance of the temporary stadium for 2022. This would include the sea can structures and related materials located along the Summer and Sackville Street sides of the facility that serve as locker rooms for players and officials, space for media and broadcast, and VIP suites</li></ul>
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An amending agreement would incorporate updated terms to reflect the above noted items for extension of the use of the site and partnership with HWFC for an additional 2 years.

### **FINANCIAL IMPLICATIONS**

Under the recommended key terms and conditions, the costs to maintain the temporary stadium seating remains the responsibility of the HWFC. HRM will collect revenues from the HWFC and other groups, including SEA, renting the field for events.

Funding to maintain the site is currently included in HRM's operating budget and any increased maintenance requirements would be addressed through the negotiation of costs for the HWFC to use the property. A review of these maintenance costs would be included in the overall review process following completion of the 2022 season and if necessary, rental rates for the 2023 season would be adjusted to reflect the actual required maintenance costs for the Wanderers Grounds.

### **RISK CONSIDERATION**

There are no significant risks associated with the recommendations in this report. The risks considered rate Low. To reach this conclusion, consideration was given to operational, financial, strategic, and reputational risks. The updated terms in the new agreement mitigates risks for both HRM and the HWFC.

### **COMMUNITY ENGAGEMENT**

There has been no general community engagement conducted in the preparation of this report.

### **ENVIRONMENTAL IMPLICATIONS**

There are no known environmental implications associated with this report.

**ALTERNATIVES**

- Alternative 1: Regional Council could choose not to approve a 2-year extension to the License and Rental Agreement between HRM and HWFC.
- Alternative 2: Regional Council could direct the CAO to negotiate alternative terms to the Amending Agreement. This may require additional negotiation with the HWFC and a subsequent report to Council.

**ATTACHMENTS**

- Attachment 1: Key Terms & Conditions for License Agreement, 2018 Staff Report
- Attachment 2: Letter from the HWFC, March 24, 2021
- Attachment 3: 2021 Site Plan

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A copy of this report can be obtained online at [halifax.ca](http://halifax.ca) or by contacting the Office of the Municipal Clerk at 902.490.4210.

Report Prepared by: Bruce Chisholm, Partnership Coordinator, Parks & Recreation, 902.490.1214

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# HALIFAX

Table 1: Key Terms, Conditions and Considerations for 3 Year License Agreement

Seating Infrastructure	<ul style="list-style-type: none"> <li>• HRM grants SEA a license to install a temporary stadium for up to 4,500 people in 2018 and up to 7000 people in 2019 and 2020, subject to the following: <ul style="list-style-type: none"> <li>○ Use of the Wanderers Ground for the temporary stadium is for four years at fair market value (to be determined)</li> <li>○ SEA is responsible for installation, maintenance, inspection of the temporary stadium</li> <li>○ Appropriate provisions mitigating risk to HRM – insurance, indemnification, etc.</li> <li>○ Other user groups will be permitted to use the temporary stadium</li> <li>○ Stadium infrastructure along Summer and Sackville Streets will be removed at the end of each season and SEA will reinstate the Wanderers Grounds to its pre-existing conditions at no expense to HRM</li> <li>○ The temporary stadium must be located within the boundaries designated by HRM</li> </ul> </li> </ul>
Control	<ul style="list-style-type: none"> <li>• HRM continues to maintain direct control and management of the facility</li> </ul>
Facility Booking	<ul style="list-style-type: none"> <li>• HRM continues to book use of the Wanderers Grounds by interested parties in accordance with Administrative Order 58</li> </ul>
Field Maintenance	<ul style="list-style-type: none"> <li>• HRM continues to maintain the field</li> </ul>
Support Infrastructure	<ul style="list-style-type: none"> <li>• HRM grants SEA a license to install temporary support infrastructure (details to be determined prior to agreement being executed), such as for concessions and conveniences <ul style="list-style-type: none"> <li>○ Use of the Wanderers Ground for support infrastructure is for 3 years at fair market (to be determined)</li> <li>○ SEA is responsible for installation, maintenance, inspection, and insurance of support infrastructure</li> <li>○ Appropriate provisions mitigating risk to HRM – insurance, indemnification, etc.</li> </ul> </li> </ul>
Insurance	<ul style="list-style-type: none"> <li>• SEA will provide the temporary stadium with appropriate insurance coverage, with the ability for the seating to be available for use at HRM's discretion during all events on the field</li> </ul>
Additional Considerations	<ul style="list-style-type: none"> <li>• The visual impact of the temporary stadium along Summer and Sackville Streets be addressed through means such as their scale and appearance;</li> <li>• The temporary stadium must be designed and managed to minimize impacts on surrounding land uses, including the hospital and residential uses</li> <li>• There will be ongoing reviews, including an annual review, to address any issues that may arise</li> <li>• Fair market value may take into consideration any revenues that HRM receives from the improvements to the Wanderers Grounds from the installation of the temporary stadium</li> </ul>
Expiration Date	<ul style="list-style-type: none"> <li>• Expiration of 3 year agreement - October 31, 2021</li> </ul>



March 24, 2021

Dear Bruce,

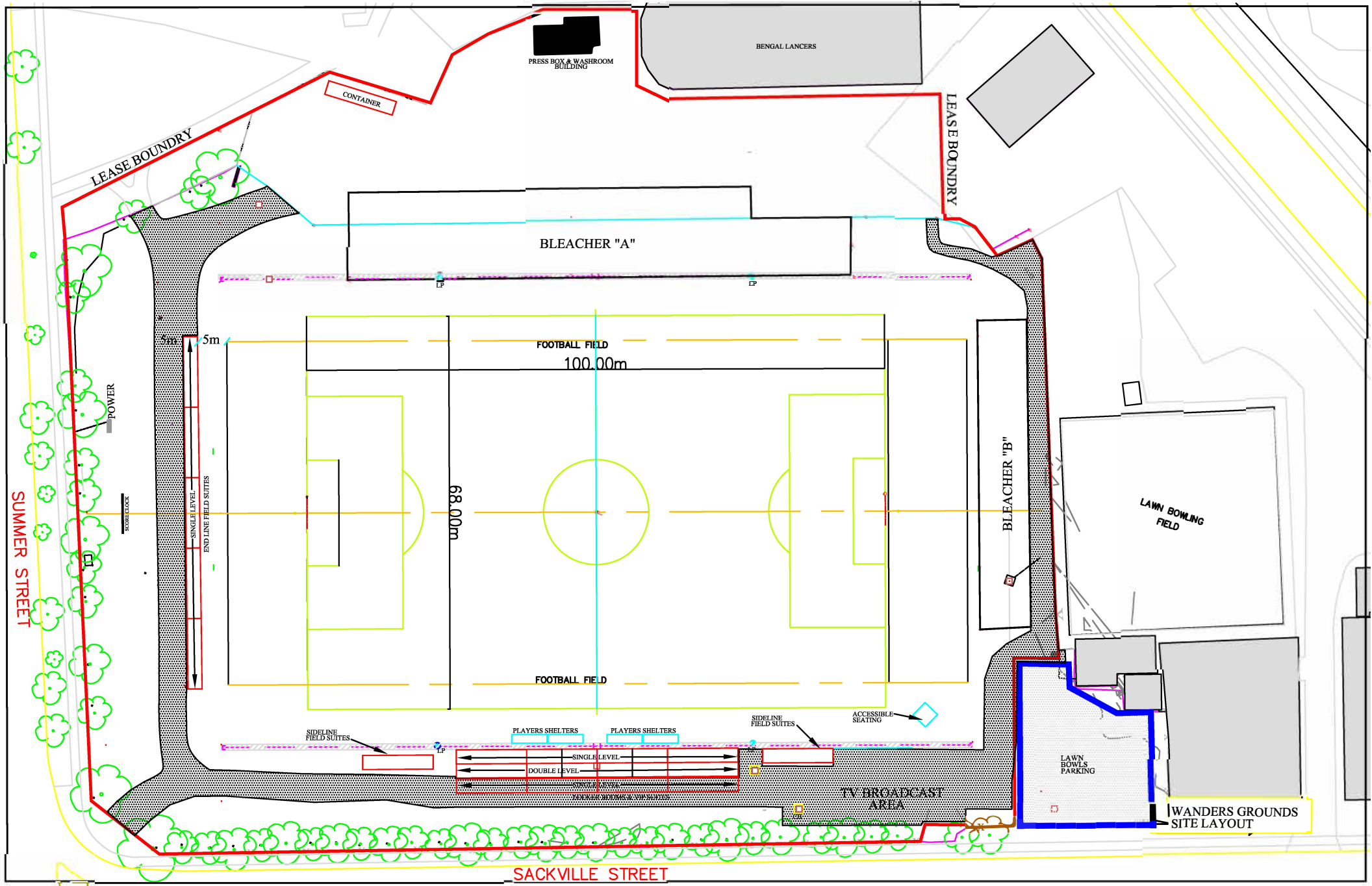
Further to our conversation yesterday I would like to formally request, on behalf of the Halifax Wanderers Football Club, a 2-year extension to the original 3-year agreement signed March 8, 2019 to utilize the Wanderers Grounds for our professional soccer seasons. This extension would thus encompass the 2022 and 2023 CPL seasons for the Wanderers Football Club.

While our inaugural 2019 season provided us all with overwhelming evidence that the reimagining of the Wanderers Grounds as the home of professional soccer in the downtown core was a huge success, the subsequent loss of the 2020 season due to COVID and the likelihood of a truncated 2021 season give us all reason to continue evaluating the long-term viability of the Wanderers Grounds as our permanent home while we determine what enhancements will be required to establish the venue as a suitable home for a club playing in Canada's tier one professional soccer league.

I look forward to continuing our outstanding partnership while continuing to provide the citizens of HRM with a premier sports & entertainment experience in the heart of our downtown.

Sincerely,

Derek Martin  
President & Founder  
Halifax Wanderers Football Club



WANDERS GROUNDS SITE LAYOUT