

**SCHEDULE 1 TO THE MINUTES OF
THE PARKS, RECREATION AND
CULTURAL SERVICES COMMITTEE
MEETING OF Tuesday, November 24,
2009.**

Submission to

**The City of Richmond
Parks and Recreation Committee**

Councillors Harold Steves; Greg Halsey-Brandt; Bill McNulty; Ken Johnston; Sue Halsey-Brandt;

by the

Richmond Arenas Community Association

Frank Claassen, Chair
Crichy Clarke, Treasurer

November 24, 2009

Note: This report has been provided to the Mayor and all other councillors, as well.

Introduction

The Arenas Association enjoys the opportunity to bring the City up to date with its activities. Although we make promises to ourselves to do this every year, it turns out that our last submission was in November 2006. Before that, we prepared a presentation that was a very comprehensive 50 plus pages in length in November 2005. I last appeared before this committee on May 29, 2007 to address a staff report dealing with issues around the Ice Centre lease and a program rate freeze that came out of our 2006 submission.

Even though it has been three years since appearing before this committee, we have in the interim been communicating and participating with the City on issues that affect the arenas. It is this close working relationship that seems to compensate for our infrequent appearances and the failure to achieve our goal of bringing you annual updates.

Included at the end of this report are attachments related to the major highlights of the last year and ice utilization summary for your review.

1. Operations

Our operation have been very steady. The table below summarizes some of the keys figures over the last five years. Note the steady growth and the funds returned to the City under our operating agreement.

	2009	2008	2007	2006	2005
Revenues	3,968,470	3,878,141	3,697,337	3,436,245	3,333,565
Expenses	1,386,132	1,275,703	1,191,542	1,131,988	1,123,608
Income Before Payment to City	2,582,338	2,602,438	2,505,795	2,304,257	2,209,957
Payment to City:					
Negotiated per agreement	2,467,000	2,376,000	2,280,000	2,184,000	2,021,000
Profit sharing dividend	47,669	103,219	102,898	50,129	84,479
Total Payment	2,514,669	2,479,219	2,382,898	2,234,129	2,105,479
Payment Growth	1.43%	4.04%	6.66%	6.11%	3.60%
City Arena's Budget					
Total	4,549,300	4,403,300	4,585,700	4,623,400	4,490,300
Adjustment for Lease and Property Taxes	-1,779,600	-1,800,200	-1,709,500	-1,849,100	-1,830,900
Adjusted budget	2,769,700	2,603,100	2,876,200	2,774,300	2,659,400
RACA contribution to Adjusted City Budget	90.79%	95.24%	82.85%	80.53%	79.17%

The City has mandated that fees for services should increase each year. It has also mandated that we return to the City an ever-increasing portion of fees that the City offsets against its arena budget. To achieve this result RACA must approve program and rental rate increases. Each year we comprehensively survey the greater Vancouver region and set our fees and charges to be consistent with that of our peers. With increases in fees and utilization we have been able to continue to provide significant and increasing returns to the City.

Our successful operation have also left a surplus for the arenas association to spend on improvements to the arena facilities. In spending over half a million dollars over the past five years, we have made significant and noticeable improvements. The major improvements include awnings and parking lot improvements - \$155,369; bar - \$17,614; storeroom - \$10,190; kitchen - \$182,809 and audio - \$70,328.

2. Fees and Charges

Hockey is our national sport, the sport Canadians are more passionate about than any other. The demand for Olympic hockey tickets is enormous. In rural Canada communities are built around the local ice rink. I think it is good social policy to encourage hockey and other ice sports.

The problem in Richmond and in other local communities is that the cost of hockey is too expensive for many families and barely affordable for the average family. It is not supposed to be a sport for the wealthy. I am convinced that arena participation could easily increase should the costs of participation be reduced.

It is expensive in Richmond partly because of the policies that the City adopts. It will become particularly more expensive in the upcoming year because the cost of the HST and the cuts in gaming grants that have to be absorbed. This is the year the City should step up to help arena users.

All is not rosy with our members. We have been concerned with how the economic slowdown will affect our users. We watched the state of our financials very closely through fiscal 2009. We were surprised, frankly, at how well we did. We were prepared for something much worse. Now we find that the effect may be delayed a year and it will be this year that the slowdown affects our members. We know that the BC Gaming Fund, a significant source of funding for our members, has been reduced by up to 75%. This will eventually lead to increased costs to all those citizens whose children access our facilities. We need to be aware, as mentioned earlier, of pricing out some people's ability to have their children participate. We think this Committee and City Council should be aware of this and while we are currently negotiating our budget with city staff, we want everyone to be aware of the constraints on our members and, therefore, our real ability to contribute. Unlike other sports, we do contribute to the City's budget. Our ability to continuously increase that contribution is what concerns us, as it should you.

The Association has often contended that the City subsidizes other sports to a greater extent than it does hockey and other ice sports. The financial arrangements it has with arenas users differs greatly from the arrangements it has with field users and in our view leaves arena users at a disadvantage. The different treatment is obvious in the City's internal departmental costing structure.

In 2006, among other things, we asked this committee to recommend to Richmond City Council that they "freeze the operating fee that RACA pays the city to subsidize operating costs to the amount paid for 2006 for the next five years". This recommendation was not supported by this committee and did not proceed to City Council.

This year, I ask the committee to reconsider and recommend and approve a more modest measure. We put forward the proposal that the payment the Arenas Association makes to the City for 2010 and 2011 to be equal to the 2009 level. This would allow the Association to pass these savings on to our users through lower rates. Not only would this help the users, it would also be a step, albeit a small one, to creating a better balance in the way the City supports different sports. It would also offset the impact of HST and gaming cuts.

I ask this committee to approve the above recommendation.

3. Facilities

One goal of the Arenas Association is to ensure that the city has a long-term plan for arena development. The arenas are currently 100% utilized. This fact is undisputable. More arenas are needed.

The last arena expansion was at the Richmond Ice Centre when two sheets were added in 1996. We have been operating with current complement of eight sheets of ice since then, even though the population of Richmond has increased significantly.

The attached utilization report shows that we are fully booked in all the prime time periods. Our overall utilization rate is 77% and this has increased slightly from the figures provided in 1996. It is a credit to our staff that they are able to find and use every available slice of arena space. Obviously there is no more capacity at the Ice Centre or at Minoru Arenas.

The Richmond Olympic Oval has ice making capacity. To the extent that its capacity is not used by high performance users to ensure that the city maximizes its legacy funding, a certain capacity can be added to the community use pool. We can only make a guess, but suppose that the Oval provides the community with the equivalent of one sheet of ice, then there would then be nine sheets of ice available for community use for the fall of 2010. This represents a 12.5% increase in capacity from 1996 to 2010, amounting to less than 1% per year.

At present, the status of our arena facilities are as follows:

Olympic Oval	1 sheets	coming on stream for the fall of 2010 season for community use.
Minoru Arenas	2 sheets	planned decommission in 2016 due to obsolescence.
Richmond Ice Centre	6 sheets	lease ends end 2019 - no plans for renewal or replacement.

You might be feeling good about the increase in capacity the Oval brings, but there is danger lurking just around the corner. The current plan is to demolish Minoru Arenas in 2016. There are no plans for its replacement. Not even a location has been discussed. Even scarier is the future of the Richmond Ice Centre. There the lease ends in 2019. As things presently stand, in less than a decade, the City of Richmond will only have one ice sheet available for community use. Obviously, something has to be done.

The Executive Summary of the PRCS Master Plan on page vi, under the heading *Facilities and Amenities*, recommends adopting the following:

1. *Adopt the development of new facilities as per the 2005-2015 proposals and include in the 5-year capital budget program.*
2. *Adopt and fund a life cycle program for ageing facilities.*
3. *Adopt and fund ongoing capital to ensure upgrades and improvements to existing facilities.*
4. *Develop feasibility studies and business plans for all future major facility development.*

We are not aware if any work has been done related to the above proposals. But we would urge this committee to acknowledge that planning for facilities needs to proceed and I ask that this committee officially acknowledge this fact and make its position known to City council as a whole.

4. Oval Arena Programming

The RACA board was surprised to learn last spring that the Oval was providing ice programs to the community. Unbeknownst to us they ramped up their operations, hired co-ordinators, hired program staff, printed brochures, and undoubtedly incurred other costs to deliver these programs. They did this without any consultation with the RACA board or with our arenas staff. We were dumbfounded. We had been assured through resolutions passed by City Council that the Arenas Association would be consulted when the Oval become operational. I make reference to item 16(5) passed April 16, 2006: *That RACA be invited to participate in the Service Planning group for Sports, as well as the process to develop system wide policies, including a Pricing Policy.*

At present, with the exception of the Oval, arena facilities are managed by RACA in conjunction with arenas staff on a city-wide basis. By all accounts, the current arrangement works for facility users and works for the city. We have met and exceeded all mandates. Our model works--it works now, has worked for the last decade or more and will work into the future.

RACA believes that programming control and responsibility for fees and charges for the "ice portion" of the activity floor should be given to RACA and rolled into our existing programming and management model. Our service delivery model is very straightforward with no unknowns and certain returns.

We have the ability to expand our operations from our current base to include the new capacity at the Oval.

All that is required is for the City to negotiate the rental of a large season-long block of ice from the Oval and then pass it on to RACA for utilization. RACA will deploy the ice and increase its payment to the City under the operating agreement:

In the summer, RACA co-ordinated a meeting of Oval staff and senior arena staff. We were hoping to discuss program co-ordination. The Oval staff could not engage us at that level as they were still grappling with their vision related to the ice. Should there be boards? Should there be two rinks? Should there only be public skating? Oval staff was attempting to rationalize these kinds of thoughts. RACA does not have this problem. We would program it in the context of optimizing arena programs in the city as a whole.

RACA can provide seamless integration and put this part of the Oval squarely in the hands of the community as envisioned and espoused by city council. The needs of the high performance users of the facilities will be prioritized as necessary in our ice allocation policy to ensure that legacy funding for the Oval is maximized. We understand the importance of legacy funding and we are as able as anyone to protect that very important source of funding for the Oval.

RACA's control of programming of the ice facilities inside the Oval will eliminate conflicts that will certainly arise. In most communities there is conflict and competition among arena users. Resolution of these conflicts is usually in the hands of the senior city staffer. Often, however, it is city council that becomes the final decision maker. These types of decisions force council into choosing one constituency over another. This is not a win-win situation. In Richmond, RACA has facilitated a true partnership between the different users. Deals and compromises are made and decided upon by RACA. To our knowledge, city council has never had to get involved. This is a win-win scenario.

All arena users are looking forward to being able to use the Oval. Everyone wants in at the first opportunity. However, there isn't enough space for everyone. Who will decide which organization or team goes first? We think RACA is best suited to resolve these types of issues.

In 2006, we asked this committee to endorse recommendations below. We ask the same again:

1. That the PRCS Committee endorse the concept of having a single provider of arena facilities in the City of Richmond responsible for programming and fees and charges..
2. That staff be directed to enter into negotiations with RACA to develop a memorandum of understanding in this regard.

Thank you very much for giving us the opportunity to make this presentation. We would be pleased to answer any questions you may have.

Respectfully submitted
Frank Claassen
Crichy Clarke

2009 Richmond Arena Highlights

- Richmond Arena Community Association completed upgrades to the parking lot at the Richmond Ice Centre along with the addition of awnings over the three main entrances to the Richmond Ice Centre in 2009.
- The use of Minoru Arenas in February 2010 by Holland Heineken House was unanimously endorsed by the Richmond Arenas Community Association at their January 2009 RACA board meeting.
- Over 17,000 school students visited Minoru Arenas and the Richmond Ice Centre as part of the arenas school skate program during the 2008/2009 school year.
- Since 2004 the Richmond Arenas Community Association has provided over a half million dollars in funding that has been used to make various upgrades to the two arena facilities. Upgrades have included: PA systems, donation of two AED units to the facilities, players benches improvements, kitchen upgrades to Stanley's Bar and Grill along with the above mentioned parking lot and awning upgrades.
- Approximately 10,000 people took part in the annual Winter Wonderland special event skate that ran from December 12th, 2008 to January 4th, 2009 on the Silver Rink at Minoru. Staff and RACA volunteers worked very hard this past year turning the ice rink into a winter themed event with trees, lights, music, snow banks, murals and ice carvings.
- Richmond Girls Ice Hockey, Seafair Minor Hockey Richmond Minor Hockey, Richmond Ringette, Richmond Rockets, Connaught Skating Club and Richmond Lacrosse combined together to use over 10,750 hours of ice and dry floor at the two facilities over the previous year.
- The two arena facilities hosted a total of 15 minor sport tournaments to date this year. A total of 413 teams have taken part in the various tournaments with a total of 1,081 games of hockey, lacrosse and or ringette being played by the tournament participants. Of note was Richmond Lacrosse hosting the Bantam Provincial Championships along with Richmond Minor hosting the Juvenile Provincial Championships.
- The Richmond Sockeyes hosted and won the Provincial Junior B Hockey Cyclone Taylor Cup from April 2nd to April 5th on the Stadium rink at Minoru Arenas. The Sockeyes then went on to win the Western Canadian Junior B Keystone Cup Championship in Thunder Bay.
- Minoru Arenas and the Richmond Ice Centre hosted approximately 24 teams who played a total of 60 games of hockey as part of the recent BC Seniors Games that were held in Richmond.
- The Connaught Skating Club put on a production of the Wizard of Oz ice show on the Minoru Arena Stadium rink in March. The two day production attracted over 1,000 spectators to the facility.
- The Connaught Skating Club hosted the 2010 BMO Financial Group BC/Yukon Section Skate Canada Sectional Championships on the Stadium rink from November 11th to 15th. Organizers are expecting close to 300 skaters, officials and volunteers to attend the competition along with spectators.
- Minoru Arenas was also used for a variety of non traditional activities while the ice was out for the spring and summer months including the National Taekwondo Championships, Kajaks Elementary School Track Championships, Relay For Life, Cartwheels Gymnastics recital, Circus Gatti, Air Cadets Band Competition and three roller derby events.
- Arena staff were involved in the organization and running of the this past years Winter Fest at the Richmond Olympic Oval.
- Arena staff are contributing to the planning of the Richmond O Zone and the Ice Zone skating area as part of the preparations that are leading up to the 17 day celebration that will happen on Minoru Park.

Richmond Arenas Facility Utilization -Fall/Winter 2009/2010

Time	Monday				Tuesday				Wednesday				Thursday			
	Min.	RIC	Hrs	%	Min.	RIC	Hrs	%	Min.	RIC	Hrs	%	Min.	RIC	Hrs	%
6:00-7:00am	2.00	4.25	6.25	78%	1.00	5.50	6.50	81%	2.00	4.75	6.75	84%	2.00	5.50	7.50	94%
7:00-8:00am	0.00	3.00	3.00	38%	1.50	3.00	4.50	56%	1.50	4.50	6.00	75%	0.50	3.25	3.75	47%
8:00-9:00am	0.00	1.00	1.00	13%	0.00	1.00	1.00	13%	0.00	1.75	1.75	22%	0.00	0.00	0.00	0%
9:00-10:00am	0.50	3.00	3.50	44%	1.25	3.00	4.25	53%	0.50	3.75	4.25	53%	1.00	2.50	3.50	44%
10:00-11:00am	2.00	4.00	6.00	75%	2.00	3.00	5.00	63%	2.00	4.00	6.00	75%	2.00	3.00	5.00	63%
11:00-12:00pm	1.75	3.75	5.50	69%	1.75	3.75	5.50	69%	1.75	3.50	5.25	66%	1.50	3.50	5.00	63%
12:00-1:00pm	1.50	4.50	6.00	75%	1.50	3.50	5.00	63%	1.50	4.50	6.00	75%	1.25	4.00	5.25	66%
1:00-2:00pm	2.00	3.50	5.50	69%	2.00	3.75	5.75	72%	1.00	5.00	6.00	75%	1.50	3.50	5.00	63%
2:00-3:00pm	1.00	2.75	3.75	47%	1.00	3.50	4.50	56%	0.00	3.50	3.50	44%	1.00	3.00	4.00	50%
3:00-4:00pm	1.50	3.50	5.00	63%	1.75	2.00	3.75	47%	1.50	3.00	4.50	56%	2.00	2.00	4.00	50%
4:00-5:00pm	2.00	5.75	7.75	97%	2.00	5.75	7.75	97%	2.00	6.00	8.00	100%	1.50	4.25	5.75	72%
5:00-6:00pm	2.00	6.00	8.00	100%	2.00	6.00	8.00	100%	2.00	6.00	8.00	100%	2.00	6.00	8.00	100%
6:00-7:00pm	2.00	6.00	8.00	100%	2.00	6.00	8.00	100%	2.00	6.00	8.00	100%	2.00	6.00	8.00	100%
7:00-8:00pm	2.00	6.00	8.00	100%	2.00	6.00	8.00	100%	2.00	6.00	8.00	100%	2.00	6.00	8.00	100%
8:00-9:00pm	2.00	6.00	8.00	100%	2.00	6.00	8.00	100%	2.00	6.00	8.00	100%	2.00	6.00	8.00	100%
9:00-10:00pm	2.00	6.00	8.00	100%	2.00	6.00	8.00	100%	2.00	6.00	8.00	100%	2.00	6.00	8.00	100%
10:00-11:00pm	2.00	6.00	8.00	100%	2.00	6.00	8.00	100%	2.00	5.50	7.50	94%	2.00	6.00	8.00	100%
11:00-12:00am	0.00	4.00	4.00	50%	1.25	3.50	4.75	59%	1.25	2.75	4.00	50%	0.75	5.50	6.25	78%
12:00-1:00am	0.00	1.75	1.75	22%	0.00	0.00	0.00	0%	0.00	0.50	0.50	6%	0.00	1.50	1.50	19%
Total Hours	26.25	80.8	107	70%	29	77.3	106	70%	27	83	110	72%	27	77.5	104.5	69%
Time	Friday				Saturday				Sunday				Weekly Totals			
	Min.	RIC	Hrs	%	Min.	RIC	Hrs	%	Min.	RIC	Hrs	%	Min.	RIC	Hrs	%
6:00-7:00am	2.00	5.75	7.75	97%	0.00	3.50	3.50	44%	1.75	1.25	3.00	38%	10.75	30.50	41.25	74%
7:00-8:00am	1.25	2.00	3.25	41%	2.00	5.75	7.75	97%	1.75	6.00	7.75	97%	8.50	27.50	36.00	64%
8:00-9:00am	0.00	1.00	1.00	13%	2.00	6.00	8.00	100%	2.00	6.00	8.00	100%	4.00	16.75	20.75	37%
9:00-10:00am	0.50	4.00	4.50	56%	2.00	6.00	8.00	100%	2.00	6.00	8.00	100%	7.75	28.25	36.00	64%
10:00-11:00am	2.00	5.00	7.00	88%	2.00	6.00	8.00	100%	2.00	6.00	8.00	100%	14.00	31.00	45.00	80%
11:00-12:00pm	1.75	4.00	5.75	72%	2.00	6.00	8.00	100%	2.00	6.00	8.00	100%	12.50	30.50	43.00	77%
12:00-1:00pm	1.00	3.75	4.75	59%	2.00	6.00	8.00	100%	2.00	6.00	8.00	100%	10.75	32.25	43.00	77%
1:00-2:00pm	1.00	5.75	6.75	84%	2.00	6.00	8.00	100%	2.00	6.00	8.00	100%	11.50	33.50	45.00	80%
2:00-3:00pm	1.00	2.75	3.75	47%	2.00	6.00	8.00	100%	2.00	6.00	8.00	100%	8.00	27.50	35.50	63%
3:00-4:00pm	1.50	1.50	3.00	38%	2.00	6.00	8.00	100%	2.00	6.00	8.00	100%	12.25	24.00	36.25	65%
4:00-5:00pm	2.00	5.50	7.50	94%	2.00	6.00	8.00	100%	2.00	6.00	8.00	100%	13.50	39.25	52.75	94%
5:00-6:00pm	2.00	6.00	8.00	100%	2.00	6.00	8.00	100%	2.00	6.00	8.00	100%	14.00	42.00	56.00	100%
6:00-7:00pm	2.00	6.00	8.00	100%	2.00	6.00	8.00	100%	2.00	6.00	8.00	100%	14.00	42.00	56.00	100%
7:00-8:00pm	2.00	6.00	8.00	100%	2.00	6.00	8.00	100%	2.00	6.00	8.00	100%	14.00	42.00	56.00	100%
8:00-9:00pm	2.00	6.00	8.00	100%	2.00	6.00	8.00	100%	2.00	6.00	8.00	100%	14.00	42.00	56.00	100%
9:00-10:00pm	2.00	6.00	8.00	100%	2.00	6.00	8.00	100%	2.00	6.00	8.00	100%	14.00	42.00	56.00	100%
10:00-11:00pm	2.00	6.00	8.00	100%	1.75	6.00	7.75	97%	2.00	6.00	8.00	100%	13.75	41.50	55.25	99%
11:00-12:00am	2.00	4.50	6.50	81%	2.00	6.00	8.00	100%	1.50	5.25	6.75	84%	8.75	31.50	40.25	72%
12:00-1:00am	0.75	1.25	2.00	25%	0.00	1.25	1.25	16%	0.00	0.00	0.00	0%	0.75	6.25	7.00	13%
Total Hours	28.75	82.8	112	73%	33.75	107	140	92%	35	103	138	90%	206.75	610.25	817	77%
Overall Ice Utilization = 77% Based on 6:00am-1:00am September to March																

Note: Ice usage includes Ice Cleans. Based on 8 Rinks - Minoru 2 and Richmond Ice Centre 6 on Fall/Winter Usage

Note: Utilization is based on block bookings and does not account for one time bookings. One time bookings average 22.50 hours per week or an additional 2% utilization.