
Arena Partnership – Terms of the Contribution Agreement for Capital Funding Toward the University of Saskatchewan’s Proposed Twin Pad Ice Facility

Recommendation

That the Standing Policy Committee on Planning, Development and Community Services recommend to City Council:

1. That the proposed terms of the Contribution Agreement, for the \$1.0 million capital contribution to a twin pad ice facility on the University of Saskatchewan property, be approved as outlined in this report;
2. That the City Solicitor be requested to prepare the Contribution Agreement, based on the approved terms of the agreement; and
3. That His Worship the Mayor and the City Clerk be authorized to execute the agreement under the Corporate Seal.

Topic and Purpose

This report is to provide an overview of the proposed terms of the Contribution Agreement with the University of Saskatchewan for the \$1.0 million in capital funding for a proposed twin pad ice facility. The terms and spirit of intent of a Contribution Agreement with the University of Saskatchewan is to ensure ongoing community access to the new twin pad ice facility.

Report Highlights

1. The proposed terms and conditions of the Contribution Agreement with the University of Saskatchewan are centered on ongoing community access, community engagement in the early stages of planning and scheduling, and a requirement for annual reporting back on community usage statistics.

Strategic Goal

Under the Strategic Goal of Quality of Life, the recommendations of this report support the long-term strategies of supporting community-building through direct investment and ensuring existing and future leisure centres and other recreational facilities are accessible, physically and financially, and meet community needs.

Background

During its April 25, 2016 meeting, City Council resolved:

- “1. That the Administration be authorized to negotiate a contribution agreement wherein the City of Saskatoon would provide a \$1.0 million capital contribution to a twin pad ice facility on the University of Saskatchewan property, based on the contribution agreement recognizing ongoing community access to the facility; and

2. That upon conclusion of the negotiations, the Administration bring forward the proposed agreement for the Committee’s consideration.”

Report

Proposed Terms of the Contribution Agreement

In developing the terms and conditions of the Contribution Agreement, consideration has been given to including specific service outcomes identified in the Recreation and Parks Master Plan.

The key terms and conditions, and the spirit of intent for the Contribution Agreement, are intended to ensure ongoing community access to the twin pad ice facility. The following is a summary of the proposed Contribution Agreement for the \$1.0 million capital contribution to the University of Saskatchewan (University) for the twin pad ice facility. The Contribution Agreement is to be entered into by the City of Saskatoon (City) and the University. The City acknowledges the University intends to engage an experienced and respected national ice rink operator to operate and maintain the facility. The Contribution Agreement will be substantially in compliance with the terms outlined below:

- a. The City is to provide a one-time capital contribution in the amount of \$1.0 million towards the overall facility capital cost;
- b. The University agrees to assume all ongoing maintenance, operating, and lifecycle costs of the twin pad ice facility;
- c. The University, through the facility operator, will ensure the facility design and scheduling is planned considering the needs of the various community-based ice user groups. The University will also make the facility design and project timelines available to share with the community as the project progresses;
- d. The University, through the facility operator, and as part of the business model, has a goal to ensure that use of the twin pad ice facility will provide for:
 - i) ice sport activities for minor sports groups and community groups;
 - ii) drop-in ice activities;
 - iii) interactive public skating;
 - iv) dryland sports, such as indoor lacrosse and ball hockey in the off seasons; and
 - v) community-based rental activities throughout the year;
- e. The University, based on discussions with Saskatoon Minor Hockey related to the design and use of the facility, intends to formalize arrangements for the use of the twin pad ice facility through a formal contract.

Arena Partnership – Terms of the Contribution Agreement for Capital Funding Toward the University of Saskatchewan’s Proposed Twin Pad Ice Facility

- f. The University will provide access to community ice user groups to rent space for tournaments and special events;
- g. The University, through the facility operator, will work to optimize the use of the facility through scheduling of activities in such a way as to maximize opportunities for the university and the community;
- h. The University will ensure the facility operator establishes the ice rental rates to be comparable to the Saskatoon market rate for ice rentals; and
- i. The University, for the first five years of operation, will provide to the City on an annual basis, a summary report on the usage statistics, with highlights on the usage by community-based organizations. In the event community usage does not meet the spirit and intent of community access envisioned by this agreement, representatives from the City and the University would collaborate to improve usage in these areas.

Options to the Recommendation

As an alternative, City Council may choose to:

- a) not approve the terms of the agreement as outlined in the report; or
- b) provide further direction to the Administration on possible additions to the terms of the Contribution Agreement.

Public and/or Stakeholder Involvement

After receiving City Council approval on April 25, 2016, to proceed with negotiations, the Administration met with representatives of the University to formalize the proposed terms of the Contribution Agreement, with a focus on ensuring ongoing community access to the new facility.

Financial Implications

There are no new immediate financial implications of the recommendation as \$1.0 million was approved as part of the 2016 Capital Budget under Capital Project No. 1665 - Arena Partnerships. This would be considered a one-time capital contribution. The ongoing operating costs will be covered by the owner or operator of the facility. There will be no ongoing operating impact to the City.

Once the arena is in operation, the Administration will see a future impact to the Youth Sports Subsidy Program. This is a direct result of the youth ice user groups continuing to grow and require more ice rental time. The City provides a 40% subsidy on all eligible rental costs for youth sport organizations. Those impacts will be reported out annually as part of the overall Youth Sports Subsidy operating budget.

Other Considerations/Implications

There are no policy, environmental, privacy, or CPTED implications or considerations; a communication plan is not required at this time as the University will be launching the project in the community in the coming months.

Arena Partnership – Terms of the Contribution Agreement for Capital Funding Toward the University of Saskatchewan’s Proposed Twin Pad Ice Facility

Due Date for Follow-up and/or Project Completion

Pending City Council authorization, the Administration, along with the City Solicitor, would undertake to meet with representatives of the University to formalize and execute the Contribution Agreement.

Public Notice

Public notice, pursuant to Section 3 of Public Notice Policy No. C01-021, is not required.

Report Approval

Written and

Reviewed by: Lynne Lacroix, Director of Recreation and Community Development

Approved by: Randy Grauer, General Manager, Community Services Department

S/Reports/2016/RCD/PDCS – Arena Partnership – Terms of the Contribution Agreement for Capital Funding Towards the U of S
Proposed Twin Pad Ice Facility/ks/kb

FINAL/APPROVED – R. Grauer – May 17, 2016