

Item No. 10.1.2
Halifax Regional Council
February 8, 2011

TO: Mayor Kelly and Members of Halifax Regional Council

Original Signed by 

SUBMITTED BY:

Wayne Anstey, Acting Chief Administrative Officer

Original Signed by 

Mike Labrecque, Deputy Chief Administrative Officer

DATE: January 5, 2011

SUBJECT: Stadium: Consultation, Business Planning, Site Selection and Design Process

ORIGIN

December 7, 2010, the following motion was passed:

“That Halifax Regional Council continue as a candidate city for the 2015 Women’s World Cup, and expedite public input and explorations for funding partners both private and public and that further, Events Nova Scotia allocate the \$25,000 for the bid deposit.”

The bid requirements require a host city to provide an outdoor venue with a minimum seating capacity of 20,000, which can include a mix of temporary and permanent seating.

RECOMMENDATION

It is recommended that Halifax Regional Council:

1. Proceed with Phase 1, the Consultation and Business Planning analysis for a stadium;
2. Fund Phase 1 from the Strategic Growth Reserve Q126, at a total cost \$100K net HST, as outlined in the Budget Implications Section of this report;
3. Approve the Terms of Reference (Attachment 1), for a Council appointed Project Steering Committee; and
4. Authorize the Mayor to sign the attached Letter of Intent (Attachment 2), addressed to the Canadian Soccer Association.

EXECUTIVE SUMMARY

The Canadian Soccer Association has submitted a bid to host the 2015 FIFA Women's World Cup soccer tournament. If the Canadian bid is successful, the tournament will be held in several cities across the country. Halifax Regional Municipality has agreed to participate in the bid, as a potential host city. One requirement of the FIFA bid is that each host city provide a stadium with a minimum seating capacity (temporary and permanent) of 20,000. While the region does not currently have such a facility, development of community infrastructure is often linked to funding opportunities associated with hosting events such as the FIFA 2015 Women's World Cup.

There has been debate amongst supporters and opponents of a stadium for the region. Very little factual information has been provided for informed public discussion and decision making. In addition, no structured process has been provided for public engagement on the issue. Several stadium studies have been done. However, in general, they have not examined the larger community interests and opportunities that a stadium may represent. Several were largely focused on constructing a stadium as a means to obtain a Canadian Football League franchise for the region.

A more comprehensive review of the opportunities, risks and business models for a stadium in this region should be undertaken before making a final decision on whether or not to build a stadium. This report proposes that a project be undertaken to develop a sustainable business model for a stadium in this region. If a sustainable business model can be developed and Council accepts this model, the project will move onto site selection, building program, design and costing. Such a significant piece of public infrastructure must serve community needs, benefit the region and make a statement about community image and aspirations. Public engagement will therefore be undertaken for the business plan, site selection, building program and building design.

A systematic and phased approach to information gathering/analysis and decision making is required. For example, initiating discussion on the pros/cons of various sites, building size and design options is premature before determining how this building will serve our community and identifying a business model which is sustainable in our region. A phased approach also allows Council to have significant and relevant information for decision making at each phase of the project rather than simply being involved at the initiation and completion of the project. Initiation of Phase 1 is not a commitment or obligation to proceed with Phase 2 or 3. Council will decide at each phase how it wishes to proceed. Phase 2 is projected to be completed by December 2011. This is to ensure that we meet the Canadian Soccer Association's timelines for their final host city selections. Related to this is the need to ensure that there is sufficient time for final design, tendering, construction and commissioning of the stadium, if the project proceeds to construction in Phase 3.

- Phase 1 Consultation and Business Planning
- Phase 2 Consultation and Site Selection/Building Program/Design
- Phase 3 Construction

A citizen led committee, including councilors, will lead the project with support from a staff team and specialized consulting expertise in stadium business models, design and public engagement. Committee members should display a high level of business acumen, be open

mindful and possess solid analytical/conceptual skills. It is proposed that Sport Nova Scotia, Sport Centre Atlantic, Recreation Nova Scotia and N.S. Health Promotion and Protection be included on the Committee along with 5 citizens at large.

BACKGROUND

Previous Studies

There have been attempts over the past 20+ years to construct a sport stadium in the region. Some have been tied to bids for major sport events. Some have been related to attempts to encourage the establishment of a Canadian Football League franchise. None of these have resulted in the development of a full business case and economic impact analysis, nor have they included consultation with stakeholders and the community at large.

The following is a list of the documents prepared on the subject from 1986 to 2010:

1. Stadium Proposal researched by Events Halifax, 1999 cited the following proposals to construct a Stadium in HRM:
 - 1994 Halifax Commonwealth Games Bid Committee proposed a stadium as part of their draft bid in 1986
 - 1999 Pan American Bid Committee proposed a stadium as the focal point of their presentation in 1992
 - 1992 City of Halifax presented a draft Mainland North Common Masterplan, which identified a possible location for a stadium in its phase 2 plan. This concept was not incorporated into the final report.

The following two reports focused on a stadium as a means to encourage a Canadian Football League franchise. There is significant detail regarding the CFL as an anchor stadium tenant, but no analysis of other community sport, recreation and cultural opportunities.

2. Stadium Analysis Report Economics Research Associates, June 2002 was commissioned by Events Halifax
3. Hosting the Commonwealth Games: An Evaluation of the Region's Opportunity, July 2002
4. Outdoor Multi-Purpose Venue Review (Draft) August 2010
The research outlined in this report is an overview of all of the previous studies.

DISCUSSION

Short Term: FIFA Requirement

Halifax is one of several Canadian cities interested in participating in the 2015 FIFA Women's World Cup tournament. A 20,000 seat stadium is a requirement to participate as a host community. All of the other cities that have expressed interest already have stadiums. It is likely that hosting the tournament will provide an opportunity for funding assistance to construct a stadium. Participation in hosting the FIFA event however is not sufficient justification to construct a stadium.

Long Term: Community Need and Sustainability

Before committing to this project it is critical to understand the long term sustainability of a stadium in the region. Regional Council has directed that appropriate analysis and business planning be completed prior to deciding whether or not to build a stadium. This analysis will focus on the fiscal sustainability of such a facility, and will evaluate long term regional benefit. The analysis will include opportunities for hosting other major events, sport tourism, community sport, recreation and culture. A stadium is large building and will therefore have a significant physical presence in the region with traffic and servicing implications. Large public buildings such as a stadium are also an opportunity for a community to make a lasting statement about its identity and image. A stadium therefore must also be considered within the context of urban planning and design.

Project Scope and Phasing

A 3 Phased approach is being proposed which allows Council to have significant and relevant information for decision making at each milestone of the project rather than simply being involved at the initiation and completion of the project. Initiation of Phase 1 is not a commitment or obligation to proceed with Phase 2 or 3. Council will decide at each phase how it wishes to proceed.

The timing of Phases 1 and 2 is aggressive to ensure that we meet the Canadian Soccer Association's timelines for their final host city selections. Related to this is the need to ensure that there is sufficient time for final design, tendering, construction and commissioning of the stadium, if the project proceeds to construction in Phase 3. The following dates highlight the major FIFA and CSA milestones.

March 1, 2011	CSA presents Bid to FIFA in Switzerland
Mid to Late March	FIFA Announces Host Country
April 2011	Host Country will begin approximately 12 month long process of selecting host cities
Spring 2012	CSA selects final host cities

Phase 1 Consultation and Business Planning

Given that there is considerable interest in the potential opportunities and risks of building a stadium, Phase 1 is designed to initiate a significant consultation process. This consultation process will engage citizens, sport and recreation groups and potential partners, etc. Phase 1 will also include a comprehensive business planning and financial feasibility analysis. Phase 1 is expected to be complete in June 2011. A Phase 1 report will be presented to Council along with recommendations on whether or not to proceed with Phase 2. A budget of \$100K is estimated for Phase 1 to obtain additional specialized consulting expertise and to complete the extensive public consultation.

Phase 2 Consultation and Site Selection/Building Program/Preliminary Design

After reviewing the results of Phase 1, should Regional Council decide to continue to Phase 2, a site selection process will be initiated based on a series of criteria that was developed as part of the business planning process in Phase 1. Site selection is a critical component, and will benefit

significantly from the earlier analysis of Phase 1. In addition, it is during the Phase 2 analysis that facility design concepts and estimated costs will be developed. Public engagement will take place with respect to both issues.

It is expected that Phase 2 (Consultation and Site Selection/Building Program/Preliminary Design) will be undertaken from August through to December 2011. The estimated cost for Phase 2 is approximately \$200K - \$275K. A Phase 2 report will be presented to Council in December, 2011.

Phase 3 Construction

If Regional Council has made a decision after Phase 2 to construct a stadium, staff will make recommendations to Council regarding the construction methodology, timeline, and funding sources. If Council has decided after Phase 2 not to proceed with the construction of a Stadium, Phase 3 will not be necessary.

It is expected that Phase 3 (Construction) would begin in early 2012, and be completed within a 2 year period. This process is comprehensive and includes final design, tender, construction, and commissioning.

Citizen Led Steering Committee

It is proposed that a citizen led steering committee be established to lead this project and make recommendations to Council. Representation on this steering committee is proposed to be members from Regional Council, sport, community, business, hospitality, and etc. These would be competency based appointments of individuals displaying high levels of business acumen, open mindedness, analytical/conceptual skills and public engagement or communications skills. The Steering Committee will have overall responsibility for project outcomes of Phase 1 of the analysis, and if aproved by Regional Council, Phases 2 and 3.

The Committee will be supported by a staff team providing relevant professional, technical and administrative support. In addition, the Committee will be supported by consulting professionals with specialized consulting expertise in stadium business models, design and public engagement.

BUDGET IMPLICATIONS

If approved, an RFP will be issued for this Phase 1 review with anticipated study period to end in June of 2011.

Funds are currently available in Strategic Growth Reserve Q126 for this project.

Reserve Account Q126 – Strategic Growth Reserve

Projected Balance, March 31, 2011	\$1,674,840
Less: Phase 1 RFP Cost	<u>\$ 100,000</u>
Uncommitted balance	<u>\$1,574,840</u>

It should be noted that there will be additional costs for Phase 2 estimated at \$200K - \$275K. Staff will recommend a funding source in July if Council approves the initiation of Phase 2.

Cost estimates for Phase 3 Construction will be determined by the Phase 1 and 2, and will only be incurred should Council decide to proceed.

FINANCIAL MANAGEMENT POLICIES/BUSINESS PLAN

This report complies with the Municipality's Multi-Year Financial Strategy, the approved Operating, Project and Reserve budgets, policies and procedures regarding withdrawals from the utilization of Project and Operating reserves, as well as any relevant legislation. If approved, there will be a decrease in the Reserve budget and no net effect to Operating or Capital.

COMMUNITY ENGAGEMENT

Consultation with community, key stakeholders, service delivery partners, and the business sector is an intricate component of this analysis, in all three phases. Once the consultant is selected, staff will return to Council with a proposed methodology for the Community Engagement.

ALTERNATIVES

1. Regional Council may choose not to proceed with the recommendations at this time.

ATTACHMENTS

1. Terms of Reference for Project Steering Committee
2. Letter of Intent to Canadian Soccer Association
3. FIFA Bid / Stadium Analysis Timeline Review

A copy of this report can be obtained online at <http://www.halifax.ca/council/agendasc/cagenda.html> then choose the appropriate meeting date, or by contacting the Office of the Municipal Clerk at 490-4210, or Fax 490-4208.

Report Prepared by: Betty Lou Killen Coordinator Client Services Community Development 490.4833

Report Approved by: _____
Doug Rafuse Manager, Service Delivery, Community Development 490-6205

Financial Approval by: _____
Cathie O'Toole, CGA, Director of Finance, 490-6308

Report Approved by: _____
Paul Dunphy Director, Community Development

Attachment 1 Terms of Reference for Project Steering Committee



Steering Committee Terms of Reference

Halifax Regional Municipality FIFA Stadium Project

Project Background

1. Regional Council passed a motion (Dec 7/10) to continue as a Bid City for the 2015 FIFA Women's World Cup, to expedite public input, to explore private and public funding opportunities, and to have Events Halifax allocate the non-refundable \$25,000 bid fee. The motion of Council also included the provision that – based on confirmation of a business case and a commitment for an appropriate Women's World Cup venue by March 1, 2011 – Council would provide a commitment to the required operational financing which includes \$250,000, value-in-kind services and a \$2M operational fee.
The bid requirements seek an outdoor venue with a minimum seating capacity of 20,000, which could include a mix of temporary and permanent seating.
2. **Current project positioning:** Meet FIFA Bid Requirements.
Complete necessary consultation, business planning and analysis to provide informed and knowledgeable recommendations, to host 2015 FIFA World Cup.
Should the Fédération Internationale de Football Association (FIFA) make a decision in March 2011 to host their 2015 event in Zimbabwe, the Stadium Project will continue, but will enjoy a more relaxed project timeline.
3. **Purpose of Steering Committee**
The project Steering Committee shall:
 - provide advice and direction to a staff resource team
 - develop and make recommendations to Regional Council on a Stadium business plan, operational plan, site selection, ownership model, facility design and construction methodology
 - Serve as the public face of the project from a communications perspective in community, media, etc.

4. Role of Steering Committee

The Committee's primary roles are as outlined above. The Steering Committee will be supported by an HRM staff expert Technical Team and will direct requests and direction to this Technical Team as needed to develop recommendations, through the Project Manager.

More specifically, the Committee will:

- work within the project scope and time line
- participate in a public/stakeholder participation program in order to stimulate comment/consultation and gain further input. Recommend further public consultations as required.
- Monitor project progress as related to phased methodology and ensure that information and analysis is complete and unbiased
- advise on the need and priorities for background and studies and research
- review all available background information
- take into consideration usage and future plans of any municipal or non-municipally owned facilities and potential impacts
- will provide periodic progress reports and will make the final presentation and recommendation to Regional Council
- If necessary, proceed with concurrent phases of the project in order to achieve timeline requirements

5. Steering Committee Membership

Representation on this steering committee is proposed to be members from Regional Council, sport, community, business, hospitality, and etc. These would be competency based appointments, and would be individuals who display a high level of business acumen, are open minded with solid analytical and conceptual skills, are experienced in public engagement or communications roles, and do not represent special interest groups who may whole heartedly support or oppose the potential outcome.

The Steering Committee will have overall responsibility for project outcomes of Phase 1 of the analysis, and if approved by Regional Council, Phases 2 and 3 as well.

Regional Council	(3)
NS Health Promotion and Protection	(2)
Sport Nova Scotia	(1)
Sport Centre Atlantic	(1)
Recreation Nova Scotia	(1)
Citizen at large	(5)

6. Selection of Steering Committee Membership

Selection criteria will include:

- Willingness and ability to commit to the necessary time up to a one year period;
- Commitment and interest in the planning, development and operation of sport, recreation, event facilities related to the scope of work of this project
- Skills and experience related to roles and responsibilities in facility management , operations, major event hosting, and service delivery
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7. Appointment of Steering Committee

The term of appointment shall be until the project analysis is completed, and construction begins, should the analysis lead Regional Council to that conclusion.

8. Resources

The Service Delivery division of Community Development will provide staff resources to the FIFA Stadium Steering Committee including arranging meetings, agendas, note taking (summary and action items), distribution of materials and other administrative functions. Any budget requirements for this committee will be included within the budget of the project, subject to the normal review and approval process of the Business Unit.

The staff technical team will work as an integrated group, represented on the Steering Committee by the Project Manager, to provide professional support, expertise, and deliverables as necessary to meet the time lines and scope of the project.

In addition, the Steering Committee will be supported by consultant leadership with specific experience and expertise in the areas of consultation, stadium operations, ownership models, business planning, and design.

Documents available:

HRM Regional Plan

Current HRM 5 Year Capital Plan

Additional background will be made available as it is identified.

9. FIFA Timeline for Country and Host City Selection:

January 12	Internal Drop-dead date for CSA re list of cities
February 7	FIFA receives Bid Book from CSA
March 1	CSA presents Bid to FIFA in Switzerland
March	FIFA Announces Host Country
April	Host Country will begin process of selecting cities (12mo+/-) 2-

10. Project Governance

2-Tiered Approach

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|--------|--|
| Tier 1 | Council initiated Project Steering Committee
(Representation from council, sport, community, business, hospitality, etc)
Overall responsibility for project outcomes. |
| Tier 2 | Staff Technical Team
Highly motivated group of expert staff with proven success and ability to meet aggressive timelines and expectations. Project Manager (CD) will liaise between both, and provide project leadership under Director CD. |

11. Stadium Analysis Project - Methodology

3 – Phased Approach

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|---------|---------------------------------------|
| Phase 1 | Consultation and Business Planning |
| Phase 2 | Site Selection and “Building” Program |
| Phase 3 | (tentative) Design Build Construction |

12. Project Timeline

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|----------------------|--|
| July 5/11 | Recommendation Report to Regional Council-approval to proceed with Phase 2
(nb. This is the only Regional Council meeting in July 2011) |
| July | Notification to Canadian Soccer Association of intent to construct and ability to meet FIFA Bid deadlines for operation of Stadium |
| July – Dec 2011 | Complete Phase 2 |
| Jan 2012 – July 2015 | Design Build Construction Phase 3
(2.5 – 3 years anticipated to completion) |



Community Development
P.O. Box 1749
Halifax, Nova Scotia
B3J 3A5 Canada

ATTACHMENT 2

February 4, 2011

Peter Montopoli
General Secretary
Canadian Soccer Association
Rue 237 Metcalfe Street
Ottawa, ON K2P 1R2

Dear General Secretary:

RE: FIFA Women's World Cup 2015

Halifax Regional Municipality is enthused at the prospect of a successful bid by the Canadian Soccer Association to host the FIFA Women's World Cup in 2015. It is the intention of Halifax Regional Municipality to complete the feasibility analyses of the funding and construction of a suitable stadium for a host city for such an event. Pending approval of Halifax Regional Municipality Council of this stadium project, Halifax Regional Municipality will be pleased to confirm its candidacy for selection as a host city by the Canadian Soccer Association.

If and when Halifax is in a position to proceed as a Host City, we will work cooperatively with CSA and FIFA in order to meet the requirements and to resolve any potential outstanding concerns relating to the existing Host City Agreement and Stadium Agreement.

Mayor Peter Kelly

Stadium Analysis / FIFA Bid Benchmark Review - Attachment 3

	HRM Stadium Analysis	FIFA Bid Benchmarks
December 7 2010		Regional Council motion to continue as candidate city for 2015 Women's World Cup and to expedite public input and explorations for funding partners both private and public
February 7 2011		CSA presents Bid Submission and Documentation to FIFA
February 8 2011	Staff report to Regional Council requesting approval of: a) Phase 1 of Analysis, b) Terms of Reference for Steering Committee, c) Authorization for Mayor Kelly to sign letter of Intent to CSA	
February 9 2011	Commence Phase 1 of Stadium Analysis	
March 4 2011		FIFA Announces Host Country for 2015 Women's World Cup
July 4 2011	Phase 1 Final Report to Regional Council, and pending, request permission to proceed with Phase 2	
July 1-13 2011		FIFA 2011 Women's World Cup in Germany
Sept / Oct 2011		FIFA comes to Host Cities for 1st of 2 site visits
December 15 2011	Phase 2 Final Report to Regional Council, requesting permission to proceed with Phase 3	FIFA (in consultation with CSA) announces Host Cities for Canadian Event
January 31 2012	Council approves commencement of Phase 3 Construction of Stadium	
April 1 2012		FIFA comes to Host Cities for 2nd of 2 site visits
January 31 2014	Phase 3 is completed - Construction of HRM Stadium	
July 15 2014		FIFA U-20 Women's World Cup Tournament in 4 host cities (This is a test event for the 2015 event, and will include 32 matches between 16 teams)
July 16 2015		FIFA Women's World Cup Tournament in Canada (if selected) This event will include 52 matches between 32 teams)