

TO: Mayor Savage and Members of Halifax Regional Council

Original Signed by 

SUBMITTED BY: _____
Jacques Dubé, Chief Administrative Officer

DATE: June 9, 2017

SUBJECT: **Indoor Ice Surfaces Review**

ORIGIN

July 29, 2014 Regional Council meeting motion:
MOVED by Councillor Mason, seconded by Deputy Mayor Fisher:

1. That Halifax Regional Council direct staff to commence planning for the renovation of the Halifax Forum in as a multiyear planned strategic project based on the Forum Community Association submission and developed to ensure best design, plan, and possible on site partnerships for the forum site including possible mixed use opportunities, targeted for completion in 2019.
MOTION PUT AND PASSED
2. That Halifax Regional Council direct staff to declare the Devonshire arena building surplus to recreation needs upon completion of the Dartmouth 4-pad complex and direct staff to initiate the process to demolish the building and retain the land for future recreation needs.
MOTION PUT AND PASSED UNANIMOUSLY
3. That Halifax Regional Council direct staff to commence planning for the construction of a 4-pad arena in Dartmouth at Commodore Drive as a planned strategic project to replace the Gray, Bowles, Lebrun arenas targeted for completion in 2017.
MOTION PUT AND PASSED UNANIMOUSLY
4. That Halifax Regional Council direct staff to declare Gray, Bowles, and Lebrun arenas surplus to recreation needs upon the completion of the Dartmouth 4-Pad arena and direct staff to review the properties under Administrative Order 50.
MOTION PUT AND PASSED UNANIMOUSLY
5. That Halifax Regional Council direct staff to continue to explore funding from other levels of government and potential private sector partners.
MOTION PUT AND PASSED UNANIMOUSLY

.....Recommendations on Page 2

July 29, 2014 Regional Council meeting motion:

MOVED by Councillor Mason, seconded by Deputy Mayor Fisher that Halifax Regional Council:

...

3. Dedicate the net proceeds from the potential sale of St. Pat's High, Alderney and Ochterloney lot, Lyle Street and the arenas made surplus by the Long Term Arena Strategy for interim financing of Planned Strategic Projects and funding of Potential Strategic Projects.

LEGISLATIVE AUTHORITY

HRM Charter, sections 61, 63, and specifically 79(1)(k), (x), and (ah):

79(1) The Council may expend money required by the Municipality for:

(k) recreational programs;

(x) lands and buildings required for a municipal purpose;

(ah) playgrounds, trails, including trails developed, operated or maintained pursuant to an agreement made under clause 73(c), bicycle paths, swimming pools, ice arenas and other recreational facilities.

Administrative Order Number 50, the Disposal of Surplus Real Property Administrative Order.

RECOMMENDATION

It is recommended that Halifax Regional Council:

1. Categorize the Gray Arena as "Community Interest" under Administrative Order 50 and undertake the disposal process for the property;
2. Operate the Gray Arena for the 2017/18 prime season and adjust the rental rate to be consistent with the rates at Cole Harbour Place, should the arena be required pursuant to decisions regarding construction timelines at Cole Harbour Place, as outlined in this report;
3. Categorize the Bowles Arena as "Extraordinary" under Administrative Order 50 and give notice to the adjacent property owner that the property is surplus to municipal requirements and that the property owner shall have thirty (30) days to respond in writing of its intent to purchase or not to purchase in accordance with the Right of First Refusal and Agreement dated January 1, 2014; and in the event the adjacent property owner advises in writing of its intent to not to purchase the Bowles Arena, categorize the Bowles Arena as "Community Interest" under Administrative Order 50 and undertake the disposal process for the property;
4. Consider funding in the 2018/19 capital budget for the demolition of the Devonshire Arena and retain the property for future municipal recreation usage;
5. Retain the Lebrun arena for the 2017/18 season and adjust rental rate to be consistent with both 4-Pad arenas to allow for a transition period;
6. Direct staff to return to Regional Council with usage and other related statistics following the 2017/18 season to confirm the future of the Lebrun Arena; and
7. Direct staff to complete additional analysis on the Halifax Forum project including further building condition assessment and related renovation feasibility, as well as the potential for a future Dalhousie University arena, and report back to Regional Council prior to undertaking the project.

BACKGROUND

On August 14, 2012, Regional Council approved the Long-Term Arena Strategy (LTAS). Its purpose is to guide long term facility planning and decision making regarding municipal arenas through to 2022. The LTAS found that the overall use of arenas was declining while several facilities were outdated and in poor condition. One of the primary recommendations of the LTAS was to replace many of these arenas, which are often comprised of single ice surfaces, with new multi-pad (multi-surface) arenas.

At the time of the strategy's development, there were 26 ice surfaces in operation in HRM (6 privately owned and 20 owned by HRM). However, the LTAS acknowledged that Dalhousie University's arena was closing (and has occurred) which would result in reducing HRM's inventory to 25 ice surfaces. The LTAS recommended that there was no need for additional ice surfaces beyond 25.

With Regional Council's adoption of the LTAS, a rationalization of HRM's ice surfaces was initiated. After deliberating several options, including a proposal from the Halifax Forum Community Association, and partnership proposals from Dalhousie/Saint Mary's Universities and Department of National Defence, Regional Council passed motions to:

- commence planning for the renovation of the Halifax Forum in a multiyear planned strategic project based on the Halifax Forum Community Association submission (which is to include a total of three ice surfaces);
- commence planning for the construction of a 4-Pad arena in Dartmouth;
- close and demolish the Devonshire arena upon completion of the 4-Pad arena in Dartmouth and repurpose the lands for recreation purposes; and
- declare the Gray, Bowles, and Lebrun arenas surplus to recreation needs upon the completion of the 4-Pad arena in Dartmouth and direct staff to review the properties under Administrative Order 50 (meaning they would be considered for disposal or alternative community uses).
(The actual motions are found on page 1 of this report.)

The construction of the 4-Pad arena in Dartmouth is nearing completion and HRM has commenced planning for the renovation of the Halifax Forum. As the construction of the 4-Pad arena in Dartmouth has advanced and the closure of the Devonshire, Gray, Bowles, and Lebrun arenas are impending, Regional Council has asked staff for an update on the analysis to confirm the required number of ice surfaces both during the deliberations on the Parks and Recreation 2017/18 budget as well as during the debate on the Community Facility Master Plan 2.

DISCUSSION

This report, along with its accompanying *2017 Indoor Ice Surfaces Review (Attachment A)*, outlines analysis on the number of ice surfaces that are required in HRM, provides updated information about the usage of the arenas that have been identified for closure, and discusses progress and next steps regarding the Halifax Forum.

The municipality provides ice surfaces for a variety of users of all ages and skill levels to participate in sport, recreation and public programming. Municipal ice surfaces provide a regional service. They are not intended to exclusively serve a specific community and are accessed by users in a variety of locations throughout the region.

Currently, there are 24 ice surfaces operating within HRM (four of these facilities are privately owned and operated). However, the number of ice surfaces alone is not the only factor when considering the appropriate service provision. Other considerations include:

- Ensuring facilities are well planned, utilized, and managed efficiently;
- Responding to trends and changing demographics;
- Designed to be welcoming to a broad range of users; and
- Provided in a financially responsible manner.

Trends

Despite HRM's population growth, the overall number of the registrants for ice sports is generally flat when compared to 2011/12 (Attachment A). This is partly explained by demographic trends that show an aging

population in HRM. In addition, ice sports are not necessarily popular with new Canadians who are contributing to HRM's recent population growth.

The 2012 LTAS indicated that overall use of arenas is declining. However, there is still strong demand for prime time ice hours. This demand appears to be coming from a growing trend of overspecialization of sport by children, which is occurring across Canada. This is characterized by a high volume of practice time and a focus on performance at an early age. The "Get More from Sport Campaign" has been developed through Sport Nova Scotia, Hockey Nova Scotia and Soccer Nova Scotia to address negative aspects of this trend such as burn out, injury, and impacts to overall child development. The time commitment, increased costs, injury, and the focus on performance may be discouraging new growth in ice sports, particularly hockey. However, the increased practice time associated with the overspecialization trend results in increased requests for prime time ice hours, beyond the Standards of Fair Play. This appears to be reducing the use of prime time ice hours for adult usage, recreation, and public programming (see Equitable Distribution of Ice Time below).

HRM is in the process of implementing a new recreation software system which will include a centralized scheduling component. This will improve the ability to monitor trends and potential impacts on bookings, ice allocation, and the overall service provision.

It is noted that female minor hockey has been growing and has established a separate association which will be in place for the 2017/18 season. This will not necessarily result in increased demands for bookings as a portion of the total hours previously allocated to minor hockey will now be assigned directly to the female association.

Equitable Distribution of Ice Time

The appropriate service provision of ice surfaces is dependent on the management of ice time toward balance, fairness and access for a broad range of users, ages and skill levels. Municipal ice surfaces are not provided for one specific club, age group, skill level or sport. However, most users want similar prime-time ice (September to March - 4:00 p.m. to 10:00 p.m., Monday to Friday; and, 6:00 a.m. to 10:00 p.m., Saturday and Sunday) within a 30-week season. If a balance is not achieved among users, it can create a perception of a lack of service provision.

Community Access Plan

To address greater equity, Regional Council adopted a Community Access Plan (CAP) in 2012 across all municipal ice surfaces. The CAP establishes how HRM ice is to be allocated during the prime-time in-season period.

The CAP and the Standards of Fair Play (standards set by the sport governing bodies) are intended to provide balance, fairness and access to a variety of users, including underserved groups. The Standards of Fair Play sets the appropriate allocation of hours based on the age and skill level within a sport. Through the CAP, HRM aims to accommodate users toward reaching the standard of fair play while factoring in requests from new emerging and underserved groups. The allocation of ice time requires a collaborative process amongst groups to ensure that users are accommodated.

The CAP outlines that prime-time hours should be allocated as follows:

- 55 percent to core programming (i.e. minor sports);
- 30 percent to adult groups; and
- 15 percent to public programming (i.e. public skates, shinny, recreation programs)

However, despite the generally flat growth of minor sports, they are using significantly more prime time ice than what was set out in the CAP. Public programming and adult programming are using significantly less ice time than what was intended. Consequently, scheduling data indicates that the current ice allocation for prime-time use is:

- 72 percent to core programming (i.e. minor sports);
- 14 percent to adult groups;
- 5 percent to public programming (i.e. public skates, shinny, recreation programs);
- 3 percent to individuals or private bookings; and
- 6 percent is unused.

The impact of this imbalance is an unintended replacement of recreational ice usage by elite or specialization sport usage. HRM needs to correct the imbalance of usage to be more inline with the allocations outlined in the CAP which meet the Standards of Fair Play outlined by the governing sport bodies.

The imbalance will be addressed by taking steps to allocate prime-time in accordance with the CAP allocation with time allocated for adult programming and public programming during the in-season prime-time period. That will ensure that sufficient time is provided for recreational usage and that allocation for minor sports still meet Standards of Fair Play. Some level of overspecialization is still expected to occur as any unused allocated time will be made available for any group to book. However, the balance between recreational usage and sport development will improve. In addition, the popularity of the Emera Oval continues to provide outdoor access for public skating.

Required Number of Ice Surfaces in HRM

The 2012 LTAS established that 25 ice surfaces would meet HRM's requirements. However, in August 2014, the Department of National Defence announced the closure of the Shannon Park arena reducing the number of ice surfaces to 24. This sudden closure had a short-term impact and inconvenience on users who had to find alternate locations. However, over the past three years users were accommodated in other facilities. The Indoor Ice Surfaces Review notes that the Shannon Park closure did not significantly increase usage at the Gray, Bowles, Devonshire, and Lebrun facilities.

HRM's Community Facility Master Plan 2 (CFMP2) does not recommend additional ice surfaces beyond the 24 currently in operation. However, it also recommends that year-round usage and inventory requirements continue to be monitored.

Regarding the demand for ice time, the 2017 Indoor Surfaces Review (Attachment A) highlights that:

- An inventory of 24 ice surfaces can meet recreational requirements.
- The overall usage of ice surfaces (within the current service provision) is 94%, meaning that 6% of the time (85.25 hours per week) are unused during the prime-time in-season period in 2016/17.
- Non-prime time usage continues to decline. Evening non-prime time usage declined from 59% usage in 2011/12 to 55% usage in 2016/17. Early morning non-prime time usage declined even more from 39% usage in 2011/12 to just 22% in 2016/17. As a result, there is significant amount of time available in the non-prime time hours.
- The Gray, Bowles, Devonshire, and Lebrun arenas have reduced their operating times due to lack of demand and have reduced prime and non-prime availability.
- The experience with the BMO Centre has confirmed the findings outlined in the LTAS that new multi-pad arenas result in significant efficiencies with an increased availability of ice time.

Ice Allocation

In order to achieve a balanced ice allocation, HRM staff work with all arena operators to schedule user groups based on the Standards of Fair Play for the winter season. While the opening of the BMO 4-Pad in Bedford provided net new arena time due to a deficit of ice surfaces at the time, the opening of the new Dartmouth 4-Pad was confirmed to be a replacement of existing, older arenas. Therefore, with the opening of the new Dartmouth 4-Pad and pending closures of the four stand-alone arenas, the 2017/18 process provides an opportunity to review the ice allocations and distribution for all user groups, not just those displaced as a result of arena closures.

Through the allocation process, HRM staff worked with the arena operators to review locations in an effort to try to reallocate bookings to groups, where possible based on geography, travel time, etc. As noted, municipal arenas are regional in nature and not intended to exclusively serve a specific community. With the regional distribution of the arenas, some realignment of scheduling was possible. However, with multiple groups in some areas, providing exclusive access to local groups is not possible, nor in accordance with Council's direction in the LTAS.

Through the ice allocation process, all requested bookings can be met with the service provision of 24 ice surfaces. Not all users would receive their preferred time or location, however, the efficient use of the network of arenas ensures that all requests for ice time can be met.

Transition Period

With maintenance and repair work required at the Cole Harbour Scotia 1 ice surface in the off-season over the next three years, along with questions being raised in the community regarding the availability of ice at the Rocky Lake Dome for the upcoming season, it is recommended that HRM retain one of the surplus arenas for a transition period during the 2017/18 season in advance of any permanent closure of the fourth arena. That would result in the arena inventory being increased from the current level of 24 to 25, consistent with the 2012 LTAS. While the CFMP2 and the ice allocation process have confirmed that the existing inventory of 24 arenas can meet recreation requirements, providing an inventory of 25 sheets of ice would allow for a smoother transition for users and further assessment of facility usage, including the provision of dry-floor availability for sports such as lacrosse and ball hockey.

Based on a review of the four surplus arenas, the Lebrun Arena is recommended to be retained for the transition period due to the fact that it is attached to a community centre, both of which are located on one land parcel. To provide consistency, it is recommended that the ice rental rates for Lebrun be aligned consistent with the 4-Pad arenas during the transition period. This would ensure that all user groups pay the same rate and scheduling is based on need for ice rather than pricing. This would result, as an example, in the youth prime time rate for the Lebrun Arena increasing from \$190.00 per hour to 224.15 per hour. Currently, a fee review for all municipal recreation facilities is getting underway which includes a review of all ice pricing for HRM arenas.

With specific regard to the Cole Harbour facility's maintenance and repairs, the current off-season construction project schedule is anticipated to have minimal impact on its availability for booking. However, there may be merit to fast-tracking repairs through the 17/18 prime season. To enable consideration of a revised construction approach, staff is seeking Council's authority to operate the Gray Arena for the 2017/18 prime season and adjust the rental rate to be consistent with rates at Cole Harbour Place, should the arena be required pursuant to decisions regarding construction timelines at Cole Harbour Place.

Gray, Bowles, Devonshire, and Lebrun Arenas

The LTAS recommended the consolidation of aging stand-alone arenas into new multi-pad facilities to improve service, efficiency, and financial responsibility. The Gray, Bowles, Devonshire, and Lebrun represent the four municipal stand-alone ice surfaces that were directed by Regional Council to be declared surplus upon completion of the new 4-Pad arena in Dartmouth (July 29, 2014 Regional Council meeting).

There are several factors which outline service delivery will be improved once these arenas are replaced by the new 4-Pad arena, including:

- The average age of these four facilities is 44 years;
- They have reduced operating hours compared to other arenas;
- They have the most unused prime time ice;
- There is no ice available in these facilities for five months of the year; and
- They have combined deferred maintenance of 3.8 million dollars.

Deferred maintenance increases the risk of unexpected service disruptions impacting access for users. As the facilities continue to age, the risk for unexpected closures increases.

The reduced operating hours in these four facilities means that there will be more capacity available in the new 4-Pad arena in Dartmouth due to its increased and consistent operating hours. In addition, these facilities were not originally designed to meet current user expectations or standards such as additional dressing rooms for a greater inclusion of varied gender participation.

AO50 Respecting the Disposal of Surplus Real Property

Administrative Order 50 (AO50) outlines the process for disposal of surplus properties by HRM. Regional Council has completed the first step by declaring the four arenas (Gray, Bowles, Devonshire and Lebrun) as surplus at its July 29, 2014 meeting. To initiate the disposal process, the properties must be categorized pursuant to AO50.

Devonshire Arena - Regional Council's direction is to declare the Devonshire arena building surplus to recreation needs upon completion of the Dartmouth 4-Pad complex and direct staff to initiate the process to demolish the building and retain the land for future recreation needs. A site suitability assessment has confirmed that the Devonshire property can accommodate the future redevelopment of the Needham Community Recreation Centre. Therefore, HRM will demolish the building and retain the property. While the planning work for the Needham Community Centre replacement will take time, there is a cost (estimated at 150 to 200K/year) to maintain the vacant building. Therefore, it is recommended that staff be directed to consider funding in the 2018/19 capital budget for the demolition of the building.

Gray and Bowles Arenas – AO50 outlines the Community Interest stream for properties that are "...known to have potential for community use...". Both staff and councillors have been contacted by groups interested in both arenas for potential community and private use. It is recommended that the Gray Arena be categorized as Community Interest under the AO50 process.

The Bowles Arena is subject to a right of first refusal at market value at time of sale in favour of the neighboring property owner. The first right of refusal stems from a contract between the municipality and the property owner. Given the unique legal nature of the contract, it is recommended that the Bowles Arena be categorized as Extraordinary and that the property owner be given thirty (30) days to respond in writing with its intent to purchase or not purchase the property. The purchase price is to be determined by an appraisal.

If the property owner does not exercise its right of first refusal, it becomes null and void, and the property would be further categorized as Community Interest under the AO50 process.

Lebrun Arena – As noted, the Lebrun Arena is physically attached to an operational community centre with both buildings located on one land parcel. In addition, it includes a long-term occupant within a third building component attached to the facility (Lion's Den), all of which add to its complexities of being able to be immediately considered through the AO50 process. Therefore, the Lebrun Arena is the best choice of arena to be maintained for a transition period.

Halifax Forum – Halifax Forum Community Association Proposal

In addition to the approval of the new Dartmouth 4-Pad and subsequent closure of the four stand-alone, aging facilities, Regional Council also provided direction regarding the renovation and expansion of the Halifax Forum. Regional Council's direction regarding the Halifax Forum is to begin planning to renovate the existing facility and establish a new third ice surface, pursuant to a proposal from the Halifax Forum Community Association (HFCA), which operates the facility (Attachment B).

As a required part of its due diligence, HRM staff have completed detailed assessment of the building to determine its capability to support the proposed expansion. In addition, pursuant to the Auditor General's recommendation regarding third party proposals, a third-party audit of the HFCA's business case has been

completed. Finally, staff have completed preliminary assessment of mixed use opportunities on the site, as directed by Regional Council. A summary of these reviews is as follows:

Building Assessment

The Halifax Forum is a registered heritage building. The addition of a third sheet of ice and renovation of the existing arenas, along with refurbishment of the heritage building, will be a challenging project. Therefore, a detailed building assessment was completed. It notes, based on preliminary information, that there are limitations and risks with regards to renovating the building due to its heritage status, code compliance, and complexity based on the proposal to work within the existing structure. It found that there are issues with some elements of the building. For example, the HFCA submission includes repointing the exterior brick of the Forum. However, the building assessment notes that the exterior brick is in poor condition including extensive areas of cracked and spalling brick, deteriorating mortar and bowing walls which will likely require considerable repair or replacement. Based on the findings, a more detailed assessment of some aspects is required before proceeding with the renovation. HRM staff are undertaking this more extensive assessment.

Business Case Audit

Stantec Consulting was hired to complete the third-party, independent audit of the HFCA business case for the renovation and expansion of the facility. The audit review indicated that the proposed redevelopment of Halifax Forum Complex would restore a Halifax landmark while augmenting recreation opportunities (Attachment C).

A summary of the consultant's business case review notes that in the absence of a detailed building assessment, the evaluation confirms that the overall cost estimates are realistic within a reasonable margin of error. However, it notes that the HFCA redevelopment proposal lacks detail on certain aspects. Most notably, it is not clear how the proposal plans to deal with significant challenges of restoring the large arched windows of the Forum Building.

The age and history of ad hoc development on the site presents challenges regarding the proposed redevelopment plans. The audit indicates that if the redevelopment process proceeds it should be done in a phased approach that will permit ongoing operation of two ice surfaces.

The HFCA business case is dependent on bingo revenues. Bingo operations are the primary revenue source for the HFCA and are critical to the business case. Without this revenue, it would significantly decrease the ability to operate the facility in a financially sustainable manner. It should be noted that there has been an overall trend of declining bingo participation across many communities. If societal gaming habits were to continue to alter over time, it would further decrease the viability of bingo revenue as a sustainable revenue source.

In addition, approximately one-third of the arena ice revenue is received from Dalhousie and Saint Mary's Universities. Currently, the Universities use both prime time and non-prime time ice throughout the week in both the Civic and Forum arenas. As a result, any reduction in the use of the Halifax Forum by the universities could impact the business case, unless the times used by the universities are replaced with other bookings.

Mixed Use Opportunities

A review of the site indicates that there could be residential mixed use infill potential on the site with a strong market for multi-unit residential development in the immediate vicinity. The northeast corner of the site accessed by Young Street would be the most suitable. However, the addition of a third ice sheet will increase parking requirements on the site, over and above current parking needs. Therefore, incorporating any proposed mixed-use opportunities would create substantial challenges in terms of access and parking on the site. As a result, it could impact the effectiveness of the Halifax Forum's recreation function. Therefore, a better focus for mixed use opportunities is to explore compatible services within the expanded

Halifax Forum facility, such as retail and food services, that would be part of a redevelopment of the site, making it consistent with HRM's other multi-pad arenas.

Impact of a Potential University Arena

As noted, Regional Council considered a proposal to enter into a partnership with Dalhousie and Saint Mary's universities to construct a two-pad in the south end of the Halifax Peninsula. However, Council chose to approve a redevelopment and expansion plan for the Halifax Forum. Since that time, Dalhousie University has announced its intention to build a new arena adjacent to its campus. Preliminary information indicates that the proposed facility will include a NHL sized ice surface with six team dressing rooms, a referee room, a lobby and service area, and spectator seating. The facility is to serve both varsity sports and the broader community. A site has been selected and the project is currently in the fundraising phase. However, there has been no definitive timeline announced for the project.

As noted, currently university hockey is played at the Halifax Forum. A new university arena would add to the overall ice surface inventory and consequently reduce the demand for ice time that is currently being booked at the Halifax Forum. If Dalhousie proceeds with its plans to construct the facility it may impact the HFCA proposal business case as a significant number of rentals would move from the Halifax Forum, thereby reducing its ice revenue by approximately one-third. The HFCA submissions vision states that "any new or existing facility expansion should not be undertaken in competition with existing facilities and services." Therefore, confirmation of the potential future Dalhousie arena is needed prior to proceeding with the expansion to the Halifax Forum.

Due to unknowns regarding the potential private arena developments and the cost risks associated with renovating an older structure and heritage building, additional time is required to confirm Dalhousie's intentions and further assessment of the existing building to provide a more extensive assessment of cost estimates. Therefore, it is recommended that Regional Council direct staff to complete additional analysis on the Halifax Forum project including further building condition assessment and related renovation feasibility, as well as the potential for a future Dalhousie University arena, and report back to Regional Council prior to undertaking the project.

FINANCIAL IMPLICATIONS

There is a financial implication of retaining the Lebrun arena for 2017/18, currently estimated at \$325K. As noted in the Discussion section, staff is recommending that the rental rates at Lebrun be made consistent with the 4-Pad arenas. With increased fee revenues and a projected increase in ice rentals due to additional ice availability, the additional operating costs are projected to be absorbed without an increase to the 2017/18 operating budget.

HRM will be required to maintain the other three arenas until they are demolished (Devonshire) or disposed (Gray and Bowles). The estimated costs to maintain the vacant buildings is \$500,000 annually. These costs were factored into the recently approved two year (2017/18 and 2018/19) budgets.

The net proceeds for the sale of any of the properties will be allocated to the reserve for Planned Strategic

Opportunity Reserve – Strategic Capital Reserve, Q606

To provide funding for large capital projects that are strategic in nature. Projects should be consistent with long term policies and capital planning initiatives outlined in the Strategic 'Capital Planning and Infrastructure and Arena Consolidation Strategy reports/presentations of July 2014. Funding to the reserve are the net proceeds of the sale of specific properties as approved by Council and includes the sale of these arenas. Withdrawals from the reserve, as outlined in the report of July 2014 include items such as Dartmouth Multi-Pad, Dartmouth Sportsplex and Cogswell Interchange. The net proceeds for the sale of these arenas are currently budgeted as a contribution to the reserve in 2018/19 fiscal year.

Projects, as directed by Regional Council at the July 29, 2014 meeting. Since the approval of that motion, Regional Council has revised its reserves, merging several related to strategic capital projects. Strategic Capital Reserve, Q606, includes funding for both planned and potential strategic capital projects with the main funding stream being revenue from the sale of specific surplus properties, including the surplus arenas. The amount of revenue realized from the sales could be impacted by the categorization of the property as the community interest stream permits the sale of the property for an amount below market value.

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 and strategic risks. The recommendations help to mitigate various risks and there are greater risks associated with not approving the recommendations.

There are some risks associated with providing a smooth transition of users to the new 4-Pad facility. This risk is being mitigated by recommending that Lebrun Arena be retained for a transition period for the 2017/18 season.

The age of the Halifax Forum structure, complexity of the redevelopment, unknowns regarding private arena developments, and the dependency of the business case primarily on bingo revenues are high risks to this project. The risk is being mitigated through the recommendation to complete additional analysis on the Halifax Forum project including further building condition assessment and related renovation feasibility as well as potential future Dalhousie University arena and impact on arena inventory requirements.

There is a financial risk to retaining all four older stand-alone municipal arenas in addition to the multi-pad facility as it would create unnecessary capacity, operating and maintenance costs. This risk is being mitigated through the recommendations confirming Regional Council's direction to declare the arenas as surplus to municipal requirements.

COMMUNITY ENGAGEMENT

The 2017 Indoor Ice Review is an update to the Long-Term Arena Strategy. Ongoing stakeholder feedback is received throughout the year with arena operators, minor sport groups, sport governing bodies, other groups, and participants. A considerable amount of feedback has been received by staff from individuals/groups advocating to keep one, some, or all stand-alone arenas open.

ENVIRONMENTAL IMPLICATIONS

There no specific environmental implications that have been identified with the content of this report.

ALTERNATIVES

Alternative 1: Regional Council may choose to categorize one or both of the Bowles and Gray Arenas as "Ordinary" under Administrative Order 50. This is not recommended as there has been community interest shown in the properties, and that the Bowles Arena is required to be first offered to the adjoining property owner pursuant to an existing contractual relationship with the Municipality.

Alternative 2: Regional Council may choose to direct staff to close the Lebrun Arena at the opening of the Dartmouth 4-Pad and categorize under AO50 for disposal. This is not recommended for the reasons outlined in this report.

- Alternative 3: Regional Council may choose to extend the use of the Lebrun Arena for the 2017/18 season but maintain the existing rental fee. This is not recommended as it will result in an imbalance for the users of the overall network of arenas, and potentially trigger an increase to the operating budget to keep the arena open.
- Alternative 4. Regional Council may choose to direct staff to proceed with the redevelopment of the Halifax Forum based on the current proposal for three ices surfaces without additional analysis. This is not recommended based on the potential for Dalhousie University to establish a new arena which would impact arena inventory requirements.

ATTACHMENTS

- Attachment A: 2017 Indoor Ice Surfaces Review
Attachment B: Halifax Forum Community Association (HFCA) Proposal
Attachment C: Halifax Forum Complex Audit Executive Summary
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A copy of this report can be obtained online at <http://www.halifax.ca/council/agendasc/cagenda.php> then choose the appropriate meeting date, or by contacting the Office of the Municipal Clerk at 902.490.4210, or Fax 902.490.4208.

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Attachment A

2017 Indoor Ice Surfaces Review

Parks, Recreation, and Communities

Prepared by:

Policy and Planning

Parks, Recreation & Communities

May 24, 2017



HALIFAX

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1.0 Background

On August 14, 2012, Regional Council approved the Long-Term Arena Strategy (LTAS). Its purpose is to guide long term arena planning and decision making through to 2022. The LTAS outlined several key findings and provided several recommendations regarding the service provision for arenas. Three of the key findings included:

- The overall use of arenas was declining.
- There is a need to consolidate aging arenas into new multi-pad arenas.
- The implementation of a Community Access Plan (CAP), which establishes targets for the allocation of ice time to different groups would ensure a fair and equitable distribution.

At the time of the strategy's development, there were 26 ice surfaces in operation. However, the LTAS acknowledged that Dalhousie University's arena was closing which would result in reducing the inventory to 25 ice surfaces. The LTAS recommended that there was no need for additional ice surfaces beyond 25.

On July 29, 2014, Regional Council directed staff to:

1. Begin planning for the renovation of the Halifax Forum based on the Halifax Forum Community Associations submission;
2. Declare the Devonshire Arena building surplus and retain the land for future recreation needs;
3. Begin planning for the construction of a 4-Pad arena in Dartmouth at Commodore Drive; and
4. Declare the Gray, Bowles, and Lebrun arenas surplus to recreation needs upon the completion of the Dartmouth 4-Pad.

This review of ice surfaces originates with a request of Regional Council to consider any changing circumstances since July 29, 2014.

2.0 Purpose and Scope of the Review

The purpose of this review is to provide an evidence based analysis that:

1. Confirms the appropriate number of indoor ice surfaces required; and
2. Confirms Regional Council direction on July 29, 2014 regarding the Gray, Bowles, Devonshire, and Lebrun ice surfaces.

Exclusions of this review include a fee review (underway) and outdoor ice opportunities.

3.0 Introduction

Parks, Recreation, and Communities provide facilities that contribute to healthy lifestyles, and vibrant communities that foster active lifelong participation. The municipality provides ice surfaces so that a variety of users of all ages and skill levels can have the opportunity to participate in sport, recreation, and public programming.

The number of ice surfaces alone is not the only factor when considering the appropriate service provision. Facilities should be well planned, sufficiently utilized, managed efficiently, responsive to demographic and user trends, and provided in a financially responsible manner to citizens. Currently, there are 24 ice surfaces in HRM (4 of these facilities are privately owed and operated).

4.0 Overview of Demographics and Ice Surfaces

HRM's population estimate provided by the 2016 census is 425,000 with an average household income 87,566 (2016 Statistics Canada). Table 1 shows a breakdown of ages and percentage of the population.

Table 1

Age Range	Percentage of Population
0-9 years	10.05%
10-14 years	4.96%
15-19 years	5.54%
20-29 years	14.98%
30-39 years	13.20%
40-49 years	13.48%
50-59 years	14.70%
60-69 years	12.04%
70-79 years	6.43%
80 Plus	3.64%

As noted, with the closure of the Dalhousie Arena, there were 25 ice surfaces in HRM. On August 27, 2014, the Department of National Defence announced the closure of the Shannon Park Arena which brought the inventory of ice surfaces to 24. There have been 24 ice surfaces in operation since 2014 (Table 2).

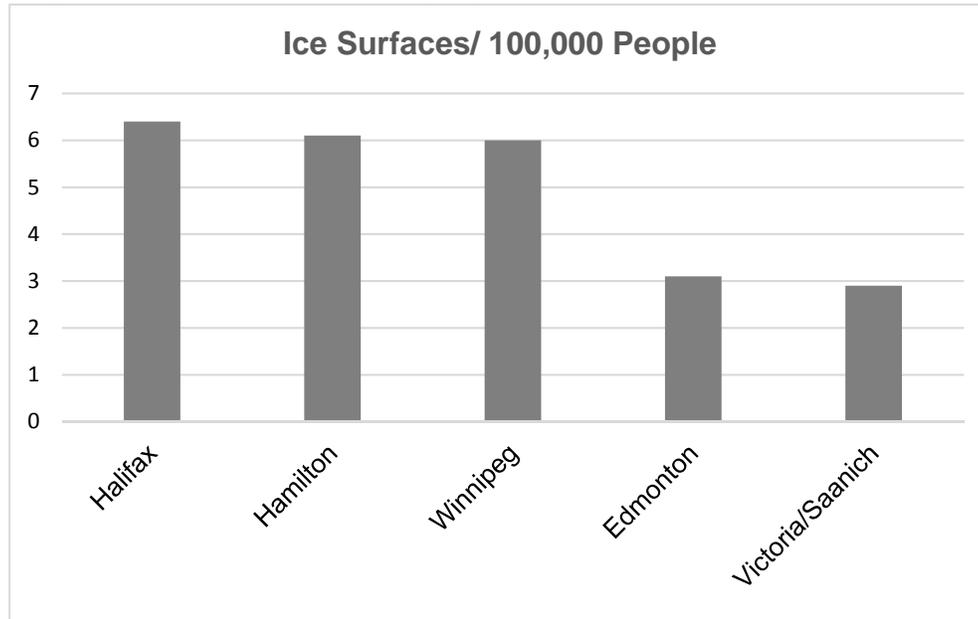
Of the 24 ice surfaces, 20 are owned by HRM. There are 4 ice surfaces privately owned and operated (marked P in the table). The 4 highlighted below (in bold) are municipal ice surfaces that Regional Council has directed to be declared surplus with the completion of the new 4-pad arena in Dartmouth.

Table 2: Ice Surfaces in HRM

Ice surfaces		
Devonshire (1)	Halifax Forum (1)	Shearwater - P (1)
Gray (1)	Civic (1)	St. Mary's University - P (1)
Lebrun (1)	Centennial (1)	Sackville & District - P (1)
Bowles (1)	Spryfield (1)	Bedford Dome - P (1)
St Margaret's Centre - Fountain (1)	Eastern Shore (1)	Scotiabank Centre (1)
St. Margaret's Centre - Smith (1)	Cole Harbour Place 1 (1)	BMO Centre (4)
Sackville Sports Stadium (1)	Cole Harbour Place 2 (1)	Dartmouth Sportsplex (1)

Graph 1 identifies the number of ice surfaces per 100,000 people compared to other municipalities from the Community Facilities Master Plan 2. The information is based on data that is verified through completed studies commissioned by the above noted municipalities. They include Halifax Regional Municipality Long Term Arena Strategy (2012), City of Hamilton Outdoor Recreation Facilities & Sports Field Provision Plan (2011), Winnipeg Public Use Facilities Study (2004), City of Edmonton Recreation Facility Master Plan (2009), and Saanich Parks, Recreation & Culture Master Plan (2013).

Graph 1: Ice Surfaces Per 100,000 people



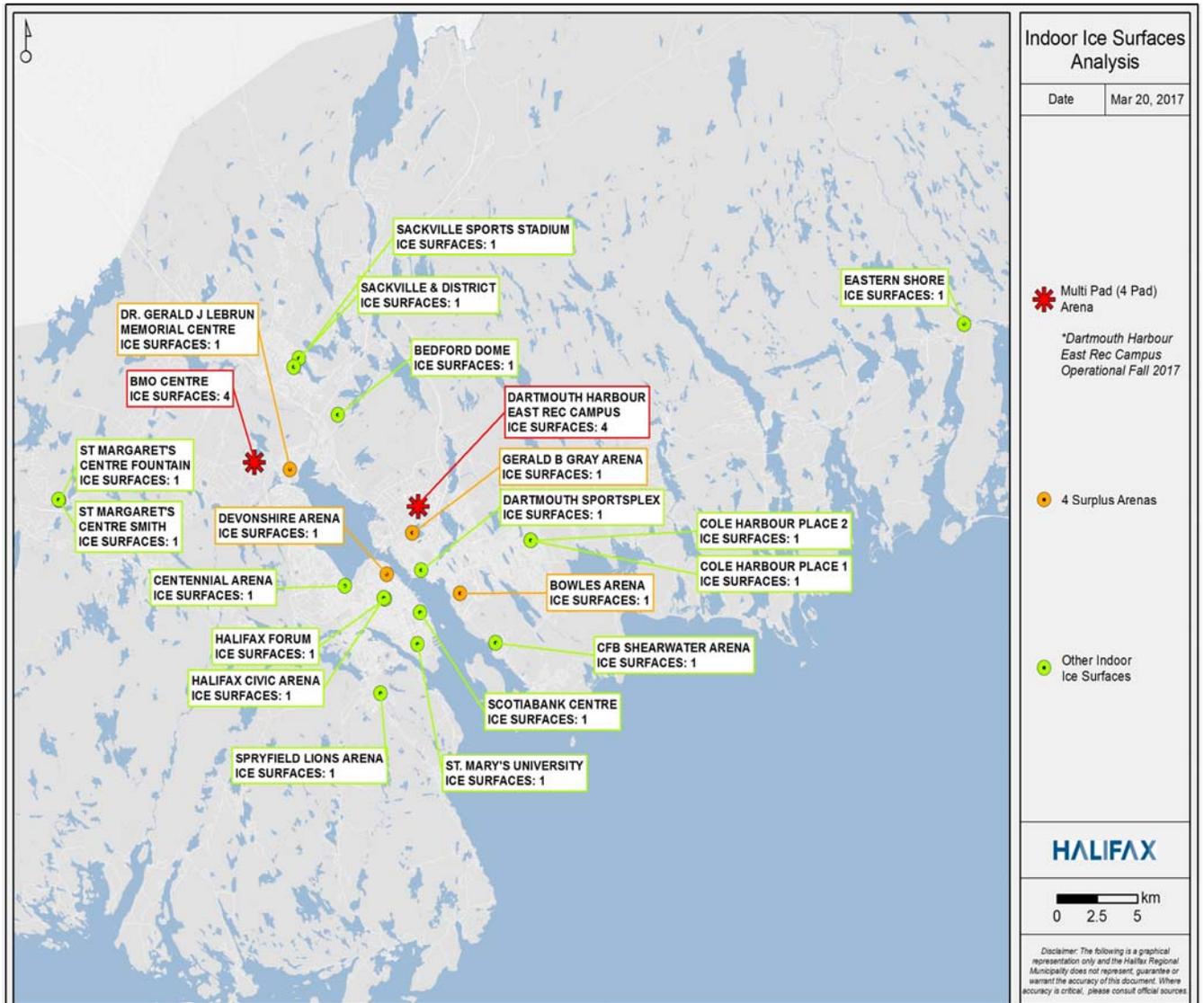
Based on the current inventory of 24 ice surfaces in HRM and updated estimated 2016 population, HRM currently has 1 indoor ice surface per 17,700 persons. There may be variations across Canada in ratios of indoor ice surfaces to population due to geography, population distribution, and urban and rural considerations. Having a lower ratio of ice surfaces does not guarantee that the facilities are well utilized. Within a comparable municipal context, HRM is within a typical range with regards to its ratio of ice surfaces per population.

The number of indoor ice surfaces and its ratio to population alone, is not the only factor when considering the appropriate service provision. Other important considerations include:

- Ensuring facilities are well planned, utilized, maintained and managed efficiently;
- The service provision is responding to trends and changing demographics (i.e. minor sport participation, immigration, aging population, etc.);
- Facilities are designed and managed to be welcoming to a broad range of users; and
- The service provision is provided in a financially responsible manner.

4.1 Location of Indoor Ice Surfaces

Ice surfaces provide a regional service and are not intended to serve a specific community, or user group. Users access a variety of locations traveling to ice surfaces throughout the municipality.



5.0 Trends in Sport

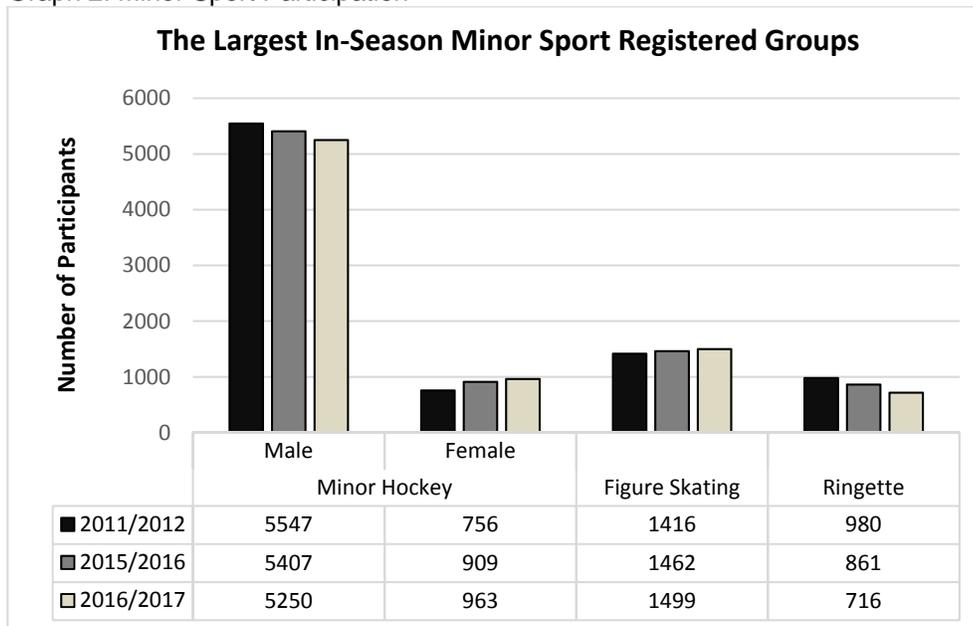
Despite HRM's population growth, the overall registration of minor sport (ice use) has been generally flat.

The three largest minor sport users of in-season prime time ice are minor hockey, ringette, and figure skating. More males play minor hockey but their participation has been gradually decreasing while female participation has been increasing. Despite minor hockey expanding to include 4-year old's in 2011, the overall participation has remained relatively flat when compared to 2011/12.

Due to the significant increase in female participation, minor hockey has established a separate association for females which will be in place for the 2018 season and may help the further growth of female hockey. This will have a positive impact on female hockey because the appropriate portion of minor hockey hours will now be directly allocated to the female association.

Figure skating participation has seen a small increase when compared to the 2011/12 season. Their participation numbers include the Learn to Skate (CAN Skate Program) which accounts for approximately 70% of their participants. Some of the Learn to Skate participants are from the minor hockey initiation program. Ringette's participation has gradually decreased. When combining all the participation numbers of the three largest minor sport groups together, registration has been generally flat when compared to 2011/12 (Graph 2).

Graph 2: Minor Sport Participation



Registration data is provided to HRM by the associations as part of the allocation process.

5.1 Speed Skating and Other Users

Speed skating is an emerging sport that also uses in-season prime time ice. Speed skating has grown from 158 participants in 2011/12 to 263 participants in 2016/17. This includes adults who account for 26% of their total participants. Adult and youth often participate together as part of an intergenerational approach which is unique to the sport. Long track speed skating uses approximately 20 hours per week at the Emera Oval and short track uses 12 hours per week of indoor ice. Speed skating has specific needs such as storing equipment and set-up time. The Dartmouth multi-pad has one Olympic size ice surface which will provide an additional location for speed skating.

5.2 Other User Groups

Other users include sledge hockey, high school hockey, adult (men and women's) recreational hockey, recreational shinny, junior competitive hockey, skill camps, public skating, and recreation programs.

Sledge Hockey – Sledge hockey is identified as a core program in the CAP and is currently allocated prime time ice at the BMO 4-pad which is specifically designed for the sport.

Nova Scotia School Athletic Federation – High Schools and Junior High Schools book prime time ice for school related female and male hockey programs. Junior and High School Hockey programs are part of core programming in the CAP. Although the school hockey was not

played in 2016/17 due to the Nova Scotia teacher work to rule, the time was booked and accounted for in this review.

Public Programming and Recreational Use – Participation data is generally not collected for most recreation use and is difficult to track because often these groups are not part of a registered sport organization. Public programming such as shinny and public skating is offered on a drop-in basis. HRM Parks, Recreation and Communities offers low cost recreational skating programs for children in 5 different arenas and these programs are well attended. Public programming for recreational use currently uses 5% of the available prime-time ice.

Private Schools – The new Newbridge Academy will be opening in the fall of 2017 near the new Dartmouth 4-Pad arena. The school has indicated an intention to book a significant amount of day time non-prime time hours as part of their school programming.

5.3 Overspecialization of Sport

While the overall usage of arenas is declining, there is still strong demand for ice time, in particular, prime time hours. The demand for ice time in indoor ice surfaces does not appear to be coming from the growth of minor sport but may be being impacted by the growing trend of overspecialization of sport. The overspecialization of sport in children is a growing trend across Canada and in a variety of sports. It is characterized by a high volume of practice time and a focus on performance at an early age.

The “Get More from Sport Campaign” has been developed by Hockey Nova Scotia, Soccer Nova Scotia, and Sport Nova Scotia to address negative aspects of this trend such as burn out, injury, and impacts to overall child development. The campaign notes the pressure often comes from some parents, peers, coaches, and businesses. Also, increased or additional practice time adds to the cost of participation. In the allocation of ice time and subsequent determination of arena inventory, overspecialization of sport can potentially increase the pressure for more ice time. This demand may be limiting new growth in recreational sport, and access for adult usage and public programming. Increased cost, focus on performance, time commitment, and injury may be playing a role in the lack of growth in some minor sports.

6.0 Equitable Distribution of Ice Time

The appropriate number of ice surfaces depends on the equitable and efficient management of ice time. Achieving balance and fairness is required to ensure access for a broad range of users and skill levels. Municipal ice surfaces are provided for a diversity of users. If balance is not achieved it may create a perception of a lack of service provision.

Most ice users want the same prime time-period within a 30-week season (Monday to Friday 4pm to 10pm and Saturday and Sunday 6am to 10pm, from September to March). The Community Access Plan (CAP) and Standards of Fair Play (Standards set by sport governing bodies) are intended to provide balance, fairness, and access including underserved groups during prime time.

The Standard of Fair Play sets the allocation of hours based on the age and skill level within a sport. HRM attempts to accommodate users toward reaching the standard of fair play while factoring in requests from emerging and underserved groups. It is on this basis that the CAP is based and attempts to achieve. The allocation of ice time requires a collaborative process to ensure that users are accommodated in a manner that meets this balance and fairness.

The CAP sets out the following ideal allocation:

- **Core Programs** i.e. minor sports - up to 55% for prime time

- **Adult Groups** - up to 30% for prime time
- **Public Programming** i.e. public skates, shinny, recreation programs - up to 15% prime time

However, despite the generally flat growth of minor sports, they are using significantly more prime time ice than what was set out in the CAP. Public programming and adult programming are using significantly less ice time than what was intended. Consequently, scheduling data indicates that the current ice allocation for prime-time use is:

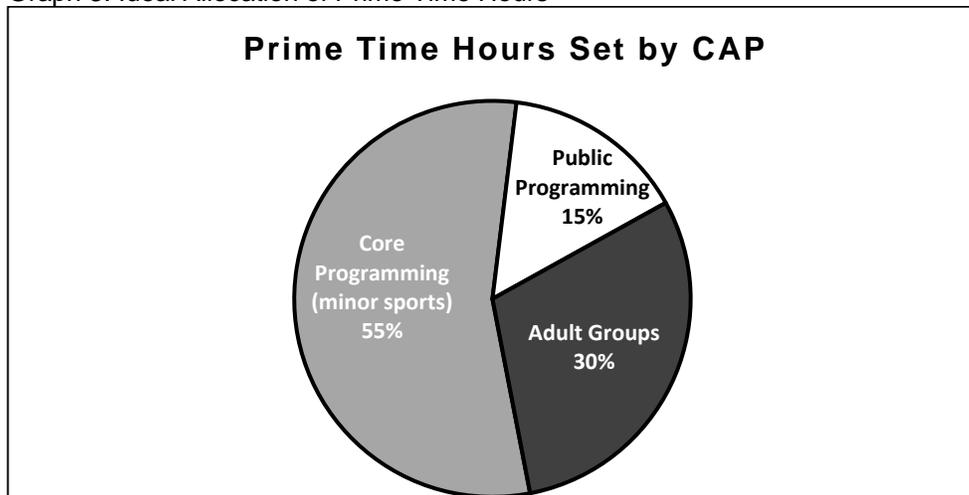
- **Core Programs** - In 2016, used 72% of prime time.
- **Adult Groups** - In 2016, used 14% of prime time.
- **Public Programming** In 2016, used 5% of prime time.

(Graphs 3 and 4)

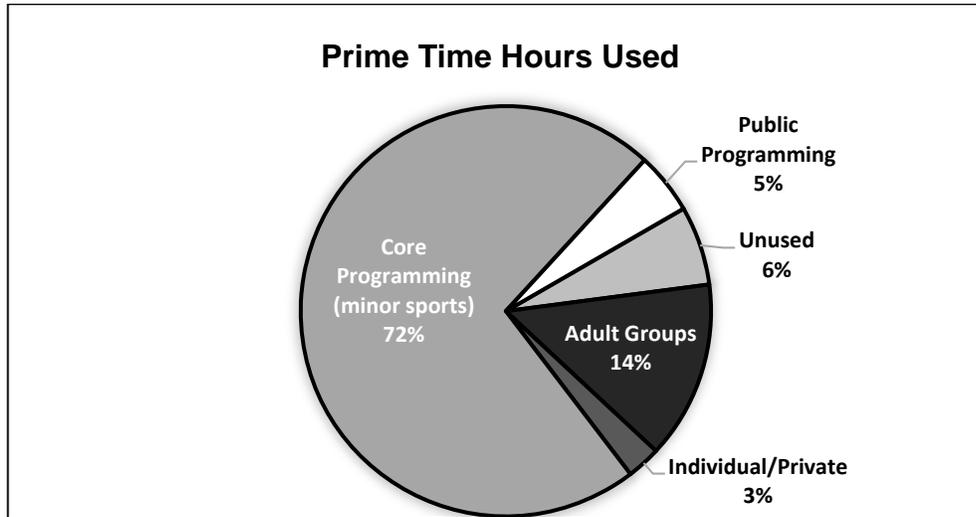
The impact of this imbalance is an unintended replacement of recreational ice usage by elite or specialization sport usage. HRM needs to correct the imbalance of usage to be more inline with the allocations outlined in the CAP which meet the Standards of Fair Play outlined by the governing sport bodies.

The imbalance will be addressed by taking steps to allocate prime-time in accordance with the CAP allocation with time allocated for adult programming and public programming during the in-season prime-time period. That will ensure that sufficient time is provided for recreational usage and that allocation for minor sports still meet Standard of Fair Play levels. Some level of overspecialization is still expected to occur as any unused allocated time will be made available for any group to book. However, the balance between recreational usage and sport development will improve. The implementation of a new centralized scheduling system will help improve the ability to monitor trends and their potential impacts on bookings, ice allocation, and the overall service provision.

Graph 3: Ideal Allocation of Prime Time Hours



Graph 4: Actual Allocation of Prime Time Hours



7.0 Required Number of Ice Surfaces

The 2012 Long Term Arena Strategy (LTAS) found that prime time ice usage declined from 100% in 2007 to 99% in 2011/12 within the 26 ice surfaces. The percentage of non-prime time use declined from 75% in 2007 to 60% in 2011. The LTAS noted that usage in arenas at the time was declining and the demographics were shifting toward an aging population. Thus, the LTAS did not recommend ice surfaces beyond 25.

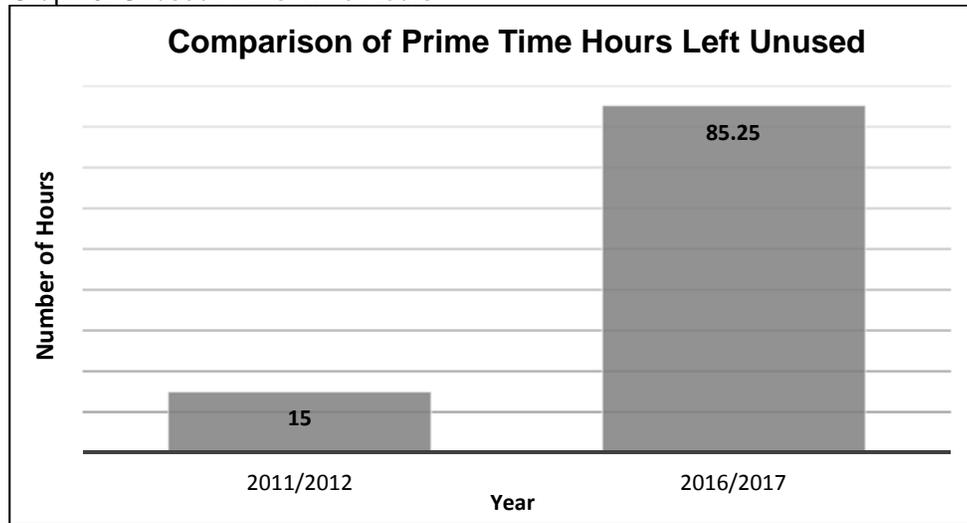
In August 2014, the Department of National Defence announced the closure of the Shannon Park arena reducing the number of ice surfaces to 24. This sudden closure had short-term impact and inconvenience on users who had to find alternate locations. HRM worked with affected groups to accommodate them in other facilities. The Shannon Park closure did not significantly increase usage at the Gray, Bowles, Devonshire, and Lebrun facilities (See below and Section 8.0).

On February 7, 2017, Regional Council approved the Community Facilities Master Plan (CFMP2). The CFMP2 further reviewed the required ice surfaces and indicated that there is no evidence to support the need for additional ice surfaces beyond the existing 24. It also recommended that HRM continue monitoring prime, non-prime and year-round ice usage.

7.1 Prime Time Usage

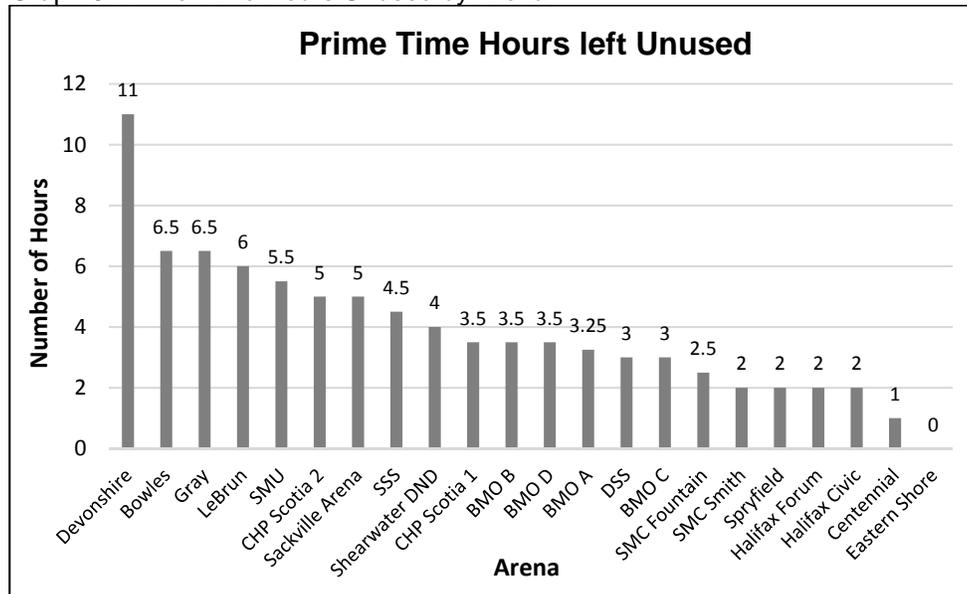
The definition of prime time as outlined in the CAP includes 4pm to 10pm Monday to Friday and 6am to 10pm Saturday and Sunday. A review of bookings in 2016/17 indicates that prime time usage was 94% with 6% remaining unused (85.25 hours per week) (Graph 5).

Graph 5: Unused Prime-Time Hours



During the in-season period there is little variation in the usage schedules. A sample was taken from 22 (out of 24) ice surfaces (Graph 6). Overall, most of the unused prime time hours tend to be early morning weekend hours with some unused prime time randomly throughout the week. Generally, the typical operating hours for in-season is 6am to 12am from Monday to Sunday. Some arenas modify these hours. For example, the Gray, Bowles, Devonshire, and Lebrun arenas have reduced their operating hours due to a lack of demand. This is included in the analysis as unused time because operating hours can be expanded based on demand.

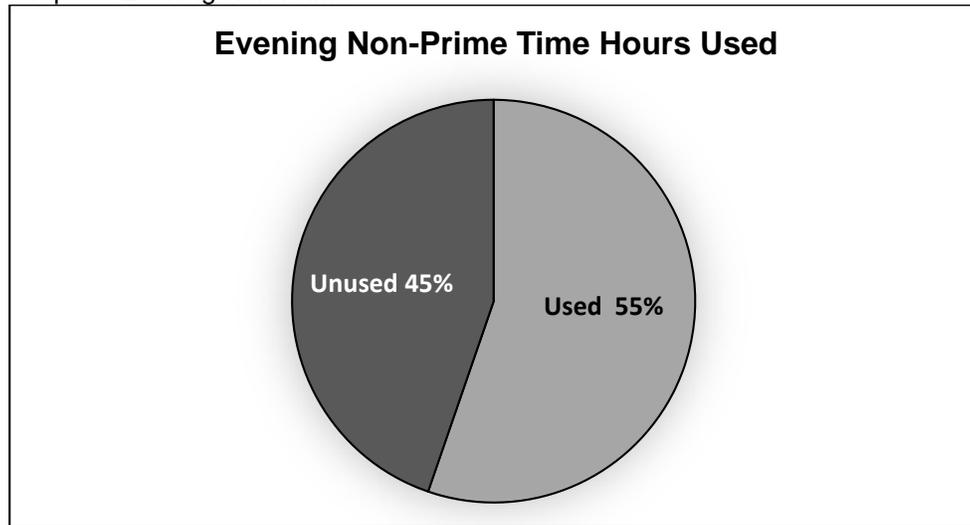
Graph 6: Prime-Time Hours Unused by Arena



7.2 Evening Non-Prime Time Usage

The evening non-prime time hours includes Monday to Sunday, 10pm to 12am. Of this time, 55% was used in 2016/17 which is down from 59% in 2011/12 (Graph 7).

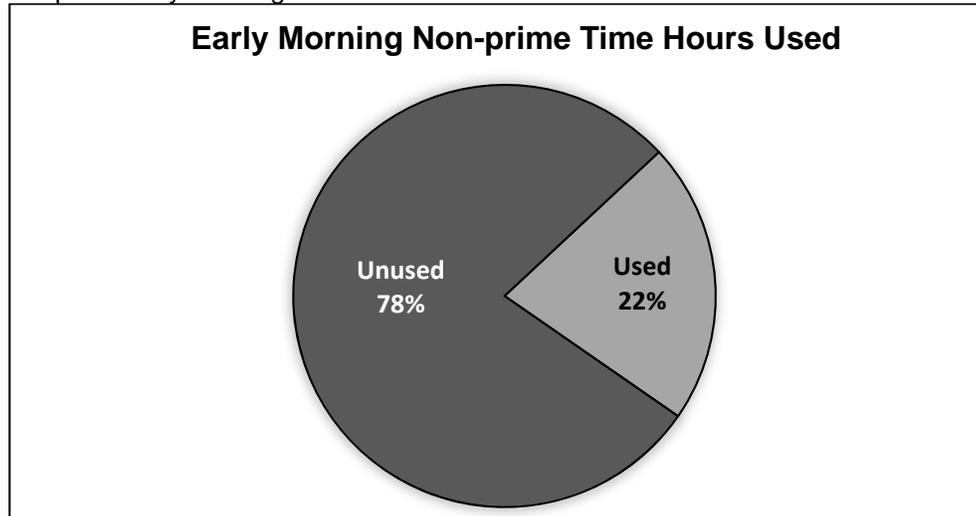
Graph 7: Evening Non-Prime



7.2 Early Morning Non-Prime Time Usage – In-Season

Early morning non-prime time includes 6am to 8am, Monday to Friday. Of this time, 22% was used in 2016/17 which is down from 39% in 2011/12 (Graph 8).

Graph 8: Early Morning Non-Prime

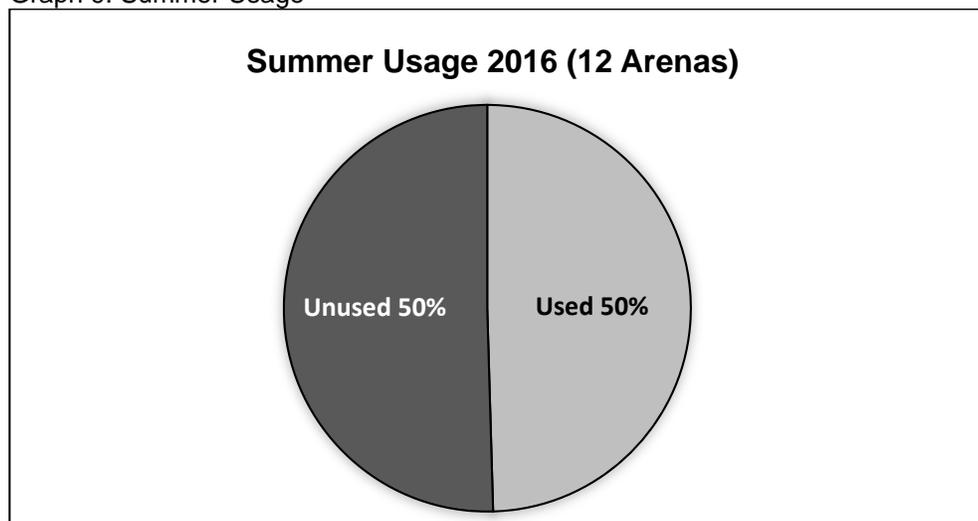


7.3 Off Season Usage

The spring ice season is mainly used for hockey so the demand for ice time during the spring is significantly reduced. Therefore, in the spring, some facilities remove the ice for dry floor activity (i.e. indoor box lacrosse and ball hockey).

In the summer of 2016, 12 out of 24 ice surfaces were in operation for ice use. Of the 12 in operation, 49.6% of the total available hours were used (Graph 9). The ice time during the daytime (Monday to Friday) was mainly used for summer camps.

Graph 9: Summer Usage



The reduced usage in the summer allows for required maintenance to be performed on the arenas. In addition, it is a more effective operation of the overall network as the costs to maintain ice in arenas far exceeds any revenue received from usage.

8.0 Gray, Bowles, Devonshire, and Lebrun Ice Surfaces

The LTAS recommended the consolidation of aging stand-alone arenas into new multi-pad facilities to improve service, efficiency, and financial sustainability. The Gray, Bowles, Devonshire, and Lebrun represent the 4 municipal stand-alone ice surfaces that were directed by Regional Council to be declared surplus upon completion of the new multi-pad.

There are several factors which outline that service delivery will be improved once these arenas are replaced by the new 4 pad arena, including:

- The average age of these four facilities is 44 years;
- They have reduced operating hours compared to other arenas;
- They have the most unused prime time ice;
- There is no ice available in these facilities for 5 months of the year; and
- They have combined deferred maintenance of 3.8 million dollars.

Deferred maintenance increases the risk of unexpected service disruptions impacting access for users. As the facilities continue to age, the risk for unexpected closures increases.

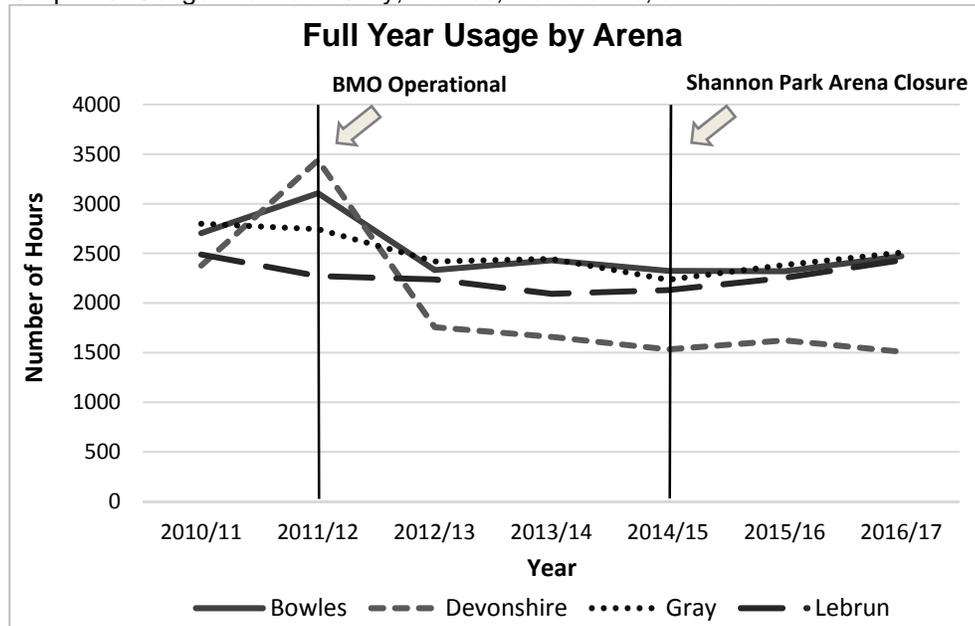
The reduced operating hours in these four facilities means that there will be more capacity available in the new 4-pad arena in Dartmouth due to its increased and consistent operating hours. In addition, these facilities were not originally designed to meet current user expectations or standards such as additional dressing rooms for a greater inclusion of varied gender participation.

8.1 Full Year Usage – Gray, Bowles, Devonshire, and Lebrun

Usage of the Gray, Bowles, Devonshire, and Lebrun declined in 2011/12 after the BMO 4-Pad was in full operation (Graph 10). The closure of Shannon Park arena occurred in 2014/15 but

did not significantly impact usage of these facilities from 2012/13 to 2016/17. The total number of hours used in 2016/17 (full year including ice and dry floor) was 8,922 hours.

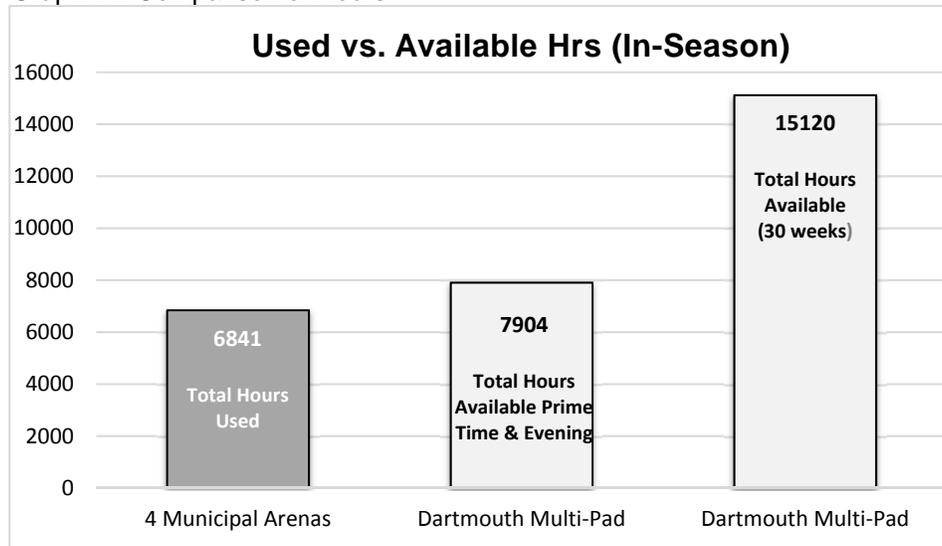
Graph 10: Usage Trends of Gray, Bowles, Devonshire, and LeBrun



8.2 In-Season Usage Comparison

There was a total of 6,841 in-season hours (30-week period) used at the 4 stand-alone arenas. By comparison, the new Dartmouth multi-pad will have 7,904 prime time and evening hours available and 15,120 total hours (prime and non-prime). This increased availability is due to the consistent hours and extended number of weeks that the new multi-pad will be operational (Graph 11).

Graph 11: Comparison of Hours



8.3 Dry Floor

Dry floor activity such as lacrosse and ball hockey is an important part of off-season arena usage which are accommodated in a variety of arenas throughout HRM. Lacrosse used 858 hours and ball hockey used 247 hours at the Gray, Bowles, Devonshire, and Lebrun arenas. With the closure of the 4 stand-alone arenas, these activities can be accommodated in arenas where ice is removed. Either multi-pad can accommodate most of these hours by removing 2 ice surfaces for dry floor activity over an 8-week period. This would allow for 992 prime time hours for dry floor activity. Additional time can also be absorbed through other facilities.

9.0 Key Findings

1. Based on the analysis, the overall usage of ice surfaces for the in-season prime time-period is 94% with 6% (85.25 hours per week) unused. Non-prime time usage continues to decline.
2. When combining all the participation numbers of the three largest minor sport groups (for ice usage), registration has been generally flat when compared to 2011/12. Notwithstanding, female minor hockey has been growing and the establishment of a new female hockey association may facilitate further growth in the future.
3. Despite flat growth, minor sports are using significantly more prime time and adult groups and public programming using significantly less creating an imbalance in prime-time ice allocation.
4. The implementation of a new centralized scheduling system will help improve the ability to monitor new trends and their potential impacts on bookings, ice allocation, and the overall service provision.
5. Ice capacity will expand with the addition of the new multi-pad due to the increased and more consistent operating hours when compared to the Gray, Bowles, Devonshire, and Lebrun arenas. The Gray, Bowles, Devonshire, and Lebrun arenas have the greatest amount of unused in-season prime time in comparison to other ice surfaces.
6. Lacrosse and ball hockey are impacted by any potential closure of the Gray, Bowles, Devonshire, and Lebrun arenas for dry floor usage but can be accommodated in other facilities.

10.0 Summary

Evidence in this review indicates the 24 ice surfaces are well used for the in-season prime-time period (94% in 2016/17) and are generally meeting current needs. Prime-time access continues to drive the arena inventory. However, prime-time usage is starting to decline and non-prime time usage is limited, resulting in additional capacity in the overall inventory. There is limited growth in sport registrations however, overspecialization in sport impacts the overall demand.

An unexpected closure or service disruption during the in-season period could impact service delivery. Therefore, a transition year is recommended while work on the Cole Harbour Scotia arena is completed and to assist users in the relocation from the existing arenas and opening of the new Dartmouth 4-Pad.



March, 2013

Halifax Forum Redevelopment

Submitted to:

Halifax Regional Municipality
Regional Recreation and Culture

Submitted by:

Halifax Forum Community Association
George Findlay, HFCA Chairman
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February 28, 2013
Halifax Regional Municipality
Regional Recreation & Culture
PO Box 1749
Halifax, NS B3J 3A5

Attention: Ms. Denise Schofield, P. Eng.

Dear Ms. Schofield,

Attached is an initial proposal which outlines a vision for a development plan for the Halifax Forum Complex in relation to the Long Term Arena Strategy (LTAS) and in particular to the Peninsula Consolidation Recommendations as outlined in the report.

In our presentation, the Halifax Forum Community Association is submitting what we believe, is a comprehensive and attractive strategy to add an additional arena, housing a regulation ice pad and also offering many additional improvements that will make HRM and its citizens very proud. Also this plan will extend the life of this historic venue for many years to come.

Cost estimates from the LTAS for the original recommendations were \$45 million dollars, however, it should be noted the initial estimated cost of our proposal will be \$38 million dollars.

It should be pointed out that the Halifax Forum Community Association, the former Halifax Forum Commission have an impressive track record in developing additional facilities to the Forum (Multi-Purpose Centre 1988, Civic Centre 1995 and the Bingo Centre and Maritime Hall in 2003). The foregoing improvements came about as a result of energy, desire, knowledge and the drive to get things done and we are proud of these accomplishments. We are 100% dedicated to seeing our new plans approved and developed and look forward to working with you, your staff and members of HRM Council, in order that we can proceed together to make the vision become a reality.

Yours very truly,

Original Signed

G.C. Findlay, Chairman
Halifax Forum Community Association



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Halifax Forum Site Redevelopment

40 years ago the various municipalities that now make up HRM enjoyed a construction boom of arenas that celebrated the Centennial years. While these arenas were well used, they were essentially one dimensional focusing on a specific user and a specific activity. The HFCA recognizes the current industry standard of Multi-Use Arena Facilities and have invested a great deal of time to propose a site development plan which recapitalizes HRM assets, adds another arena to inventory, provides new multi-use space for the citizens while meeting all the development standards published in the long term arena strategy.

The following items presented by the HFCA to HRM Regional Recreation and Culture will feature the benefits of redeveloping the Halifax Forum site.

Vision

Regardless if we are referencing the Indoor Recreation Facility Master Plan (2004), the Community Facility Master Plan (2008) or the Long Term Arena Strategy (2012), there are several core principles which can be found in various forms in each of the HRM facility related plans developed over the past eight years.

Any new or existing facility expansion should:

- not be undertaken in competition with existing facilities or services
- be located on highly visible sites that maximize access and be situated on mass transportation routes
- be developed in conjunction with existing facilities in order to maximize both the convenience / enjoyment of citizens and economies of scale in terms of operations
- have significant existing or future population with appropriate demographics to support the proposed facility additions / changes

Additionally, when establishing the vision for the Halifax Forum Site Redevelopment proposal the HFCA has added to these core principles listed above by also including the following:

The Halifax Forum Site Redevelopment must:

- ensure we are offering a multi-use complex utilizing our central location in a hub concept
- elevate existing citizen pride of an HRM landmark property
- revenue neutral facility able to take advantage of expanded cross functional programming and the operational efficiencies that exist in a hub facility
- ability to “turn key” an additional HRM arena at no disruption to current ice programming
- improved pedestrian and traffic flow and a feature of noise dampening
- ensure building synergy and flow to improve the guest experience and offer %100 accessibility

Facility Development Standards - our proposal addresses each of the development standards of the LTAS Section 3.1:

- Hub concept facility operating efficiently
- 100% accessible
- 2 NHL sizes areas, plus the Forum increases tournament hosting opportunities
- Common area where spectators can view 3 arenas
- Multi-purpose room or hosting room for tournaments
- Adequate seating in all arenas for ice sport and other events.
- Dressing room sizes of 325 square feet and mixed gender accommodations
- Participants to enjoy water filling stations and adjustable water temperature showers
- Dry land warm up space to improve the participant experience and improve public safety
- LEED Silver goal to improve entire building efficiency
- A sustainable facility maximizing revenue through effective programming and efficiencies

Added Benefits - additionally our proposal has the added benefits of:

- Expanded programming for ice sport and dry land, public and community events
- Existing on-line reservation system would include new arena and community rooms
- Forum positioned properly for the ever increasing neighboring high density housing
- More community engagement with community rooms , improved common areas and a spectator guest centre
- Citizen inclusion, 100% accessibility, building synergy to improve the guest experience
- Ability to “turn key” an additional HRM arena at no disruption to current ice programming
- Experienced management and board who consistently meet HRM’s reporting requirements

Long Term Arena Study - our proposal addresses each of the risk concerns outlined the LTAS:

- All necessary new and improved ice making equipment are included with this proposal
- Exterior of the Forum repaired to LEED Silver standard addressing efficiency and safety issues
- North End parking lot to be graded to improve traffic flow and pedestrian safety
- Box section of the Forum now enclosed and heated
- Forum sound system installed 2012, arena heat installed 2011
- This proposal to produce 2 NHL recognized fields of play
- Forum complex to be 100% accessible

Timeline - our projected total completion time for all aspects of this proposal is estimated at 24 months. The components of the new project breaks down as follows:

- | | |
|------------------------------------|------------|
| • Multi-Purpose Centre Demo | 1.5 months |
| • New Rink/Foyer/Atrium/Mechanical | 12 months |
| • Civic Centre to NHL Size | 2 months |
| • Central Community Link | 11 months |
| • Forum Renovations | 12 months |

Cost - the cost of the total project (inclusive of insurance, design fees, permits and general conditions is estimated at \$38,724,700.

Halifax Forum Redevelopment

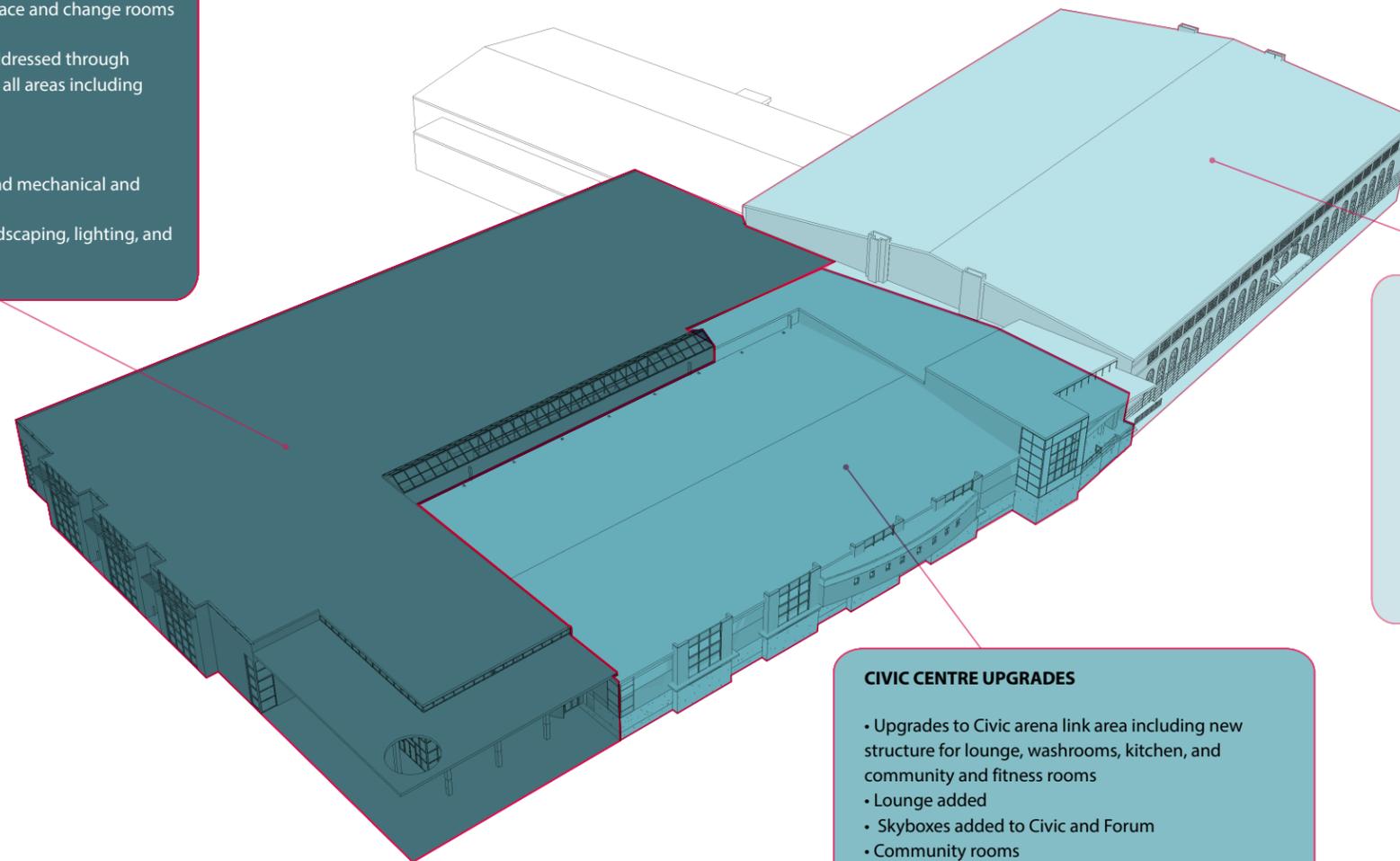
Project Intent

The purpose of the overall project is to achieve several goals:

- Emphasize the historic aesthetic of the Forum building by revitalizing and restoring key architectural features of the original design
- Take a cohesive approach with the overall complex upgrades to ensure that modern structures visually pick up on the historic design cues on site
- Add a new regulation NHL sized ice rink
- Increase the Civic Centre ice surface to a regulation NHL size
- Add new sky boxes for the Civic Centre and Forum rinks
- Create a series of new concessions and lounge space
- Create a variety of community use multi-purpose rooms adjacent to the rinks
- Create a new glass atrium entrance foyer that links to existing Civic Centre and new rink
- Install new elevators and stairways to improve barrier-free access and improve circulation flow
- Standardize floor levels to increase barrier-free access around the complex
- Update the Almon and Windsor Street facades.
- A parking garage is a possible option for additional site parking
- The landscape (hardscape and softscape) will be adjusted to improve vehicle and pedestrian movement on site as well as address associated risks with current site
- Life Safety issues will be addressed throughout project development
- LEED Silver certification will be targeted for the project

NEW CIVIC CENTRE ARENA

- New NHL-size ice surface and change rooms
- New foyer entrance
- Accessibility issues addressed through elevators and ramps in all areas including Forum and Civic
- Retail/food services
- Community rooms
- New physical plant and mechanical and electrical upgrades
- New parking lots, landscaping, lighting, and sitework



FORUM

- General improvements to exterior envelope, including new windows, roofing and drainage details, insulation, and repointing brick
- Upgrades to both Windsor and Almon St. entrances, including canopies, doors, and hardware
- Interior upgrades to change rooms, concessions, and public areas
- Upper-level walking track

CIVIC CENTRE UPGRADES

- Upgrades to Civic arena link area including new structure for lounge, washrooms, kitchen, and community and fitness rooms
- Lounge added
- Skyboxes added to Civic and Forum
- Community rooms
- Barrier free upgrades including elevator and stairway
- Upgrades to Windsor St. façade
- Increase ice surface to NHL standards

Halifax Forum Redevelopment



AERIAL VIEW ACROSS RENOVATED FORUM

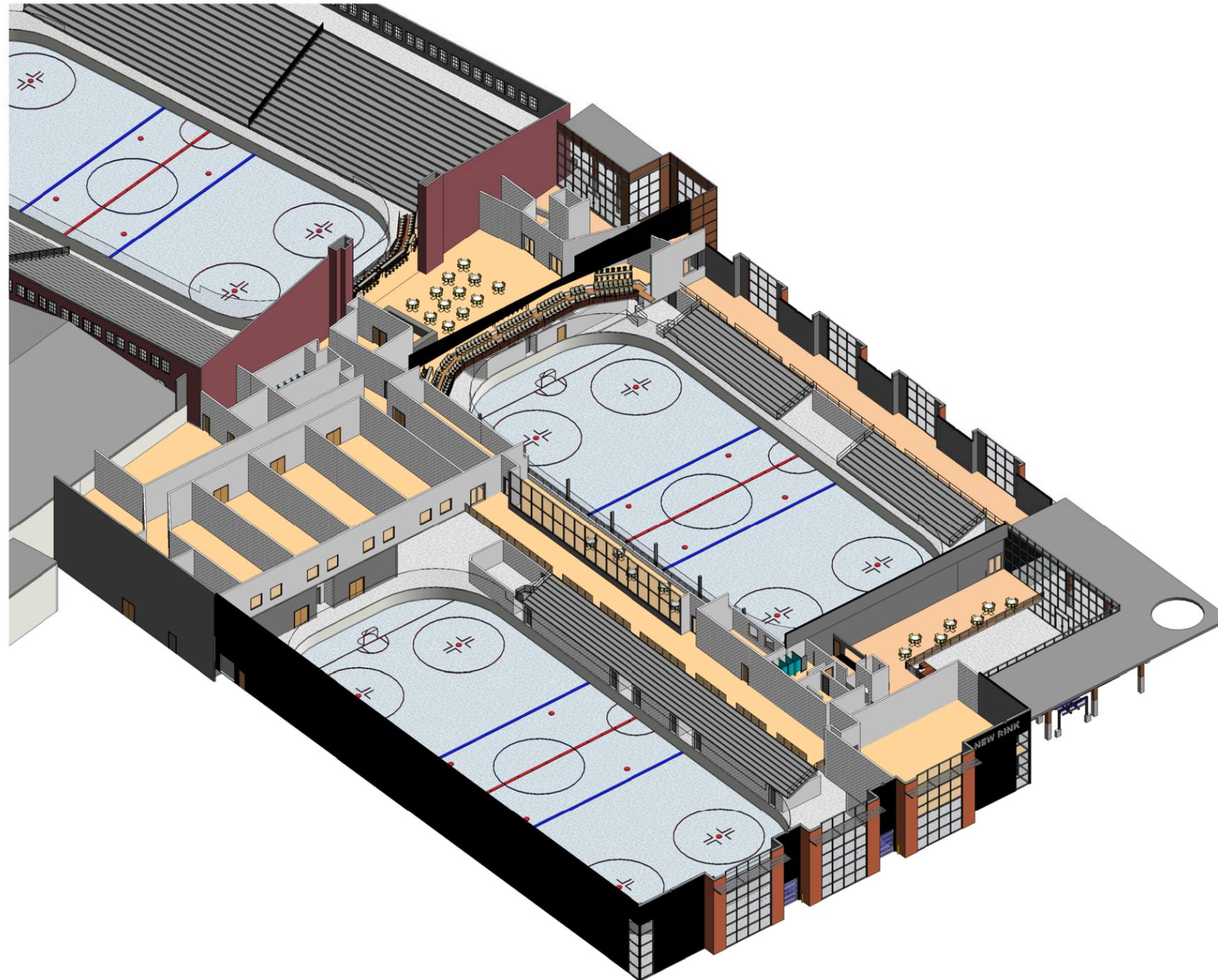


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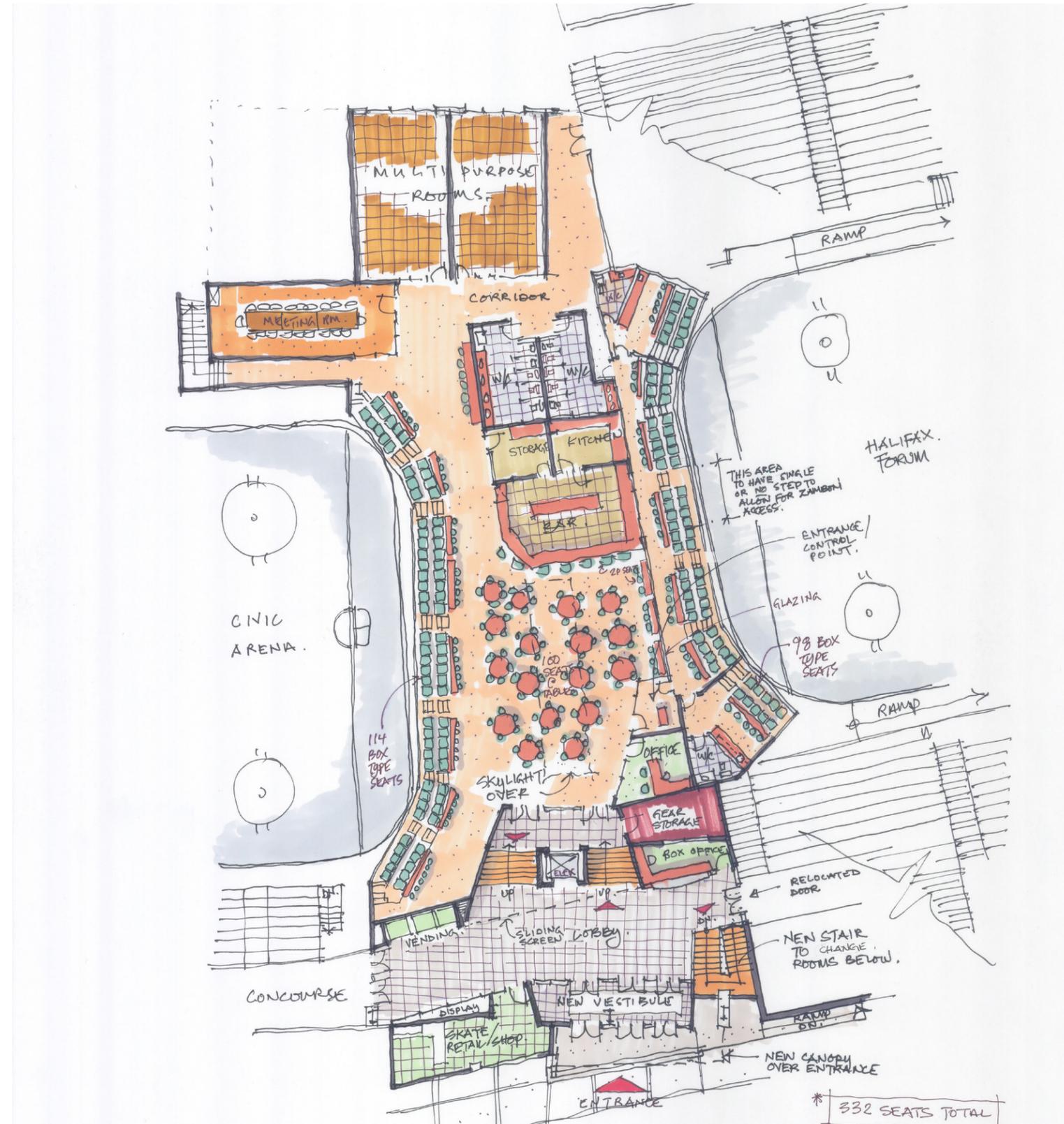


AERIAL VIEW ACROSS NEW CIVIC CENTRE LANDSCAPE





Halifax Forum Redevelopment



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CENTRAL COMMUNITY LINK



NEW CIVIC CENTRE MAIN ENTRANCE





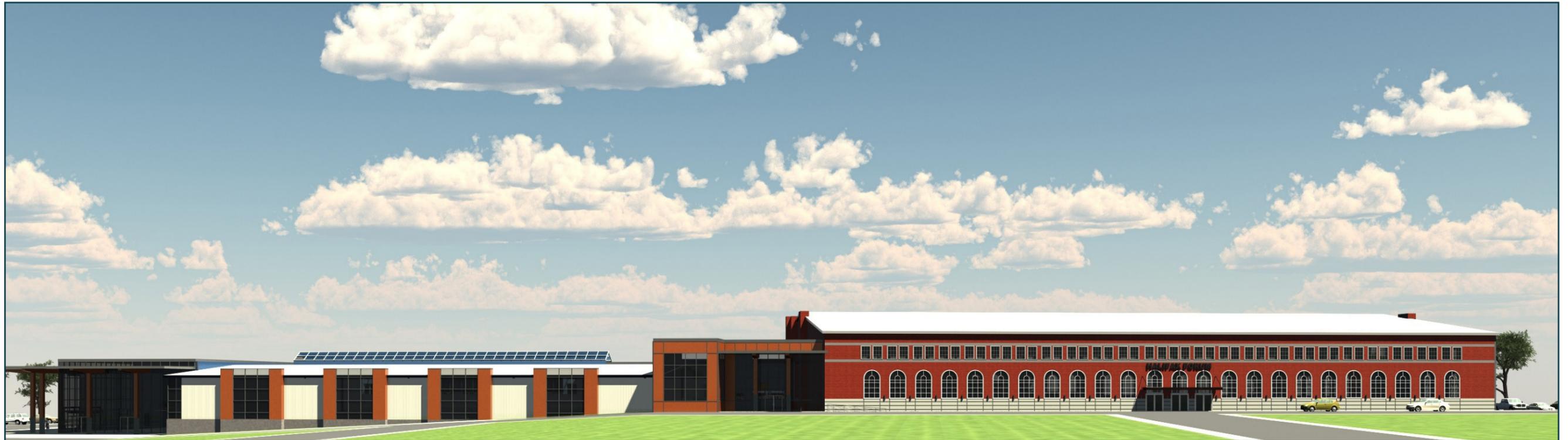
FORUM MAIN ENTRANCE



FORUM SOUTH - WINDSOR STREET



FORUM NORTH



NEW CIVIC CENTRE AND FORUM - WINDSOR STREET

History of The Halifax Forum

Built in 1926, the Halifax Forum is a significant piece of our city's sports and recreational heritage and will serve as the cornerstone of the proposed redevelopment; restoring it as the city's foremost recreational facility combining event space, multiple ice pads, bingo, health and wellness, with a rejuvenated site.

The architect, Andrew Cobb (1876-1943), designed the large brick building using Georgian inspired styling. Cobb studied at Acadia University, the School of Architecture at the Massachusetts Institute of Technology, and in France at Ecole des Beaux Art. He was a prolific designer of churches, university buildings, hospitals, and industrial buildings throughout Nova Scotia. His notable Halifax projects include:

Neptune Theatre	(1915)
Roy Building	(1915)
Provincial Archives Building	(1929)
Bank of Nova Scotia	(1930-31)
Provincial Building	(1935)
<u>Dalhousie University</u>	
Science Building	(1913-15)
Shirreff Hall Dormitory	(1920)
Arts Building	(1921-22)
Medical Science Laboratory	(1921-22)
Public Health Centre	(1922-24)
<u>King's College</u>	
Main building and Chapel	(1928)
Dormitory	(1931)



For several decades the Forum was a popular venue for sports, recreation, commerce, and entertainment. Prize fighters, horse racing, stars of skating and hockey, famous music acts, and countless other events and visits by historical figures have occurred at this facility.

Through the late 70's and 80's, many large acts and the professional franchise were lost to the newly established Halifax Metro Centre. In a battle for survival, Forum management moved their focus to hosting smaller community service events.



The original property was redeveloped and the Multi-Purpose Centre was added in 1988, the Annex Arena was replaced by the Civic Centre in 1995 and Maritime Hall & Bingo Gaming Centre replaced the old Annex building. The current Forum is a multi-functional facility, capable of operating with little to no subsidy from HRM and the community.



Elements of the original Forum design include low-pitch roof, central doors on each wall, balanced proportion, white granite perimeter string course, wood, brick and concrete construction, and fanlight and arched windows. The building has sustained significant additions and alterations since its 1920's construction, leaving some windows bricked over, and the overall character of the structure diminished.

Halifax Forum



The Forum building has a 16,000 ft² arena floor, and 5,500 ft² of concourse area. Seating capacity is 4,610 with 1,250 additional seats during non-ice events. Recently renovated aspects include 8 dressing rooms, new ice deck, HVAC, security, concourse flooring, and a new stage.

Civic Centre



This multi-purpose building has a 16,000 ft² arena floor plus 1,000 ft² of concourse area. Seating capacity is 850 with 1,250 additional seats during non-ice events. Other spaces include 6 dressing rooms, meeting rooms, and connection to the Forum and Multi-Purpose Centre buildings.

Multi-Purpose Centre



Various floor arrangements can be achieved in this 1,800 ft² of flexible space. A built-in bar and canteen support year-round events such as banquets, dances, and trade shows.

Maritime Hall & Bingo Gaming Centre



Maritime Hall is a 4,500 ft² space often used for conferences, receptions, retail sales, and exhibitions. The Bingo Gaming Centre is a 18,000 ft² modern gaming centre typically set with tables and seating for 500 to host bingo games. If used for large-group meetings, the stage, 2 projectors and 10' screens are available.







HALIFAX FORUM EXTERNAL REVIEW OF BUSINESS CASE AND PROJECTIONS

May 2017

Executive Summary

1.0 Introduction

Stantec completed the External Review of the Business Case and Projections for the Halifax Forum to provide a complete a due diligence review of business planning, preliminary design, and estimated capital costs of the proposed Halifax Forum Refurbishment and Expansion program.

2.0 Current Status

The Halifax Forum was built in 1926. Over the years, it has shared its property with other structures: first, buildings associated with the Provincial Exhibition and, later, appended directly to the Forum itself as components of what was for a time the primary entertainment and recreation venue in Halifax. The Forum Complex now consists of the original Forum building and three more recently built structures attached directly or indirectly to it. HRM owns the facility but it is operated by the Halifax Forum Community Association (HFCA).

HFCA Board members indicated in their group interview with the consultants that the Forum Complex is doing well. In addition to hockey and skating, the facility accommodates a variety of community as well as recreational events. In addition to Bingo, the Forum now hosts a Farmers Market every Saturday that attracts more than 50 vendors, flea markets, and special commercial events selling items from sporting goods to automobiles, as well as hosting dances and weddings. Other recreational uses include summer uses of the concrete surface under the ice, most notably box lacrosse; training activities related to ice sports; and yoga. HFCA representatives suggested that they do six or seven separate events every weekend. The Forum has generated a surplus in eight of the past ten years.

3.0 Building Renovation

The Long Term Arena Strategy prepared in 2013 assessed potential multi-pad sites on the Halifax Peninsula based on their ability to accommodate the BMO Centre prototype among other considerations. Multi-pad arena facilities like the BMO Centre in Hammonds Plains provide economies of scale for administration; lockers and changing rooms; ancillary services (e.g., canteen and retail operations); heating, cooling, and lighting; and parking. To maximize these benefits, facilities need to be carefully designed to allow joint access to shared components, a major virtue of the BMO Centre design and of several other recently constructed HRM recreation facilities.

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The Forum Community Association has proposed the development of three ice surfaces on the Forum property. Their proposal will retain both the Forum and the Civic Centre as arenas. The plan will enlarge both ice surfaces to the 200' by 85' NHL standard to which HRM adheres. A third NHL-standard ice surface will be added at the north end of the property where it will replace the current multi-purpose centre. The plan calls for retention of the Maritime Hall and Bingo Centre in their current location.

The proposed redevelopment will include substantial upgrading of the Forum exterior largely through restoration of the fenestration that characterized the original design. It will also involve an overhaul of the Civic Centre façade on Windsor Street, which will include the incorporation of a “glass atrium entrance foyer” to provide a common access to the Civic Centre and the new arena that will replace the Multi-purpose Centre.

While the proposed redevelopment will leave three of the four structures comprising the Forum largely intact, it will significantly upgrade the appearance of the property and add to its utility. It will also restore an important heritage structure that the community values highly. It will not however allow more than partial implementation of the BMO model for access and operation discussed above.

4.0 Project Development

The HFCA proposal does not fully detail some aspects of the proposed redevelopment. Most notably, it is not clear how interior planning will deal with the considerable ramifications of restoring the arched windows of the Forum building. With this qualification, Stantec’s evaluation of costing prepared by Bird Construction on behalf of the HFCA largely confirms their overall estimate. While Stantec estimates a higher total cost, our variance from the Bird estimate is just 2.8%.

Stantec recommends beginning redevelopment with construction of the new ice surface on the site of the current Multi-purpose Centre. With the third ice surface in place, it should be feasible to provide two ice surfaces continuously throughout the construction process. The most critical conflict between construction requirements and ongoing operations of the Forum Complex appears likely to occur when the Forum itself is renovated and office uses on the east side of the Forum building will be displaced. We recommend holding the renovation of the Maritime Hall until the last phase of the redevelopment project so that the Hall can temporarily accommodate office uses while the current office areas are reconstructed. The lack of detail concerning the approach to redeveloping the office space adds to uncertainty concerning this provision.

5.0 Financial Assessment

To assess the financial situation of the Halifax Forum Complex, the consultants reviewed all information provided and reconciled all reports with the audited statements and other internal reports, which were also reconciled. Ten-year reports were prepared for the Statement of Operations and Accumulated Surplus (Deficit) at March 31 to analyze patterns over the period from 2007 to 2016.

HALIFAX FORUM EXTERNAL REVIEW OF BUSINESS CASE AND PROJECTIONS

May 2017

Overall, the HFCA projection of operations appears reasonably balanced. Eventual financial results should be consistent should redevelopment of the Forum Complex proceed. Our analysis indicates that bingo operations are critical if the facility is to continue to generate a surplus as it has in recent years. New and augmented revenues expected from expansion and improvement of the complex are not sufficient to offset the loss of bingo revenues. Stable future revenues will also be required. A 20% reduction in revenue will move operations from a surplus to deficit operation, even with bingo as a component of the facility.

6.0 Summary and Conclusions

The proposed redevelopment of the Halifax Forum Complex will restore a Halifax landmark while augmenting recreation opportunities on the Halifax Peninsula. Our review of capital and operating cost estimates submitted by the HFCA has found them to be realistic. Our adjustments are within a reasonable margin of error, and while they increase the capital cost and reduce the anticipated surplus relative to the Association's calculations, the differences are not sufficient to jeopardize the viability of the redevelopment as proposed.