Agenda - Executive Policy Committee - September 3, 2003

REPORTS

Item No. 2 Indoor Soccer Facility Proposal - St. Boniface-St. Vital Soccer Association
File FC-2.2

STANDING COMMITTEE RECOMMENDATION:

On July 10, 2003, the Standing Policy Committee on Protection and Community Services requested the Executive Policy Committee to direct the Administration to review the Business Plan of the St. Boniface-St. Vital Soccer Association and forward a report on the financial viability of a loan guarantee.

DECISION MAKING HISTORY:

STANDING COMMITTEE RECOMMENDATIONS:

On July 10, 2003, the Standing Policy Committee on Protection and Community Services concurred in the administrative recommendation, namely:

1. That the administrative report dated August 30, 2003, be received as information with respect to the community need for an indoor soccer facility in the St. Boniface and St. Vital area.

2. That the development of any new indoor soccer facilities on City of Winnipeg property be dealt with as a part of an overall strategic plan through the Public Use Facilities Study.

Further on July 10, 2003, the Standing Policy Committee on Protection and Community Services reiterated a portion of its November 25, 2002 recommendation, namely:

1. That the Standing Policy Committee on Property and Development be requested to direct the Director of the Planning, Property and Development Department to prepare a report to review the availability and feasibility of sites for this project in the St. Boniface and St. Vital area.

2. That Executive Policy Committee be requested to direct the Administration to review the Business Plan of the St. Boniface/St. Vital Soccer Association and to forward a report on the financial viability with respect to a loan guarantee.

On November 25, 2002, the Standing Policy Committee on Protection and Community Services concurred in the recommendation of the Riel Community Committee as amended, namely, that the Director of Community Services be directed to prepare a report on the community need for an indoor soccer facility in the St. Vital and St. Boniface area, and that subject to the Standing Policy Committee on Protection and Community Services determining that a need for the subject facility exists:

1. The Standing Policy Committee on Property and Development be requested to direct the Director of the Planning, Property and Development Department to prepare a report to review the availability and feasibility of sites for this project in the St. Boniface and St. Vital area.

2. The Executive Policy Committee be requested to direct the Administration to review the Business Plan of the St. Boniface/St. Vital Soccer Association and to forward a report on the financial viability with respect to a loan guarantee.

COMMUNITY COMMITTEE RECOMMENDATION:

On July 29, 2002, the Riel Community Committee recommended:

> WHEREAS there is a need for indoor soccer facilities in the City of Winnipeg;
>
> AND WHEREAS the Board of Directors of the Bonivital Sports Complex and other members of the Community have indicated a willingness to develop a business plan to initiate the construction of an indoor soccer facility;
>
> THEREFORE BE IT RESOLVED that the Administration be requested to assist the Bonivital Soccer Group with the investigation of attaining charitable status for their organization;
>
> BE IT FURTHER RESOLVED that the Administration be requested to assist the Bonivital Soccer Group with the planning and implementation of their business plan;
>
> BE IT FURTHER RESOLVED that, upon completion of the analysis of said business plan, it be forwarded to the appropriate Standing Policy Committee for consideration.

ADMINISTRATIVE REPORT

RE: Indoor Soccer Facility Proposal in St. Boniface- St. Vital:
Community Needs Assessment

FOR SUBMISSION TO: Standing Policy Committee on Protection and
Community Services

ORIGINAL REPORT SIGNED BY: **Ursula Stelman, Director**
Community Services Department

REPORT DATE: June 30, 2003

RECOMMENDATION(S):

- That this report be received as information with respect to the community need for an indoor soccer facility in the St. Boniface and St. Vital area.

- That the development of any new indoor soccer facilities on City of Winnipeg property be dealt with as a part of an overall strategic plan through the Public Use Facilities Study.

REPORT SUMMARY:

Key Issues:

- On November 25, 2002, the Standing Policy Committee on Protection and Community Services directed the Community Services Department to prepare a report on the community need for an indoor soccer facility in the St. Vital and St. Boniface area and **subject to the Standing Policy Committee on Protection and Community Services determining that a need for the subject facility exists**, the following occur:

    - Standing Policy Committee on Property and Development be requested to direct the Director of the Planning, Property and Development Department to prepare a report to review the availability and feasibility of sites for this project in the St. Boniface and St. Vital area and;

    - Executive Policy Committee be requested to direct the Administration to review the Business Plan of the St. Boniface/ St. Vital Soccer Association and to forward a report on the financial viability with respect to a loan guarantee.

- The Community Services Department has examined the need for indoor soccer facilities within the City of Winnipeg and within the St. Boniface/St. Vital area and has concluded the following:

    - There are presently six indoor soccer facilities in the Winnipeg area (none in St. Boniface/St. Vital), one of which will be closing in 2003.

    - There has been significant growth in indoor soccer registration at the youth level (9-18 yrs.) both citywide and in the St. Boniface/St. Vital area and an insufficient number of facilities to meet this demand.

    - Currently, there are no opportunities for 3-8 year olds from the St. Boniface/St. Vital area to play indoor mini-soccer due to the lack of facilities.

    - Growth in indoor soccer at the adult levels (men, co-ed and women) has been limited by the availability of facilities.

- While the need for additional indoor soccer facilities is evident, it is recommended that the development of any new indoor soccer facilities on City of Winnipeg property be dealt with as a part of an overall strategic plan through the Public Use Facilities Study.

- Bonivital Sports Complex Inc. has been in existence as an organization since early 2002 and is requesting a $5.5 million loan guarantee from the City for the proposed indoor soccer facility. Typically, loans guaranteed by the City have been with community centres, which have a formal reporting relationship with the City and proven track records of financial accountability. Due to its short history, the long term sustainability of Bonivital Sports Complex Inc. as an organization is unknown at this time.

Implications of the Recommendation(s):

General Implications

	None
x	For the organization overall and/or for other departments
x	For the community and/or organizations external to the City of Winnipeg
	Involves a multi-year contract

Comment(s): The recommendation of the Administration is that the need for indoor soccer facilities in Winnipeg be dealt with as part of an overall strategic plan through the Public Use Facilities Study.

Policy Implications

x	No
	Yes **Comment(s):**

Environmental Implications

x	No
	Yes **Comment(s):**

Human Resources Implications

x	No
	Yes **Comment(s):**

Financial Implications

x	Within approved current and/or capital budget
	Current and/or capital budget adjustment required

Comment(s): This report is being provided for information purposes only.

REASON FOR THE REPORT:

On November 25, 2002, the Standing Policy Committee on Protection and Community Services directed the Community Services Department to prepare a report on the community need for an indoor soccer facility in the St. Vital and St. Boniface area.

HISTORY:

On July 29, 2002, representatives of the Bonivital Sports Complex Inc. appeared as a delegation at Riel Community Committee to present their “Field of Dreams” Project and to solicit political support. Riel Community Committee passed a motion requesting the Administration to investigate charitable status for the organization and to assist the group with the planning and implementation of their business plan. This motion was forwarded to the Standing Policy Committee on Protection and Community Services for its meeting of November 25, 2002.

On August 7 , 2002, the Corporate Finance Department responded to the Riel Community Committee motion, indicating that no organization can take advantage of the City’s charitable status for tax receipt purposes unless the City owns the land and building and there is a long-term legal agreement in place, formalizing the relationship between the group and the City.

On November 25, 2002, the Standing Policy Committee on Protection and Community Services approved the following motion:

1. That the Director of the Community Services Department be directed to prepare a report on the community need for an indoor soccer facility in the St. Vital and St. Boniface area.

2. That subject to the Standing Policy Committee on Protection and Community Services determining that a need for the subject facility exists, the Standing Policy Committee on Property and Development be requested to direct the Director of the Planning, Property and Development Department to prepare a report to review the availability and feasibility of sites for this project in the St. Boniface and St. Vital area.

3. That subject to the Standing Policy Committee on Protection and Community Services determining that a need for the subject facility exists, Executive Policy Committee be requested to direct the Administration to review the Business Plan of the St. Boniface/St.Vital Soccer Association and to forward a report on the financial viability, with respect to a loan guarantee.

DISCUSSION:

Existing Indoor Soccer Facilities

Currently, there are six indoor soccer facilities within the City of Winnipeg and Capital Region:

Facility	Location	Comments
A. Privately Owned		
1. Cover-All Sportsplex	5101 Portage Ave, Headingly MB.	Serves the west side of the city including St. James-Assiniboia and Charleswood.
2. Soccer Spectrum	1380 Waverley St.	Privately owned facility
3. Winnipeg Winter Club	200 River Ave.	Facility in very poor condition and to be demolished for a proposed condominium development in 2003
4. The Court Sports & Fitness Club		Privately owned facility
B. City Owned		
5. Gateway Recreation Centre	1717 Gateway Road	City Loan Guarantee of $ 1,591,000
6. Seven Oaks Soccerplex	725 Kingsbury Ave.	City Loan Guarantee of $961,865

There are presently no indoor soccer facilities in the St. Boniface/St. Vital area.

City-Wide Need for Indoor Soccer Facilities

Youth Soccer (ages 9-19): Like most North American cities, the City of Winnipeg has seen significant growth in the sport of soccer in recent years. According to the Winnipeg Youth Soccer Association (WYSA), the governing body for youth soccer in Winnipeg,

participation in outdoor soccer at the youth level has increased by 33% over the past five years and has surpassed ice hockey as the most participated in youth sport activity in the City of Winnipeg.

In addition, WYSA indicates that there were 343 youth indoor soccer teams registered in Winnipeg in 2002-2003. This represents a 14% increase over the previous year and a 90.5% increase from 1997-1998 (average increase of 18% per year). Growth in the sport over the last 5 years has increased proportionately with the availability of new facilities (Seven Oaks, Gateway, Cover-All). While this rate of growth cannot be sustained indefinitely, there is room for some additional growth and the corresponding need for additional facilities to serve the youth level of the sport.

With the current complement of six indoor soccer fields, WYSA is only able to schedule one game every 8-9 days for youth teams. There are currently not enough facilities to allow for the scheduling of the preferred one game per week, and no time availability for teams to practice.

Mini-soccer (ages 3-8): WYSA estimates that less than 800 children aged 3-8 years play indoor soccer. This contrasts with the estimated 15,000 to 18,000 children in this age group, who play outdoor mini-soccer through their local community centers. There is currently very little playing time available for these children to take part in indoor soccer and subsequently, there is significant opportunity for growth in the sport for this age group.

Men's and Women's Leagues: In 2002-2003, there were an estimated 152 men's/co-ed teams and 58 women's teams playing indoor soccer at various locations throughout the city. It is anticipated that there would be modest growth in the number of men's/co-ed teams if new facilities were available. Women's soccer is growing rapidly and could increase to 64-72 teams over the next few years if additional facilities were available.

Need for Indoor Soccer Facilities in St. Boniface/ St. Vital

Youth Soccer (ages 9-19): In 2002-2003, there were 75 youth indoor soccer teams registered from the St. Boniface/St. Vital area. This represents only 40.4% of the 183 youth age outdoor soccer teams registered for the same area. In comparison, the percentages of indoor players vs. outdoor players is 63.9% in Calgary, 66.3% in Saskatoon, 71.8% in Edmonton and 90.8% in Regina. This lower participation rate can be partly attributed to the poor condition of some of the private facilities and the lack of facilities in the south end of the city. For example, it is difficult for a parent in South St. Vital to commit the time required to drive their child(ren) to indoor soccer, when all their games are played at Gateway or Seven Oaks.

Based on a conservative correlation of 63.9% (Calgary's experience), there is potential for an additional 42 teams in the St. Boniface/St. Vital area in the near future, for a total

of 116 youth teams. It would require 1.57 indoor soccer pitches to accommodate the playing time for this number of teams, (based on 37 programmable time slots per week for each field, with two teams per slot). If a modest amount of practice time were provided, at least two indoor fields would be needed to accommodate youth soccer in the area.

Mini-soccer (ages 3-8): It is estimated that approximately 2500 children in the St. Boniface/St. Vital area play outdoor mini-soccer through their local community centers. An initial conservative estimate is that 1250 of these players (50%) would play indoor soccer, if given the opportunity. This would result in 100 new teams and the need for at least one dedicated indoor field, just for mini-soccer.

Public Use Facilities Study

The City of Winnipeg is currently conducting a Public Use Facilities Study; a comprehensive strategic plan that will provide a sustainable blueprint for future recreation and library facility development and service delivery. The purpose of this study, as mandated by the Executive Policy Committee, is to develop a long-term sustainable strategy and fiscally sound business case for managing the City of Winnipeg's public use facilities that support an appropriate level of community-based services.

Key deliverables of this study include:

- **Policy Framework-** Development of a policy framework that will guide Council in its current and future decision-making relative to public use facility infrastructure.
- **Infrastructure Condition Assessment-** A high-level facility condition assessment of all existing public use facilities, analysis of future facility lifecycle operating costs and identification of strategic opportunities for facility rationalization – including development, consolidation, enhancement, conversion and demolition.
- **Community Needs Assessment-** Assessment of the community's current and future needs – including a demographic analysis, market profiles, emerging trends, gaps and surpluses, and geographic distribution as they relate to community needs.
- **Public Stakeholder Consultations-** Conduct a public consultation process that includes input from political and community stakeholders, staff, citizens and service users.

- **Business Case**- Preparation of a long- term fiscally sound business case for the City of Winnipeg's public use facilities, that will offer affordable, alternative investment strategies and will provide a clear blueprint for Council decision-making.

It is recommended that any new proposed recreation facility be considered within the context of this study.

Bonivital Sports Complex Inc. Proposal

Bonivital Sports Complex Inc. was established in 2002, with the goal of addressing the lack of indoor soccer facilities in the St.Boniface/St.Vital area. The organization is comprised primarily of volunteer members of the Bonivital Soccer Association Inc.

The current Bonivital Sports Complex Inc. proposal is for the construction of a four-pitch indoor facility and a minimum six outdoor pitches. The intent is to establish a first class indoor/outdoor soccer facility that meets the soccer community's needs for adequate facilities for league play, tournaments and player development.

As a part of this proposal, Bonivital Sports Complex Inc is asking the City to provide tax-free land for the facility, a loan guarantee in the amount of $5.5 million, access to the City's charitable status for the issuance of tax receipts and grant funds if available. If approved, the City would retain ownership of the land and buildings, but the operation of the facility and all related maintenance costs would be borne by the Bonivital Soccer Complex Inc., through its operating revenues. The organization would be required to enter into a lease agreement with the City, outlining maintenance responsibilities, insurance and yearly financial reporting requirements.

Historically, loans guaranteed by the City have been with Community Centres, which have proven formal reporting relationships and direct financial accountability to the City. Due to its short history, the long term sustainability of Bonivital Sports Complex Inc. as an organization is unknown at this time. It should be noted that the requested $5.5 million loan guarantee is nearly twice the amount of the largest Community Centre loan guarantees approved for Dakota Community Centre and Gateway Recreation Centre.

The Departmental Controller concurs that there will be no Financial Impact Statement prepared until the project proponent prepares a Business Plan that is approved by Council.

Financial Impact Statement — Date: June 27, 2003

Project Name: **First Year of Program** 2003

Funding Support of the PROPOSED ST. BONIFACE/ST. VITAL INDOOR SOCCER FACILITY

	0	1	2	3	4
Capital					
Capital Expenditures Required	$ -	$ -	$ -	$ -	$ -
Less: Existing Budgeted Costs	-	-	-	-	-
Additional Capital Budget Required	$ -	$ -	$ -	$ -	$ -
Funding Sources:					
Debt - Internal	$ -	$ -	$ -	$ -	$ -
Debt - External	-	-	-	-	-
Grants (Enter Description Here)	-	-	-	-	-
Reserves, Equity, Surplus	-	-	-	-	-
Other - Enter Description Here	-	-	-	-	-
Total Funding	$ -	$ -	$ -	$ -	$ -
Total Additional Capital Budget Required	$ -	$ -	$ -	$ -	$ -
Total Additional Debt Required	$ -	$ -	$ -	$ -	$ -
Current Expenditures/Revenues					
Direct Costs	$ -	$ -	$ -	$ -	$ -
Less: Incremental Revenue/Recovery	-	-	-	-	-
Net Cost/(Benefit)	$ -	$ -	$ -	$ -	$ -
Less: Existing Budget Amounts	-	-	-	-	-
Net Budget Adjustment Required	$ -	$ -	$ -	$ -	$ -

Additional Comments: There are no financial implications associated with this report.

C. Wightman, Manager
Finance & Administrative Services

IN PREPARING THIS REPORT THERE WAS CONSULTATION WITH, AND CONCURRENCE BY:

- N/A

THIS REPORT SUBMITTED BY:

Department: Community Services Department
Division: Community Development and Recreation Services Division
Prepared by: Ken McKim, Community Facility Development Coordinator