

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

**SUBMITTED BY:** Original Signed by   
Jacques Dubé, Chief Administrative Officer

**DATE:** September 25, 2021

**SUBJECT:** Municipal Insurance or Operating Grants for Community Outdoor Rinks

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## **ORIGIN**

March 23, 2021 motion of Halifax Regional Council: MOVED by Councillor Morse, seconded by Councillor Lovelace.

THAT Halifax Regional Council request a staff report outlining the feasibility and available options to extend municipal insurance or operating grants to support community groups in setting up community rinks.

MOVED by Councillor Cuttall, seconded by Councillor Lovelace.

THAT the motion be amended to delete "in setting up community rinks." and replace it with "for community recreational amenities and facilities."

## **AMMENDED MOTION PUT AND DEFEATED**

## **MAIN MOTION PUT AND PASSED**

## **LEGISLATIVE AUTHORITY**

### ***Halifax Regional Municipality Charter***

#### Section 61

- (3) The property vested in the Municipality, absolutely, or in trust, is under the exclusive management and control of the Council, unless an Act of the Legislature provides otherwise

#### Section 79A

- (1) Subject to subsections (2) to (4), the Municipality may only spend money for municipal purposes if the expenditure is included in the Municipality's operating budget or capital budget or is otherwise authorized by the Municipality.

**RECOMMENDATION**

It is recommended that Regional Council direct the Chief Administrative Officer (CAO) to:

1. Return to Regional Council with an Administrative Order for its consideration to establish a grant program to assist groups in covering insurance costs associated with the operation of outdoor community rinks on HRM-owned property; and
2. Include funding in the 2022/23 budget for implementation of the Administrative Order.

**BACKGROUND**

From 1996 to 2011, Halifax Regional Municipality supported groups to build and operate seasonal community rinks on municipal property (see Table 1). This support included: hosting community meetings to provide technical advice and guidance, site assessments, and an annual application process to approve community groups to operate rinks.

**Table 1. Temporary Outdoor Rinks in 1996 – 2009\***

District	Facility	Location
District 8	George Dixon Recreation Centre	Gottingen St.
District 9	Larry O'Connell Park	Fourth St. and Chebucto Rd.
District 9	Ardmore Park Community Rink	Oxford St. and Almon St.
District 8	North End Community Rink	Agricola and Lady Hammond Road
District 7, 8	Halifax Common	North Common is bordered by Cunard Street to the north, North Park Street to the east, Cogswell Street to the south, and Robie Street to the west. The Central Common is bordered by Cogswell Street to the north, Bell Road to the south-west, and Trollope Street to the south-east.
District 2	Porters Lake Community Centre	4693 HWY 7
District 2	Mineville Community Rink	Bennett Park
District 2	Grand Desert Community Rink	St. Therese Hall
District 10	D.J. Butler Park Community Rink	Flamingo Drive
District 13	Lake of the Woods Community Rink	Silver Birch Drive
District 9	Edward Drillio Park Community Rink	Springvale Subdivision
District 2	St. James Church/Volunteer Fire Dept.	Sheet Harbour

\*No community groups contacted HRM staff regarding operating community rinks in 2010 and 2011

The former community rink program was discontinued in 2011 primarily due to the ever-increasing weather extremes which undermined the ability to produce a reliable and safe skating surface despite significant and costly efforts. As well, the opening of the Emera Oval in 2010 provided a non-weather dependent option for skaters. The constant change in temperature and the resulting change in precipitation during the winter months can be discouraging for community groups in their efforts to maintain an outdoor ice surface. In a good winter season, at the most, 3 to 4 weeks of ideal temperatures for maintaining an outdoor skating surface, is experienced.

Upon the discontinuation of the outdoor rink program, the emphasis was put on the provision of free public skating through the opening of the Emera Oval and free public skating at HRM arenas. HRM staff also continued the ice thickness testing at 74 lakes throughout the region.

In addition to the above noted services, HRM continued to permit access to public land for community groups wishing to establish an outdoor rink subject to provision of necessary labour, insurance, equipment, source of water, and adherence to CPTED (Crime Prevention Through Environmental Design) principles.

From 2012 to 2021 a small number of community organizations (See Table 2) requested and were granted approval to build and operate temporary community rinks on HRM property.

**Table 2. Community Rinks Operating between 2012 to 2020**

Community Organization	Location	Years of Operation
Take Action Society Outdoor Rink	Dartmouth	Operated 2012 -2014
Findlay Outdoor Rink	Dartmouth	Operated 2015 - 2017
D.J. Butler Park Outdoor Rink	Halifax, Clayton Park	Operated 2020 - 2021

The community groups which were given approval to build and operate community outdoor rinks on municipal property were required to:

- Source the water supply to build and maintain outdoor rinks;
- Post and maintain approved signage;
- Return outdoor rink site to the original condition each year;
- Establish a volunteer group to maintain the outdoor rink surface; and
- Maintain general liability insurance with HRM named as additionally insured.

Community outdoor rinks created after 2012 operated only for 1 or 2 years due in part to the following:

- Shortage of volunteers;
- Difficulty in maintaining the ice surface due to frequent fluctuations in weather conditions; and
- Challenges due to the increasing cost of general liability insurance. In 2015 the cost of insurance was \$250 per year to operate a community rink. Over the last two years the cost of liability insurance has increased from \$250 to \$1000 and most recently to \$3500.

**DISCUSSION**

Costing of Outdoor Rink General Liability Insurance

The insurance market has experienced significant price increases within the last 5 years, which has extended to general liability insurance coverage for outdoor rinks. Over the past 6-12 months the insurance industry has experienced further price increases across liability and property markets.

In August 2021, HRM’s Risk and Insurance Division obtained quotes for group insurance rates as shown in Table 3 below:

**Table 3 – Group Insurance Rates**

No. of rinks insured	Total Cost	Cost/Rink	Deductible
5*	\$17,500	\$3,500	\$5,000
1	\$5,000	\$5,000	\$5,000

\* Pricing is based on a group rate of five outdoor rinks.

In discussion with insurers, minimum and retained premium requirements have increased from quotes obtained just a year prior which were then \$2,200-\$2,500. The insurer has advised that pricing may fluctuate depending on the risk characteristics of each individual rink and that insurance premiums may go up again in future years.

Feasibility of extending HRM insurance to Community Operated Outdoor Rinks

HRM has insurance policies that protect the municipality from allegations of negligence made against the municipality and any agencies, boards, and commissions the municipality is contractually obligated to insure. The policies cover municipal operations where HRM has control over services or has contractual obligations to provide insurance. It is not recommended to extend HRM's municipal insurance coverage to properties and groups where HRM does not have oversight or control the activities being insured or does not have a contractual obligation to provide insurance to groups.

Feasibility to support the provision of a grant program for community rink insurance (Administrative Order)

There are a number of municipal grant programs to help support community groups to advance community-based projects and initiatives. Of these, the Community Grant Program was considered the most applicable way to help community outdoor rinks offset the cost of insurance; however, the program focuses specifically on one-time projects and does not provide funding to support annual operating costs. Insurance is a recurring expense for most non-profit and charitable organizations, including those that own property, groups that lease or license property, and those that operate without a permanent location who require general liability coverage.

HRM provides a wide range of grants to support an extensive range of volunteer initiatives which support individual projects and, in some programs, operational costs for organizations. However, HRM does not have a program which could be adapted to support outdoor community groups to purchase insurance to operate outdoor community rinks. Therefore, a new administrative order would be required to implement an ongoing grant program to provide that funding support.

Establishment of an Outdoor Rink Grant Program for Insurance

An Administrative Order provides a consistent application of the principles for a Community Rink Insurance Grant Program and would formally establish this program. Establishment of an administrative order would also define the parameters around the implementation of this funding program, which would include volunteer group eligibility, operation, maintenance, water requirements, signage, insurance, and other requirements (including capacity). Groups will be required to be registered as a society.

In addition, outdoor rinks placed on HRM owned property would require groups to sign an agreement to ensure that they understand and accept the responsibility of the duties and obligations of the rink. The agreement would outline the reasonable steps required to ensure that the users of the rink are either made aware of a potential danger or that the danger is mitigated. Such reasonable steps would include but are not limited to: inspection of the ice surface, boards/liners, lighting, scheduling, and signage so that the users are aware of the helmet policy, etc. This agreement will benefit the community groups and HRM, as it will clearly outline the responsibilities between parties.

In addition to any requirements of HRM, the insurer will also have standards that the rink will be required to meet in order to be insured. These standards will be outside of HRM's control and may vary. The insurer will also require an annual application for insurance. Fluctuating premiums may also impact the number of rinks that the program budget may accommodate year-to-year.

Along with the creation of a new grant program, the re-establishment of the Outdoor Rink Program would be required to ensure that community groups have all the resources and supports necessary to be successful.

Requirements for insurance for outdoor rinks set up on non-HRM property are at the discretion of the private property owner: this report considers only rinks placed on HRM land where HRM requires insurance to be provided.

Next Steps

Should Regional Council approve the creation of a new grant program for an Outdoor Rink Insurance Program, staff will prepare a draft administrative order and license template and return to Regional Council for approval, for the 2022/23 winter season.

### **FINANCIAL IMPLICATIONS**

Costs associated with creating a Community Rink Grant Program is estimated to be \$35,000 per year to support up to ten community groups, with a funding allotment of \$3,500 per group per year. Funding of this program will be identified as a pressure in the Parks & Recreation 2022/23 Operating Budget.

### **RISK CONSIDERATION**

The risks outlined in this report rate low. For outdoor rinks which are placed on property owned by HRM, community groups would enter into a license agreement with HRM which would outline duties and responsibilities, thereby reducing the risk to HRM. Further, the creation of an administrative order would define requirements and conditions to ensure proper use of any grant funding.

The creation of a grant programming for Community Rinks may be precedent-setting for other outdoor sport and recreational venues located in HRM parks or lands and that may be cost-prohibitive. Any future requests would need considered by Regional Council, and risk considerations would form part of any staff report.

### **COMMUNITY ENGAGEMENT**

Community Groups who have operated community rinks over the past 5 years have been engaged in preparing this report.

### **ENVIRONMENTAL IMPLICATIONS**

No environmental implications were identified.

### **ALTERNATIVES**

1. Regional Council could maintain the status quo, which would require groups to purchase general liability insurance independently in order to be permitted to operate outdoor rinks on HRM-owned property.
2. Regional Council could amend the recommendation to include additional direction to the CAO with respect to the draft Administrative Order to be returned to Council for its consideration.

### **ATTACHMENTS**

No attachments.

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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: Mary Angela Munro, Area Manager Dartmouth & Eastern Shore Communities, 902.490.4725

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