



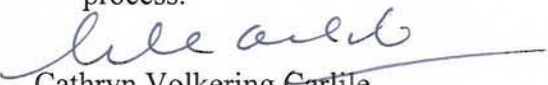
## City of Richmond

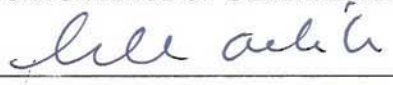
## Report to Committee

**To:** General Purposes Committee **Date:** October 23, 2009  
**From:** Cathryn Volkering Carlile **File:**  
General Manager - Community Services  
**Re:** **Richmond Olympic Oval - Conversion Project to Create The Community  
Legacy Model Oval**

### Staff Recommendation

1. That the revised scope of Community Legacy Conversion Project initiatives, as outlined in the report Richmond Olympic Oval Conversion Project to Create the Community Legacy Model Oval (Attachment 2), dated October 23, 2009 and funded within the \$16M conversion funding, be approved;
2. That the revised scope of Community Legacy Conversion Project initiatives items, as outlined in the report Richmond Olympic Oval Conversion Project to Create the Community Legacy Model Oval (Attachment 6), dated October 23, 2009 be funded through the following sources;
  - a) Richmond Olympic Oval project base budget; and then,
  - b) Up to \$1.7 M from the 2008 Operating Budget surplus (\$500,000) and 2008 Casino Fund surplus(\$1.2M) if and as needed; and,
3. That all remaining Community Legacy Project Initiatives be submitted to the Capital Works Committee as per the Operating Agreement, to be funded from the Oval's operating capital reserve or for future consideration for Council approval in the City's annual capital budget process.

  
Cathryn Volkering Carlile  
General Manager - Community Services  
(604-276-4068)  
Att. 6

FOR ORIGINATING DEPARTMENT USE ONLY			
<b>ROUTED TO:</b>	<b>CONCURRENCE</b>	<b>CONCURRENCE OF GENERAL MANAGER</b>	
Project Development & Facility Services.. Y <input checked="" type="checkbox"/> N <input type="checkbox"/>			
Budgets ..... Y <input checked="" type="checkbox"/> N <input type="checkbox"/>			
<b>REVIEWED BY TAG</b>	YES <input checked="" type="checkbox"/> NO <input type="checkbox"/>	<b>REVIEWED BY CAO</b>	YES <input checked="" type="checkbox"/> NO <input type="checkbox"/>

## **Staff Report**

### **Origin**

The Richmond Olympic Oval (“the Oval”) is the Long Track Speed Skating Venue for the 2010 Olympic and Paralympic Winter Games (“the Games”). The facility opened on time and within budget in Fall 2008, and is operational until VANOC takes responsibility for the venue as per the Venue Agreement effective December 1, 2009 until March 31, 2010. Following the use of the Richmond Olympic Oval by VANOC, the facility will be converted to a comprehensive community sport, wellness and event centre for use primarily by the local community, but it will also serve the region and the province, as well as nationally and internationally.

The following Council Term goal provides direction for the conversion:

*Advance the City’s destination status and ensure our continued development as a vibrant cultural city with well established festivals and the arts through the successful conversion of the Richmond Olympic Oval to post-Games use and maximize the use of the Oval with sport and special event programs.*

In addition, the approved agreement between the Oval and the City of Richmond specifies that:

*“The City agrees to reasonably consult with the Company (Oval) when developing the plans and specifications for post Games legacy configuration.”*

This report is based on the fact that the Richmond Olympic Oval Corporation has been consulted with and has been asked for its advice on the conversion project and have presented their advice to the City of Richmond on the conversion project.

This report will deal with: 1) the improvements required (including minor changes) to complete the remaining unfinished elements of the conversion project, previously approved by Council; and, 2) identify potential current and future conversion project elements that would develop the Richmond Olympic Oval to its optimum post Games Community Legacy state.

### **Analysis**

#### **Background**

In 2004, the City of Richmond was successful in its bid to construct the Speed Skating Venue for the 2010 Games. The intention as articulated in the Oval Vision and Mission from the beginning was to develop a community sport and wellness facility for community use that could accommodate the Olympic Games Long Track Speed Skating event for the duration of the 2010 Games. The facility was designed with this legacy (post-Games) program as the inspiration and priority for the design.

In 2004/5 the City engaged stakeholders, experts and interested citizens in a series of forums, group meetings and interviews to identify and prioritize functions and activities that should be included in the Richmond Olympic Oval’s design and program. The post-Games program

functions identified in this report are based on this initial feedback, pre-Games operating experience, review of trends, and an assessment of existing services and programs offered in the community and region. Through these consultations, it became clear that the Oval has the potential in its Post-Games Community Legacy mode to be developed even beyond the level of facility contemplated in the Conversion Project Plans. As a result, this Report will address both the base (approved) Conversion Project scope and a potentially expanded project scope that would produce an enhanced Post-Games Community Legacy Model Oval.

In April 2005, Council was presented with three options for consideration:

- Option 1      A totally dedicated Sport and Wellness model with capacity for long track speed skating events
- Option 2      Sport and Wellness including long track capability with supporting trade and exhibition events
- Option 3      Trade and Exhibition use

Council adopted Option 2, Sport and Wellness option with supporting Trade and Exhibition events for the Richmond Olympic Oval. Once the facility was converted to its legacy uses, it was envisioned that the capability would remain to reinstate the long track surface in order to host long track speed skating events in the future. This direction led to the design and construction of the Richmond Olympic Oval. Option 2 is outlined in **Attachment 1**.

The vision for the Oval was to create a unique destination that serves as a dynamic international gathering place and an outstanding centre of excellence for sports and wellness in the heart of an exciting urban waterfront, with a goal to create a place for local residents and athletes to be the best they can be through:

- Inspiration, motivation and achievement.
- Access for all ages and abilities.
- Sport and physical activity for life celebrating healthy active living.
- Community gathering and celebrations.

### ***Initial Facility Construction and Development***

During the construction phase, the City reviewed which aspects of the facility would be completed as a part of the initial Oval construction, and reviewed potential community use prior to Games-time commitments. Council also reviewed which elements in the facility would be required to fully program the facility (i.e. for legacy uses), and on December 10, 2007, City Council approved the Advancement of Community Legacy Infrastructure 2008 Capital Project in the amount of \$16M, which was funded by the Community Legacy and Land Replacement Reserve Fund. A complete list of pre and post Games conversion features is outlined in **Attachment 2**.

### ***Richmond Olympic Oval Legacy Program***

The proposed post-Games program for the Richmond Olympic Oval is consistent with the original program approved by Council in April 2005.

The mission of the Oval program is to enhance the quality of life for Richmond through sport and wellness. Post-Games, the Oval will become a multi-use facility focussing on sport, recreation and wellness activities, including sport programs and competitions from local to international level, cultural and special events. The facility and its programs will create new opportunities in sport, wellness and cultural events in Richmond and serve new and emerging markets not already served in the City of Richmond.

The Oval facility and programs are to supplement and complement the City's existing service deliveries not compete with the community delivery.

This Oval will truly become a facility that results in a healthier community, through providing wide-ranging opportunities that encourage all citizens, children to older adults, individuals and teams, to acquire a healthy life-long enjoyment of sports and physical activity, as well as opportunities for sports excellence.

The post-Games Oval program encompasses all seven stages of the Long-Term Athlete Development (LTAD) model, the cornerstone of the Canadian Sport for Life Initiative. The LATD model provides a framework for a national system that focuses on the well being of Canadians and the achievement of sport excellence.

Critically, it embraces the participation of the whole community in a continuum of sport and physical activity – from infants to seniors. The stages are: Active Start, FUNdamentals, Learning to Train, Training to Train, Training to Compete, Training to Win, and Active for Life. The intent is that all children become physically literate, which lays the foundation for later sport excellence and ultimately being active for life – which results in healthier citizens and healthier communities.

The Richmond Olympic Oval Corporation has reviewed the proposed original conversion program and requirements and advises that the initial conversion project should proceed (with some minor modifications) and that the improvements will meet the long-term needs and requirements for a sustainable program at the Richmond Olympic Oval. In addition, through the experience of testing the original program vision, Oval staff and the Board have been able to validate improvements needed to ensure a sustainable facility that meets the vision.

### ***Pre-Games Legacy Development***

Two subsequent requests in 2007 to advance \$5.92M and \$1.3M of this funding were approved by Council. The initial advance completed rooms and provided features within the facility for community use (**Attachment 3**) and the later advance, from the Conversion Project Budget, went towards construction of the future health and wellness centre to be used as the Athlete Fairness Centre during the Games.

The \$1.3 M was also funded from the Legacy Fund (Conversion Project Budget) with the intention to be recovered through rents by tenants post Games. This project enhanced the raw unfinished space, intended for a sport medicine sport science tenant, to a finished state that reduced the upfront tenant improvement costs and thus, made the Oval more appealing for sport related tenants. The \$1.3M also leveraged significant funding from VANOC towards other oval features such as the Legacy Suite, which also is a tremendous benefit to the City.



The advance legacy funding had a number of benefits, including: better construction and procurement pricing, minimum interruption (as the improvements were scheduled as a part of the initial building construction), provided community sport and wellness opportunities, enabled use of the building for the 2009 Seniors Games and other sport and cultural events, marketing for sponsorship opportunities and created a buzz in the lower mainland through various programs at the facility being available.

The Oval has now been operating for almost a year and the investment into community use has proven to be very successful. Use of the facility is climbing and hundreds of thousands of individuals have visited the Oval. There have been successful sport and fitness programs offered, many large scale events held, such as the Oval Grand Opening, One-Year Countdown to 2010, Winterfest, World Single Distance Speed Skating Championship, Racquet Rally, the 2009 Richmond Seniors Games, Canada's World Cup Speed Skating Trials and numerous other events and tours. The City certainly has achieved its goal to maximize opportunities to promote and showcase the Oval to the community and to the marketplace prior to officially opening for business after 2010 Olympic Games.

### ***Post-Games Legacy Development***

The post-Games program has been designed to meet Council's expectations, as laid out in the bid proposal. The goals of the legacy program are:

- An appropriate blend of community legacy and high performance legacy
- A legacy that is sustainable.
- Accessible sport and wellness opportunities for all ages and abilities.
- Sustained profit centres.
- Development of coaches and athletes.
- Hosting of trade and exhibition, entertainment, and other large-scale community events.
- Maintain capability to host long track speed skating events.

The Oval's design and post-Games operation is driven by the anticipated program to serve the community and the requirements of the funding partners.

The Oval has developed operating objectives in accordance with the Richmond Oval Operating Agreement and Games Operating Trust requirements. These objectives include a need to drive financial sustainability, establish positive brand awareness, become a valued facility by the community, become the desired location for community sport, health, fitness and wellness and support high performance athlete training, and to host trade and exhibition, entertainment, and other large-scale community events.

With a year of operation nearing completion, Richmond Olympic Oval staff and the Richmond Olympic Oval Corporation Board (ROOC) have reviewed the program vision for the facility as a Sport and Wellness Centre (including long track capability with supporting trade and exhibition events), based on its existing use patterns and from customer and client feedback. The Oval's future role is envisioned to be consistent with the initial vision and does allow full facility flexibility into the future.

There is \$8.8M remaining in the Community Legacy Infrastructure 2008 Capital Project to convert the Oval to intended post-Games use. The Board adopted Five Fundamental Principles of Conversion Planning and analyzed future conversion options. The principles are:

1. The Oval needs maximum variety of facility options to appeal to a broad cross-section of members, as membership is a major part of our revenue picture. One member will join for figure skating ice while another will want to book a badminton or volleyball court.
2. The Oval needs facilities of the highest standard to support as many levels of sport training and events as possible. Internationally approved sport surfaces that produce top performances and prevent injuries benefit both community and high performance athletes.
3. Optimizing flexibility, versatility and transition is important to accommodate the many needs of community organizations. With the right sport surfaces and separation screening, the same space could be used for a softball batting cage at one o'clock and indoor field hockey at three o'clock. Later in the evening it could be available for a special community event.
4. All sport areas of the Oval, Court, Track, Ice and Fitness Zones, must be developed; it is not acceptable to leave one of the 'zones' undeveloped. The available funds must be spread across all zones rather than focused in one area in anticipation of further future funding.
5. The overall funding envelope of \$8.8M cannot be exceeded, meaning that choices must be made to achieve the foregoing.

Given the review, principles, and trends analysis, the following components are recommended to be in the next conversion phase for the Richmond Olympic Oval. These improvements will occur on all three floors of the facility and given timely approval are planned to commence immediately after VANOC releases the building and grounds to the City in April 2010.

The Post Games Conversion components are listed below and the floor plans are detailed in **Attachment 4**. These changes to the facility and equipment are designed to meet programming expectations and technical requirements. A description of each major zone is outlined below.

- The **Ice Zone** will have the capacity for two Olympic ice sheets, as planned, and can be transformed to a large single ice sheet for special events. Customization of the board system will permit ease of transition between modes and attractive options including benches for use during public skating.
- The **Court Zone**, already largely in place, has been a popular element. The planned additional courts in either wood or synthetic surface will be added. The north part of the Court Zone will include courts and the beginning of a 110-meter sprint-training track, which will permit the use of spikes.

- The **Athletics/Multipurpose Zone** will have the balance of the 110-meter training straightaway against the north wall. The entire surface of the zone will be covered with a synthetic high performance multi functional surface that is excellent for a variety of sport, cultural and conference activities. A five lane 200 meter track will surround the infield which will be used for a variety of sports including volleyball, badminton, indoor soccer, team handball, field hockey and other sports requiring a large playing surface. A floor diagram is attached (**Attachment 5**). While the track can be used for athletics training, it can also be used for walking and jogging as demand indicates. Staff have reviewed whether the athletic zone should be spike proof or not and have determined that the best alternative is to make the entire zone spike proof in order to meet competition standards and avoid injury or use conflicts. In the future, a complex partition system will be installed to protect runners/walkers from the infield activity. For the interim, a temporary partition system is under review.
- The **Mezzanine** will be fully developed as a Strength & Conditioning Centre from its current size of 8,000 square feet to its fully expanded 25,000 square feet. Additional equipment will be purchased based on the research and observations of the past 10 months. This space has been very well received and is expected that the full size mezzanine will be a very important part of the Oval's program and will contribute positively to operational sustainability.
- The **Meeting, Retail, Food and Beverage** spaces will be completed and made available. Spaces will be leased to commercial interests that are aligned with the Oval's goals and values. Meeting rooms and conference spaces will contribute to the demonstrated need for more such spaces in the City. Interest in meeting space has been high during the pre Games period. Selected spaces to be leased to retail operations, with specialized retail services aligned with the Oval are to be developed through tenant improvements.
- **Improved signage and way finding, technology** improvements along with scoreboards will be added in accordance with the original plan. LED messaging is required due to the distance some visitors must walk to their meeting or event. An external sign is also necessary to inform passer by traffic of the activities, events, opportunities and facilities at the Oval.
- New **Event Facilities and Features** at the Oval will allow for better hosting capability for a range of trade and exhibition and cultural events. The City has recently hired a Sport Hosting manager, and this strategic position will ensure that the City attracts and successfully hosts major sport events and meetings which are consistent with the goals of the Sport Hosting Strategy, Major Events Plan 2005-2011, while also capitalizing on Richmond's role as an Olympic Venue City. The City and ROOC will continue to work with Tourism Richmond and the Chamber of Commerce to bring a range of conferences, events and trade shows to the Oval. The Oval will also continue to focus as a community-gathering place in its use of the waterfront Festival Plaza for community and other events. In the future, this could be expanded to include water-based spectator events. Features such as portioning and curtains will assist in the separation of event space from activity space.
- The **Paddling and Rowing Zone** has been completed and can be used for paddling and rowing programs. It is accessible and provides an alternative for those learning to row/paddle as well and provides a controlled environment for high performance athletes. It can also be used for rehab programs such as breast cancer surgery rehabilitation.



The conversion program is somewhat adapted from the original concept. In order to accommodate the project within funding available (\$8.8M), staff are recommending that some features in the original project scope be deferred to the future or dropped from the program. These items are considered to be a lower priority or can be considered as Tenant Improvements in the future or funded through future City Capital budgets.

The following items have been dropped from the program for budgetary reasons and will be included in Future Oval Legacy Development:

- The Partitions & Curtaining has been reduced from the initial estimate of \$1.1M to \$75,000 in order to address costs in the floor surfaces and equipment, which were considered to be a higher priority. The current budget for Partitions & Curtaining was reduced to keep the conversion project within the budget of \$8.8 million. An additional \$1.1 M is required to provide safe separation between all playing surfaces. Without appropriate Partitions & Curtaining the Oval will be a less than ideal, and possible unsafe, environment for community and high performance athletes and it will not achieve Council's vision for the Oval. In the event that the prioritized items can be delivered for less than their current estimates, the ROOC board advises that Partitions & Curtaining be the first priority for future capital funding.
- The completion of the Executive Locker Rooms is recommended to be delayed until later which results in a reduction of \$350,000 - \$450,000. The executive locker rooms can be completed in the future and financed by those who commit to purchasing executive memberships.
- Construction of Sport Tenant spaces. Once tenants have been identified HVAC, power and flooring can be installed based on the tenant's specs and financed through lease income.
- Staff recommended that some of the rooms on the Field of Play floor be re-purposed to better serve the uses of the oval. The space previously identified as the nutrition kitchen space will now be converted to an event staging room to better serve events.

The table below outlines the proposed expenditures of the remainder of the Community Legacy Funding.

<b>Proposed Conversion Budget Allocation (funded in order of priority)</b>	
Flooring – multi sport surfacing on field of play, spike proof in athletic zone, flooring for fitness mezzanine	3.21M
Construction of mezzanine	0.83M
Elevator in field of play	0.72M
Activity Level & Mezzanine Equipment including rinks, boards, nets, cardio, conditioning	2.49M
Information Technology, Wayfinding, Security, Display Signage, AV	1.47M
Partitions and Curtains	0.075M
<b>Total</b>	<b>8.795M</b>
<b>Budget Available</b>	<b>8.80M</b>



### *Future Oval Legacy Development*

Council approved \$16M in the 2008 Capital Budget to convert the Richmond Olympic Oval to its legacy mode. The legacy conversion project was based on the initial post Games program that Council had adopted in the Post Games vision and program model which was to create a world class indoor and outdoor facility with a comprehensive, accessible program providing opportunities from local to international, from playground to podium, enhancing quality of life through sport and wellness.

The program model for the facility is to inspire and motivate people to meet their goals, promote sport and physical activity for life, integrate sport, sports medicine and sport science, allows elite and recreational athletes to be the best that they can be, hosts world class and community special events and is functional and financially viable.

To achieve this end ensure ongoing financial viability and program appeal, staff have considered other features and items that will foster increased participation and interest into the future. Staff have identified a list of these features and prioritized them for Council consideration.

Adapting recreation and sport facilities to meet trends, new interests and emerging markets should be a high priority for the City and the Oval. This will keep the Oval current, meet the needs of new markets sustain and grow the membership and contribute to the ongoing financial viability. Some of the new areas for consideration include:

- Programming and facility features to facilitate the production of trade, exhibition and events require specialized equipment and treatments. Typically, a concert or “event in a box” will bring all the temporary production features such as rigging and lighting, blackout curtains, seating, staging, access and ticket management, and the other requirements for entertainment events. However, improved seating, protective covering for floor surfaces and sound dampening will allow for events to be produced. Once the Oval has experience with these types of productions they will identify future infrastructure requirements needed. In the meantime, basic event support improvements and upgrades have been identified. These upgrades, which are beyond the scope of the original program, are prioritized. Staff are meeting with promoters to determine what events are suitable to test the Oval’s capacity in this regard.
- There are a variety of sport, recreation and wellness features and items, not included in the original conversion program, that could enhance the program at the oval and meet current and future needs, contribute to the vision and ensure long-term participation and financial viability. Some of these items were considered initially but not prioritized due to financial restraint or weren’t identified as a trend or emerging market in 2004 when the building was conceived.

Staff have identified and prioritized future legacy enhancements on the attached list. This prioritized list adds comments on community and financial benefit. (**Attachment 6**). These future legacy enhancements are not funded at this time. Funding them may be a combination of City capital funding in the City’s annual capital budget process, or as outlined in the operating agreement, or through fund development and sponsorship initiatives.

### ***Richmond Olympic Oval Future Public Art***

In June 2006 Council adopted the Richmond Oval Precinct Art Plan as the guide for incorporating a series of art opportunities in the Oval building and surrounding grounds and neighbourhood. Several projects have been completed and two currently underway. Remaining projects as yet unfunded are the Riverside Plaza signature piece and the Legacy Plaza

### ***Post Games Funding Strategy***

As per the agreement with ROOC, following the Games the Oval is to be retrofitted to the post Games legacy configuration and the City agrees to reasonably consult with ROOC when developing the plans and specifications for the post Games legacy configuration. A Capital Works Committee comprised of 2 representatives from the City and 2 representatives from ROOC will have the final decision regarding the timing of City access for retrofitting purposes. If the Capital Works Committee is deadlocked on any decision, then the CAO has the authority to resolve the matter.

As of fiscal year 2011, the Oval will allocate from shareholder's equity, funds to:

- (i) A Sustaining Capital Reserve to be used solely for the purposes of funding purchases of replacement equipment, and minor and major capital repairs and rehabilitation, and,
- (ii) An Operating Capital reserve to be used solely for the purposes of initiating new capital projects, purchasing new equipment and upgrading existing buildings, equipment and mechanical systems.

As previously mentioned, the retrofit project is currently funded in an existing City capital project to a maximum of \$8.8M. It is expected that future capital projects will go to the Capital Works Committee to be funded by one of the capital reserves referred to above.

While the Olympic Oval Capital project was completed on time and within budget, there are some unresolved items for which project funding has been set aside to address. Staff are projecting a minimum of \$1M surplus and maximum of \$3M surplus depending on the resolution of the outstanding issues. Staff recommend these surplus funds be first used to fund items on the conversion list.

Staff have also examined potential funding sources for the prioritized items and have identified that there are funds available in the 2008 Operating Budget surplus and 2008 Casino surplus that could be utilized if need be.

In addition, should the above not be adequate and funding is still required from the City beyond the present City commitment, then such additional requests will be subject to the City's annual capital budget process and will compete against all other City capital projects for available funding.

Prioritizing and funding the items beyond the conversion project will need to be reviewed and Council may want to consider establishing and contributing to a special reserve fund annually as a partial funding source for future oval projects.



### ***Construction Timing***

The City's Project Development & Facility Management Department will manage the conversion.

To continue to meet community and member expectation, the ROOC is recommending a soft and staged re-opening, respecting both the members' desire to resume their activities and the needs of City of Richmond Project Development & Facility Management to complete the conversion. VANOC will remove the ice immediately after the last Olympic race to facilitate the removal of the Olympic overlay, which includes rigging, lighting and seating.

As part of their agreement, VANOC will re-install the glass on the mezzanine balcony and replace the solid portion of the north wall with glass and repair any damage occurred during their use. This will be completed during the Exclusive Use Period.

During the conversion, modified programming will occur with the goal of having the work completed by August 2010. It appears that Oval members and other users have adapted to the 'construction zone' nature of the Oval during its first year and will not object to it continuing as they see the changes benefiting them.

Furthermore, making the Oval accessible to the community as soon as possible after the closure for the Games is consistent with the previous advancement decision, which made the Oval accessible to the community in advance of the Games.

Also, commencing April 1<sup>st</sup> 2010 a presentation centre will be set up in the Oval foyer allowing the public to learn more about the Oval in its post Games Community Legacy mode and to market the Oval programs.

### **Financial Impact**

There is currently \$8.8M available in the previously approved Advancement of Community Legacy Infrastructure 2008 capital project for the post Games conversion costs.

To fund the remaining items, Richmond Olympic Oval project surplus and up to \$1.7 M from the 2008 Operating Budget surplus and 2008 Casino Fund surplus is available.

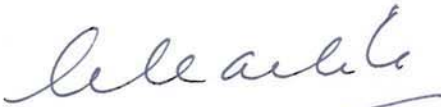
All other future capital requests will be forwarded to the Capital Works Committee and may be submitted to the City's future capital budgets beyond 2010 for approval by Council.

## Conclusion

The post-Games conversion project as outlined in this report, with funding of \$8.8M, will allow the Richmond Olympic Oval to meet the vision endorsed by Council in April 2005 of being a Sport and Wellness Facility (including long track capability) with supporting trade and exhibition events.

The wide-ranging program ensures that the Oval contributes to Richmond becoming a healthier and more active community, through providing opportunities for citizens to acquire a healthy life-long enjoyment of sports and physical activity, as well as opportunities for sports excellence.

The program also allows for trade and exhibition, entertainment and other large-scale events to be held in the facility, as well as maintaining the capability to host long track speed skating events in the future.



Cathryn Volkering Carlile  
General Manager - Community Services



Dave Semple  
General Manager, Parks and Recreation



## **Adopted Option for Richmond Olympic Oval (April 2005)**

**Option 2- Sport and Wellness (including long track capability) with supporting trade and exhibition events**, to guide the programming of the Richmond Oval. In this option, the vision for the Oval is to be a dynamic international gathering place and an outstanding centre of excellence for sports and wellness at the heart of an exciting urban waterfront. After the 2010 Games this vision will be advanced through four key programming elements: high performance sports; community sport and wellness; sport, wellness, cultural and trade show events; and commercial and retail services.

The Oval will be a centre of greatness, where athletes, coaches, visitors, business people, and participants from the community and across the globe will engage in the pursuit of excellence in sport, recreation, and wellness. Unique to the world of sports, the Oval will link high performance athlete training with the best in the world of wellness, sports medicine and research, and active living. It will be the national training centre for world class and emerging athletes in a number of sports and home to several national sports organizations. Its unique waterfront location, its natural ambience and range of services will attract local and international visitors well beyond the sporting community. It will be a local and international gathering place for tourism and world-class festivals and events. Through its state-of-the-art athlete development programs, equipment, and technology, new champions for Canada will be grown. Indeed, the world will come to recognize the Oval as a destination for excellence and distinctive experience.

### ***High Performance Sports***

The high performance sports component would place priority on a number of core sports. Core sports are yet to be determined, but those being considered at this time include short track speed skating, rowing, badminton, wheelchair sports, table tennis, and athletics. While long track speed skating would not be a primary component of the high performance sport program in this model, the capability of converting the facility and bringing up the long track ice on demand will be retained, for special events and new or emerging opportunities.

To support athlete development, the Oval would serve as a national training centre or academy for the core sports and home to high profile sports organizations, along with being a centre of excellence for sports medicine, rehabilitation, and sports research. The Oval would provide opportunities for long-term athlete development through foundational and sport-specific training and development for emerging athletes.

### ***Sport and Community Wellness***

A sport wellness centre would include a general population fitness centre, a specialized high performance training centre, sports medicine, performance testing and research areas, a lifestyle centre, and programming areas to enhance community activity and wellness. It will include a wide range of developmental sport programs (beyond the core sports) for all ages, and will be coordinated to complement other community sport and recreation programs. Along with state-of-the-art fitness equipment for general use, the Oval would include specialized equipment for high performance athletes, youth, seniors, people with mobility limitations, and those in

rehabilitation programs. A key goal of the sport and community wellness component will be to promote healthy, active lifestyles throughout all stages of life.

### ***Events***

As space and scheduling allow, the Oval would host sports and community events, trade shows and exhibitions, which complement the Oval's core business focus. These could include high profile sporting competitions, festivals, cultural and arts performances and community celebrations. Trade and exhibition events would typically be small to medium scale, using a portion of the Oval, particularly the athletics area. If programming and scheduling permit, larger scale events could also be hosted using more of the facility. The Outdoor Plaza will also provide space for hosting of community events and activities connecting with the Fraser River and the city's 40 kilometres of trails.

Special events would draw additional visitors to the site and tourists to Richmond and would enhance the financial viability of the Oval. Research suggests the need for a regional facility able to host mid-sized spectator events and industry or sporting trade shows.

### ***Commercial and Retail Services***

Outside the Oval itself, a number of retail operations would be included to add vibrancy to the site and to enhance the Oval's financial viability. These would complement the Oval's programming and could include a restaurant, cafes, sports bar, sporting goods shops, spa, and gift shop. The commercial area also has the potential for incorporating the Richmond / BC Sports Hall of Fame or/and Olympic/Paralympic Museum, which are being explored. This component of the Oval programming will be further addressed in the site planning and business case processes for the Oval.

The Oval programming space would accommodate three activity zones on the main floor to include 2 Olympic-size ice rinks for short track speed skating and other ice sports, a hardwood floor area for court and wheelchair, and other sports, and an athletics / multipurpose floor area for athletics training; as well as a wellness zone for fitness, training, sports medicine and research services, education, and meeting spaces and a retail zone.<sup>1</sup>

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exerts from the report "Programming the Richmond Oval", March 31, 2005,

## List of all adopted Pre-Games and Post-Games Oval Conversion Items and Comments

Advanced Pre-Games Items	Comments
Fitness Equipment - Half the Mezzanine	Completed in 2008 under the Legacy Advancement
Information Technology - Pre-Games	Completed in 2008 under the Legacy Advancement
Gym Wood Floors (4)	Completed in 2008 under the Legacy Advancement
Gym Wood Floors Equipment (basketball hoops, volleyball nets, etc.)	Completed in 2008 under the Legacy Advancement
Rowing/Paddling Tank	Completed in 2008 under the Legacy Advancement
Rowing/Paddling Equipment	Completed in 2008 under the Legacy Advancement
Perimeter Hosting Suites	Completed in 2008 under the Legacy Advancement
Executive Locker Rooms - 80% (flooring, toilet, sinks, showers)	Completed in 2008 under the Legacy Advancement
Post Games Conversion Items	Comments
Executive Locker Rooms - remaining (steam & sauna rooms)	Deferred to future years
Room (1.009a) (future tenant space)	Change in Program, not required
Main Activity Level Elevator (elevator access to centre of level 2)	Included in \$8.8M
Referee Room (1.048) (re & re no longer required, rooms to stay as is)	Not required
Skate Flooring	Included in \$8.8M
Synthetic Courts in Gym Zone	Included in \$8.8M
Curtain Partition System	Recommended 2010 Capital
320 M Perimeter Walking Track	Combined function with the 200m track
200 M Track & Infield	Included in \$8.8M
Room 2.005 (Boardroom)	Included in \$8.8M, change in program
Event Staging Room (2.028)	Included in \$8.8M, change in program
Nutrition Kitchen (2.029)	Included in \$8.8M, change in program
Mezzanine (remaining fitness equipment & flooring)	Included in \$8.8M
Furnishings (Tables, chairs, file cabinets, book case, shelving, stove, fridge, dishwasher, bulletin boards)	Included in \$8.8M
Janitorial Equipment (floor scrubber, 24" auto-scrubber, etc)	Included in \$8.8M
Court and Track Equipment (goals, badminton, scoreclocks, shot clocks, etc)	Included in \$8.8M
Information Technology - Post-Games	Included in \$8.8M
Arena Equipment (board system, glass, netting, goals, etc)	Included in \$8.8M
Signage (Ext. & Int. Wayfinding)	Included in \$8.8M





City of Richmond

## Report to Committee

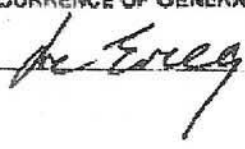

To: General Purposes Committee Date: December 12, 2007  
 From: Gary Young File:  
 Director Richmond Olympic Business Office  
 Re: Oval Pre-Games Community Opportunities Advancement Initiative

## Staff Recommendation

1. That council approve the advancement of the following Post-Games oval conversion components in order to increase revenues and associated community participation in the building and also to achieve long term cost savings.
  - Up to four wood-floor gymnasiums and/or other sport related surfaces including gymnastics, trampoline, etc
  - Various fitness equipment for core strength, cycling and mezzanine fitness rooms
  - Completion and equipment for the Rowing and Paddling Centre
  - Construction of one Saddlebag Multi-Purpose Room
  - Purchase and installation of essential Information Technology
2. That Council approve the funding of up to \$5,920,000 from the previously Council approved Advancement of Community Legacy Infrastructure 2008 Capital Project of \$16,000,000 to cover the costs of the items identified in this staff report.

  
 Gary Young  
 Director, Richmond Olympic Business Office  
 (4619)

Attachments - 1

FOR ORIGINATING DEPARTMENT USE ONLY					
ROUTED TO:		CONCURRENCE		CONCURRENCE OF GENERAL MANAGER	
Major Projects.....		Y <input checked="" type="checkbox"/> N <input type="checkbox"/>			
Budgets.....		Y <input checked="" type="checkbox"/> N <input type="checkbox"/>			
Communications.....		Y <input checked="" type="checkbox"/> N <input type="checkbox"/>			
Parks Design, Constr. & Programs.....		Y <input checked="" type="checkbox"/> N <input type="checkbox"/>			
REVIEWED BY TAG		YES <input checked="" type="checkbox"/>	NO <input type="checkbox"/>	REVIEWED BY CAO	
				YES <input checked="" type="checkbox"/>	
				NO <input type="checkbox"/>	

2311019



## Staff Report

### Origin

The Richmond Oval is the Long Track Speed Skating Venue for the 2010 Olympic and Paralympic Winter Games. The facility is scheduled to open on time in the fall of 2008, and the project continues to be on budget.

The Oval will function mainly as a world-class speed skating oval until the Games in 2010. In addition to National and International Team training and competing on the 400-metre ice track, the community will have the opportunity to experience recreation programs and the sport of long track speed skating for the first time. The opportunity to access the premier competition venue of the 2010 Olympic and Paralympic Winter Games in advance of the 2010 Games will undoubtedly generate excitement and enthusiasm within the community.

In 2004/5 the City engaged stakeholders, experts and interested citizens in a series of forums, group meetings and interviews to identify and prioritize functions that should be included in the Oval. The program functions identified in this report are being recommended as a result of this feedback.

Immediately after the Games, the plan is to convert several areas in the building, including the main activity level, into a multi-use four-season facility that offers a wide range of activities. Staff are currently developing the specific programs that will be offered in the complex in the fall of 2008. There is a commitment to find ways to increase the participation of the residents in the Olympic orientated facility in the Pre-Game phase. This report outlines a number of actions staff recommends that will achieve this objective.

On December 10, 2007, City Council approved the Advancement of Community Legacy Infrastructure 2008 Capital Project in the amount of \$16,000,000. As outlined in a previous memo to Council, Staff has already implemented \$915,000 of Legacy costs. The associated actions realized cost savings of \$1,520,000. Some of the initial expenditure included the purchase of dasher board inserts into the Olympic hockey rinks, improvements to the change rooms and a number of other similar items. Staff has identified several new opportunities to provide additional community programming and at this time are recommending four Post-Games amenities in the Pre-Games Phase:

- the Court Zone
- a Health and Wellness component
- the Rowing and Paddling Centre
- multi-purpose room in the Saddlebag at the mezzanine level

In addition, funds are requested to purchase the Information Technology and hardware and software required to support the Oval's operations

Benefits of advancing these initiatives include:

- ensuring that the Oval provides a fully functional quality venue for the 2009 BC Seniors Games
- providing a robust offering of community sport and wellness opportunities in addition to the ice-based skating programs

- generating higher revenues and admissions to support the operating budget in the Pre-Games Phase
- attract increased support and funding from the 2010 Games Olympic Trust
- saving on construction costs and equipment procurement without impacting the overall budget or scope of the project
- hosting opportunities for a variety of large-scale sport and cultural events
- shortening the conversion period in the Legacy Phase
- achieving operational steady state in a shorter period of time
- attracting rental opportunities including National and Provincial Sport Organizations

The report details new opportunities that could potentially increase revenues and visitations in the Pre-Games Phase, as well as contribute to the long-term success of the Oval. These opportunities were not a part of the original Oval program plan, but will add to the ultimate success of the Oval operations.

#### Analysis

It is recommended that the following initiatives be included in the Oval construction phase to allow for a wider variety of community services in the Pre-Games Phase. These will provide the greatest community benefits and return on investment. Revenue and client admission projections are based on the assumption that the Oval is open to the public for fourteen months from November 2008 through December 2009.

#### 1. Court Zone:

The recommendation is to install up to four wood-floor gymnasiums and/or other sport related surfaces including, for example gymnastics, trampoline, etc. in the Oval infield, providing the ability to offer activities like badminton, volleyball basketball, futsal (indoor soccer), sports leagues, tournaments and special events.

The 2007 cost of flooring and other assorted equipment is \$847,000 which results in savings of \$96,000 from the Post-Games installation costs. Pre-Games net revenues are estimated at \$1,112,000. It is estimated that this initiative will create 128,000 additional client admissions.

#### 2. Health and Wellness Component:

##### a) Core Strength and Group Cycling (Rooms 2016 and 2017)

These physical spaces will be completed in the Pre-Games Phase and only require equipment to become functional public-use fitness areas.

##### 2016 – Core Strength Studio

Equipment: Large “Kinesis” Brand Fitness Wall from Technogym

The Core Strength Studio will provide alternative fitness and rehabilitation services for the aging population. The studio equipment consists of a wall system that features a number of pulleys and light resistance that mimics the body's movement through water.

Those who would benefit from programs offered in this studio are:

- The older population
- Those new to fitness training
- Injury Rehab

**Room 2017 – Group Spinning & Cycling**

**Equipment:**

- Stationary Bikes and Rowing Ergometers
- Video Wall

A truly unique program space, this studio is where indoor cycling and rowing classes will take place, and will also feature a unique video wall that will take participants through an interactive, computer simulated experience. While on the bike or the rowers, participants will be able to simulate cycling through the Pyrenees Mountains, or rowing down the Thames River.

When classes are not in session, this space can be utilized as a unique hosting space. Bikes and rowers are easily moved, allowing for a variety of activities such as birthday parties, corporate events or private rentals. This space has no ceiling, which provides another interesting dimension for any special events.

The 2007 cost of equipment is \$268,000 which results in a saving of \$25,000 from the Post-Games installation costs. Pre-Games net revenues are estimated at \$52,000 and estimated 21,000 additional client admissions are anticipated.

**b) Mezzanine Community Fitness**

The Mezzanine level measures nearly 24,000 square feet, and, in the Legacy Phase, this area will be converted into a state-of-the-art community fitness area. A significant amount of seating and broadcasting equipment will occupy this space at Games time.

The original plan was to leave this area empty except for its role to support major speed skating events. Staff recommends that a portion (approximately 8,000 square feet) of the space be fitted-out and equipped for the Pre-Games Phase. The Mezzanine could then be utilized as a community fitness space. During the VANOC overlay period in winter 2010, all the equipment and flooring would need to be removed and stored off site to make way for the seating and the broadcast area. In order to ease the transition, staff is recommending the fit-out of only one-third of the Mezzanine.

Typically, in multi-purpose recreation facilities, the fitness and wellness services comprise a significant portion of the revenues generated. Therefore, it is important for the Oval to offer a diverse and unique community fitness and wellness program in the Pre-Games Phase.

The 2007 cost of equipment is \$584,000 which results in a saving of \$63,000 from the Post-Games installation costs. Pre-Games net revenues are estimated at \$340,000. It is estimated that this initiative will create 126,000 additional client admissions.

### 3. Rowing and Paddling Centre:

One of the more unique features in the Oval, this indoor tank is located on the first level, adjacent to the proposed Athlete Development Centre. The Paddling Centre will facilitate the growth of community rowing and paddling programs on the middle arm of the Fraser River. The synergies between the Oval and the John MS Lecky UBC Boathouse will undoubtedly generate much interest in water-based recreational activities. \$100,000 has been donated to allow for the formwork to be included in the overall project. The formwork has now been completed. Additional funding is needed to complete the fit-out and equip the Rowing and Paddling Centre.

The 2007 cost of construction is \$350,000 and equipment and contingencies are \$206,000 which results in a saving of \$62,000 from the Post-Games installation costs. Pre-Games net revenues are estimated at \$41,000. It is estimated that this initiative will create 7,000 additional client admissions.

### 4. Saddlebag Multi-Purpose Rooms:

At both ends of the Oval there are air spaces above the ice resurfacing room and loading areas which have approximately 5,000 square feet each (195 ft. by 24 ft.). Staff is recommending that one of these rooms be initiated at this juncture.

A floor, entrance and windows could be built into one or both of these spaces, giving the potential to be used as large activity rooms/lounges/spectator seating. The rooms would be at the mezzanine level and would afford views of the main field of play. They would be ideal for special events and corporate rentals, in addition to housing additional program activities. There are a number of opportunities for individuals, community groups and businesses to rent these spaces for various types of gatherings both in the Pre- and Post-Games phases.

Currently, there is no space in the Oval dedicated to preserving and celebrating the eventual memories from the 2010 Olympic Games. The suite on the east side of the building may be an ideal room to host displays, etc., that honour not only the building's history, but also that of sport and recreation in Richmond.

As well, corporations, sponsors, international groups and the like will wish to utilize these rooms for a variety of training, strategic planning, and reception oriented events.

Staff has discussed with VANOC the possibility of obtaining Games ticket revenue from the creation of this space. Discussions are on-going.

Significant revenues can be realized with few associated operating expenses. Hence these rooms will create a positive revenue flow to these operations.

In order to complete one of these rooms in time for the opening, a decision should be made not later than December 21, 2007.

The 2007 cost of construction is \$1,890,000 which results in a saving of \$310,000 from the Post-Games installation costs. Pre-Games net revenues are estimated at \$100,000.

### 5. Information Technology (I.T.):

Originally, the central function of the Oval in the Pre-Games Phase would be as a long track speed skating facility and would not require all the necessary information technology that is



needed to operate a multi-purpose sport and recreation complex. As such, much of the required technology was identified in the Post-Games Legacy Conversion Plan and the 2007 cost of \$860,000 is not included in the existing construction project costs.

In order to include the elements from the Community Opportunities Advancement Initiative into the Pre-Games Phase, additional technology will be required. This I.T. Infrastructure will enable the Oval operation to sell memberships and process registrations for the wider variety of programs and services being offered. Including this technology in the Pre-Games Phase will not only cost less to install in 2008 than it would in 2010 (by approximately \$80,000), but it will allow also for greater business intelligence and an overall more efficient Oval operation.

#### **Financial Impacts**

The 2007 total cost of construction, materials and equipment and of the Information Technology required to support the additional programs and services is \$5,920,000 which results in a saving of \$2,155,000 from the Post-Games installation costs. Pre-Games net revenues are estimated at \$1,645,000. In aggregate, implementation results in a significant benefit of \$3,800,000. (see Appendix 1)

#### **The Road to Steady State**

Steady State is defined as the point in time at which the Oval's financial performance will reach a stable level of operations. Staff project that the Oval's admissions and revenues will continue to grow for a number of years beyond the 2010 Games until about 2015-16. Implementation of the Initiative will move forward the date when the Oval's financial stability will be achieved due to a stronger revenue stream in the Pre-Games Phase and a shorter construction period in the Legacy Conversion Period.

#### **Conclusion**

The Oval program was originally planned with a focus on supporting Olympic speed skating activities in the Pre-Games stage. The original plan was to convert the facility Post-Games into more of a four-season venue. Staff has brought forward several opportunities to the building program at this stage to increase community opportunities and effect substantial cost savings. These actions will increase client admissions from 230,000 to 512,000.

These Initiatives would be funded from the Council-approved Advancement of Community Legacy Infrastructure 2008 Capital Project and will provide a more vibrant and robust Oval community program from Fall 2008 to December 31, 2009. It will create greater revenues, reduce overall costs and maximize early community participation. The Initiative capitalizes on the excitement associated with Richmond being a Venue City for the 2010 Olympic and Paralympic Winter Games.

  
Gerry De Cicco  
Manager Oval Sport & Business  
(4689)

**Oval Pre-Games Community Opportunities Advancement Initiative**  
**Report to Committee**  
**Summary of Savings and Additional Admissions**  
**December 12, 2007**

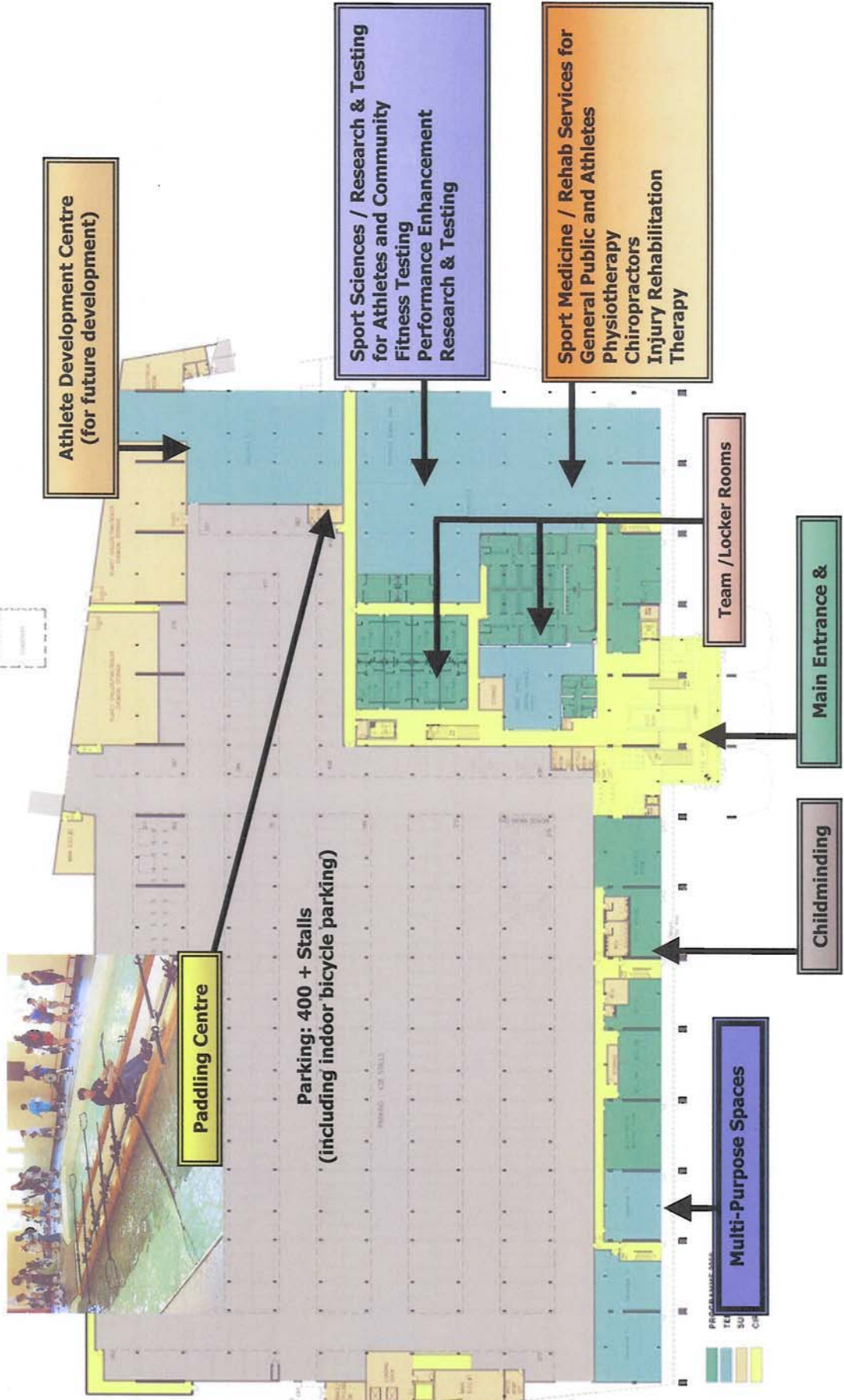
Attachment 1

Pre-Games Component	\$ '000s				Number of additional admissions
	Pre-Games cost	Post Games cost	Benefits	Net revenues	
Health and Wellness: Core and Cycling	\$ 268	293	25	52	21,000
Community Fitness on Mezzanine	584	847	63	340	126,000
	852	940	88	392	147,000
Court Zone	847	942	95	1,112	128,000
Rowing and Paddling Centre Construction Equipment	350	390	40		7,000
	208	228	22		
	556	618	62	41	103
One Perimeter Hosting Suite	1,890	2,200	310	100	410
Information Technology	860	940	80	-	80
Total before items previously Advanced	5,005	5,640	635	1,645	282,000
Items previously Advanced referred to in Origin section	915	915	1,520	-	-
Totals	\$ 5,920	\$ 6,555	2,155	1,645	282,000
Total in the Report to Committee cover page	\$ 5,920				
% benefits if Initiatives implemented Pre-Games			36%		
Admissions:					
Admissions without Initiative components					230,000
Total Admissions with Initiative components					512,000
% increase in admissions					123%

# Post Games Floor Plans

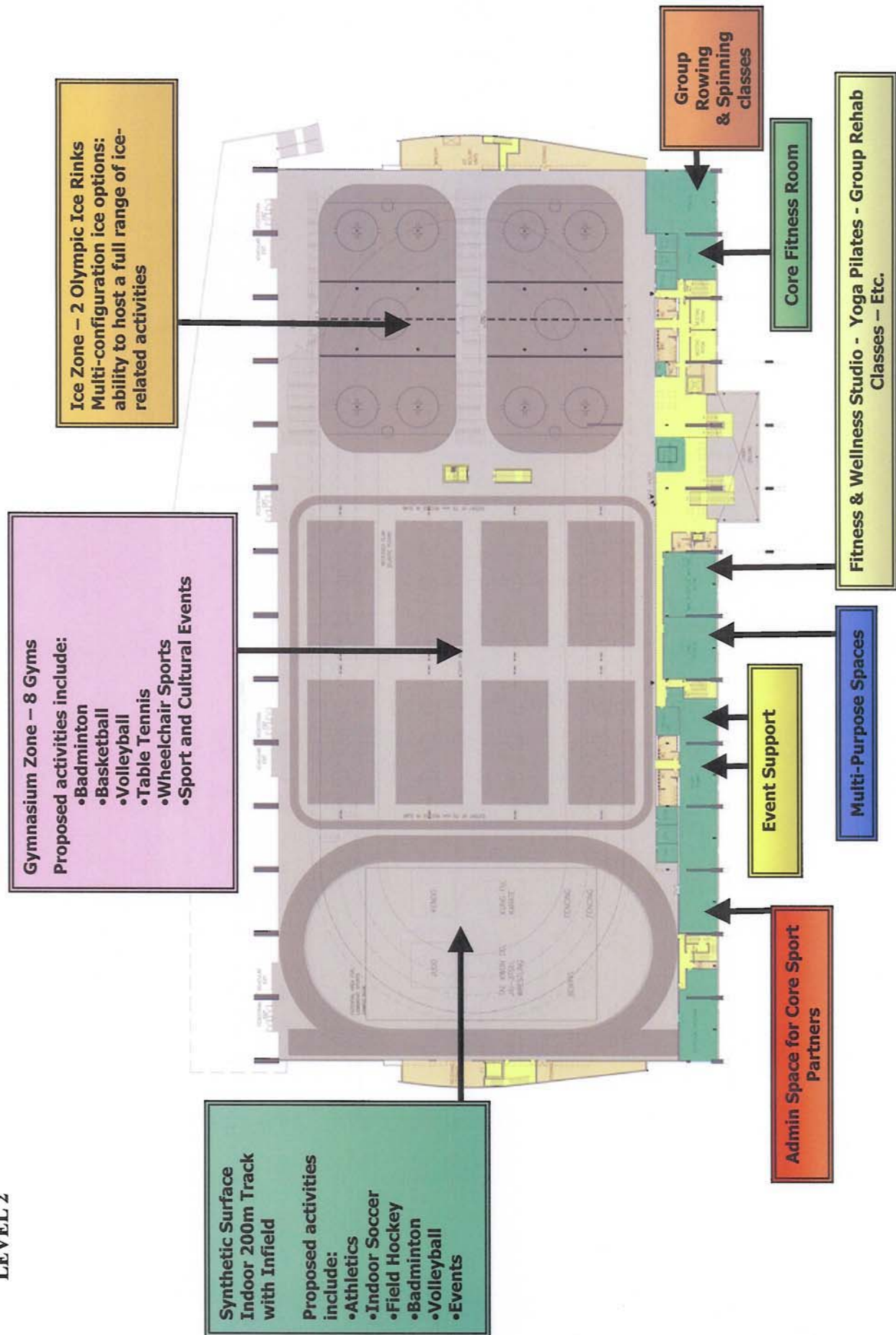
CITYHALL-#2739339-Roo floor configuration post Games

## LEVEL 1



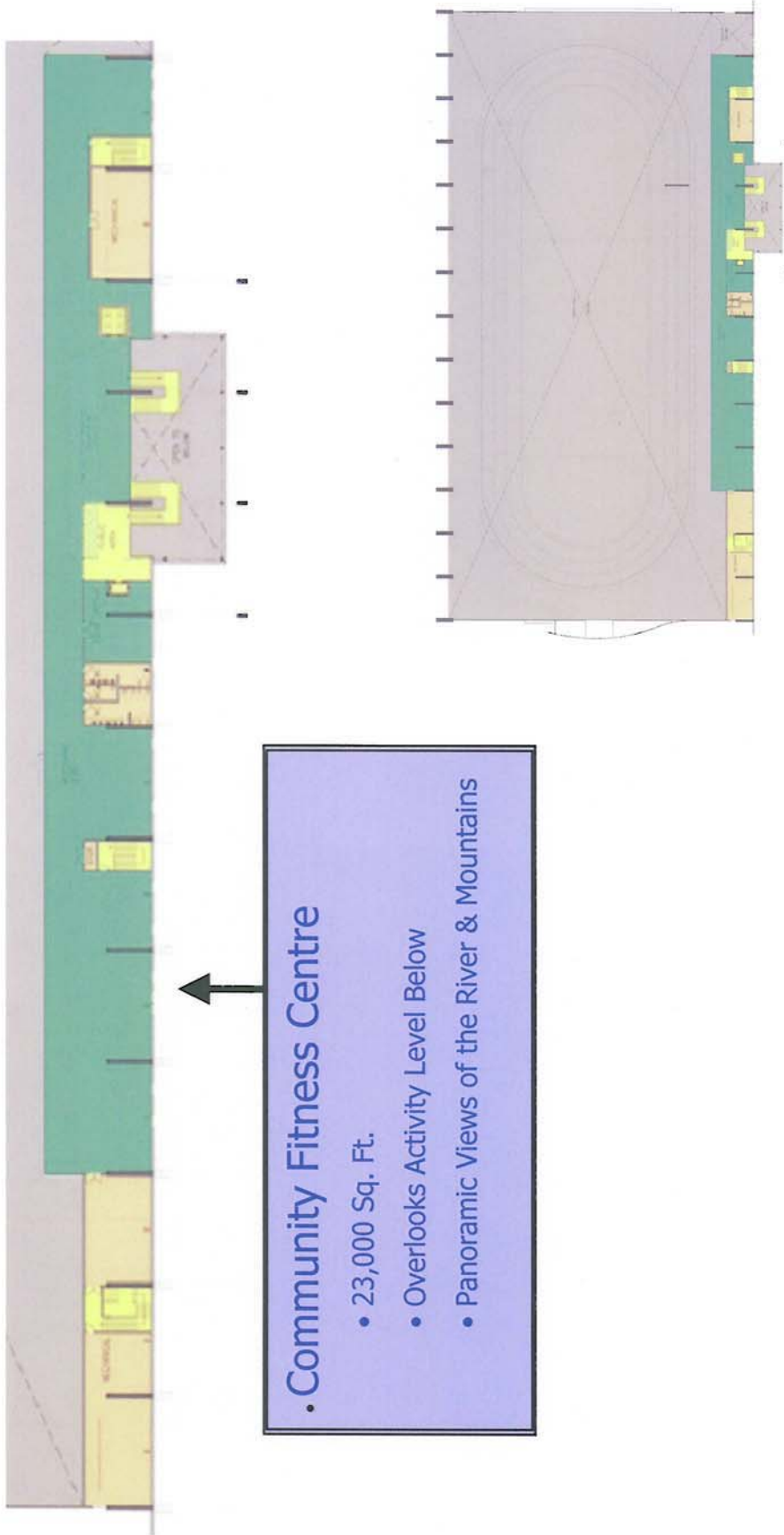


## LEVEL 2





### LEVEL 3





Priority #	ITEM	COST	Comments	COMMUNITY BENEFIT	BUSINESS BENEFIT
CO:	UNITY LEGACY MODEL OVAL CAPITAL ITEMS				
1	Partitions & Curtaining	\$1,100,000	Total budget \$1.2M	Safe separation between playing surfaces	Appropriate separation will produce revenues as anticipated in business planning
2	Specialized play space for children aimed at increasing physical activity	\$350,000	Physical activity alternative for youth who are not part of organized community activity; contributes to 'physical literacy' of those under 10	Extends the recreational opportunities to children under 10 who have not been served by current program. Aligned with LTAD Active Start	Enhanced revenue. Will appeal to families and will build interest in family membership
3	Climbing wall	\$250,000	Logical feature of high ceiling	Unique recreational alternative appealing to new market segment	Enhanced revenue. Will accelerate membership growth and eventual sustainability of the Oval
	Sub Total	\$1,700,000			
FUTURE CAPITAL REQUESTS					
4	Licensed Daycare	\$250,000	Additions to meet provincial standards	Aligns with LTAD goals of an Active Start for children	Operate on a cost recovery basis
5	Batting cages for Softball, Baseball and Cricket	\$175,000	Efficient use of space...cages separate court and track	Benefits community groups that have not been served by current Oval program	Enhanced revenue. Will accelerate membership growth and eventual sustainability of the Oval
6	Display "The Richmond Olympic Story"	\$150,000	Interactive & static displays of the Oval's origin and its part in the Games	Generates community pride in Olympic story	Will stimulate more visits by those who wish to reconnect with the 2010 Olympic spirit.
7	Retractable 'bucket-style' seats for events (1000 x \$400 each)	\$400,000	Will meet seating standards that public expects	More attractive to ticket purchasers	Enhanced revenue. More attractive to event organizers; able to accommodate better/more events
8	Display board / big screen	\$300,000	Benefit could be extended to other community events avoiding need for rentals	Adds value to community and other events	Enhanced sponsors and advertising revenue; possible rental revenue
9	Protective covering for sport surfaces to enhance special events (30,000sqft x \$12/sqft)	\$360,000	Can be used on ice, courts and track	Greater versatility for community events; protects investment	Increases event versatility
10	Legacy Suite upgrades...new décor, wallcoverings	\$300,000	Sliding windows; furniture	More appealing as a meeting/event venue	Enhanced revenue. More rentals at higher rate



Priority #	ITEM	COST	Comments	COMMUNITY BENEFIT	BUSINESS BENEFIT
	Tenting for the Plaza	\$50,000	Necessary to support plaza events	Increased flexibility of plaza use	Contribute to rental income
	Golf driving nets and virtual golf	\$60,000	Efficient use of space	Recreational alternative appealing to new market segment	Will accelerate membership growth and eventual sustainability of the Oval
	Portable squash courts	\$400,000	Only 4 squash courts in Richmond	Recreational alternative appealing to new market segment	Will accelerate membership growth and eventual sustainability of the Oval...could attract events
	Chairs for theatre style configuration (300 x \$150)	\$45,000	For smaller events	Higher standard than current seating	Offset by rental to clients
	Completing Executive Locker Rooms (\$350,000 - \$450,000)	\$450,000	Extends the breadth of Oval's appeal	Will attract community leaders	Will accelerate membership growth and eventual sustainability of the Oval
	Sound Curtaining and blackout drapes to create a better environment for entertainments events	\$500,000	High standard of sound buffering	Music and entertainment events can be accommodated	Increases event versatility and potentially greater profit
	Outdoor event amenities (PA, portable staging) to facilitate outdoor events	TBD			
	Artificial turf to add more sport offerings	\$500,000	Would take full advantage of Oval size	Will satisfy the bad weather needs of many community groups	Wider variety of rentals and events
	<b>Sub Total</b>	<b>\$3,940,000</b>			
	<b>TOTAL</b>	<b>\$5,640,000</b>			