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Meeting2019 Jul 29

COUNCIL REPORT

TO: CITY MANAGER **DATE:** 2019 Jul 22

FROM: DIRECTOR - PARKS, RECREATION & CULTURAL SERVICES

SUBJECT: AMENDMENT TO THE MEMORANDUM OF UNDERSTANDING WITH TENNIS CANADA FOR THE WESTERN CANADA TRAINING CENTRE

PURPOSE: To seek Council authorization to amend the Memorandum of Understanding with Tennis Canada to develop a Western Canada Training Centre in Burnaby.

RECOMMENDATIONS:

1. **THAT** the Memorandum of Understanding with Tennis Canada regarding the development of a major tennis training facility in the Central Valley sports precinct be amended as outlined in this report.
2. **THAT** staff be authorized to finalize and execute an amended Memorandum of Understanding.
3. **THAT** a copy of this report be sent to the Parks, Recreation and Culture Commission for information.

REPORT

1.0 INTRODUCTION

Since 2016 the City has been working with Tennis Canada on a proposal to bring a Western Canada Training Centre (WCTC) to Burnaby. This facility would complement the existing centres in Toronto and Montreal, and would represent a needed extension of Tennis Canada's training support structure into Western Canada. The City and Tennis Canada reached a Memorandum of Understanding (MoU) which was executed by the Board of Tennis Canada and Burnaby Council in July 2018. The MoU establishes the intent and the basis for a partnership which will eventually lead to a binding construction and operating agreement which will be the next major step. The MoU identifies the City owned property immediately south of Sprott Street between Sperling Avenue and Kensington Avenue as the preferred location for the Centre. It also identifies the preliminary project scope, the approval process and the management and cost responsibilities which will be negotiated within the construction and operating agreements.

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Tennis Canada has been proceeding with site analysis at the preferred location, and in order to meet their cost target, they are now seeking assistance from the City with the cost of preloading the site for construction. This report discusses the request, and recommends that Council approve an amendment to the MoU to accommodate the request due to the community benefits that would be derived from the Centre. The report provides details on the nature of the community benefits that would accrue to Burnaby if the centre is built.

2.0 POLICY SECTION

Goal

- A Connected Community
 - Social connection –
Enhance social connections throughout Burnaby
 - Partnership –
Work collaboratively with businesses, educational institutions, associations, other communities and governments

- An Inclusive Community
 - Serve a diverse community –
Ensure City services fully meet the needs of our dynamic community
 - Create a sense of community –
Provide opportunities that encourage and welcome all community members and create a sense of belonging

- A Healthy Community
 - Healthy life –
Encourages opportunities for healthy living and well-being
 - Lifelong learning –
Improve upon and develop programs and services that enable ongoing learning
 - Community involvement –
Encourage residents and businesses to give back to and invest in the community

- A Dynamic Community
 - Economic opportunity –
Foster an environment that attracts new and supports existing jobs, businesses and industries
 - Community development –
Manage change by balancing economic development with environmental protection and maintaining a sense of belonging
 - City facilities and infrastructure –

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Build and maintain infrastructure that meets the needs of our growing community

3.0 PROGRESS TO DATE AND TENNIS CANADA'S REQUEST

Following the execution of the MoU in July 2018, Tennis Canada engaged consultants to do site preparation analysis at the preferred location. This has given them a more refined estimate of what the costs would be to build a facility of the desired size at the preferred location. Included in this estimate is approximately \$5 million which would be required for preloading the site to accommodate the indoor and outdoor courts and the training rooms, offices, storage and other buildings associated with their use. This represents approximately one-fifth of the total cost of construction according to Tennis Canada's current estimates.

Within the current MoU, the City has assumed responsibility for the cost of off-site servicing, and would lease the land required for the facility to Tennis Canada at a nominal rate. These servicing costs are estimated to amount to approximately \$6.5 million, and would bring water, sewer, power, and road upgrades to the area. While these services would be required to accommodate the new Tennis Centre, they will also be required for development or redevelopment of other park amenities to the western and southern areas of the Burnaby Lake lands, such as the redevelopment of Burnaby Lake pavilion.

The request for assistance with the preloading of the construction site would be in addition to the nominal lease, and the off-site servicing costs already identified as a City responsibility in the MoU. In order to accommodate the request, the MoU would be amended following Council approval of this report to provide that the City will contribute up to \$5 million to the cost of preloading the site.

4.0 COMMUNITY BENEFITS DERIVED FROM THE PROJECT

Tennis Canada is asking the City to assume an estimated \$6.5 million for off-site servicing which will benefit the project and the surrounding area, and up to \$5 million in preloading costs for the project specifically. The value in exchange for this City contribution comes from the significant community and economic benefits which will accrue to the City which can be directly attributed to the Tennis Centre. These are:

- Discounted programs and fees for all City of Burnaby residents and no-cost/subsidized court hours for municipal use. The WCTC will offer discounted court rental fees, free rackets and balls for introductory programs and program opportunities for residents of all skill levels and ages. This will include an annual allocation of hours at no cost for City of Burnaby's programming use, which can accommodate a variety of court and other dry space activities.

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- Outreach programs for Burnaby's underserved communities. The WCTC will reach out to communities and schools in neighbourhoods such as Maywood and Edmonds to offer no-cost after school programs to keep kids active. This will be modeled after the Jane Finch community tennis program in Toronto which includes over 500 kids. Scholarships are also given through the program to complete Tennis Canada's instructor certification program. The WCTC will also offer leadership development opportunities for Burnaby youth, including employment opportunities for program coordinators, camp directors and tutors for junior athletes, as well as volunteering and officiating positions. The youth instructors will be mentored by top international and national coaches and staff.
- Programming partnerships with Tennis BC which target priority groups such as women and girls, new Canadians and indigenous communities. Tennis BC will move their office from Vancouver to Burnaby. Their certified coaches and instructors will run satellite programming on public courts throughout Burnaby in advance of the Centre's opening to continue growing the game and positioning the Centre to meet or exceed court utilization goals. These programs will include girls' and women's-only clinics, leagues and recruiting camps aimed at developing a positive environment for women and girls. Programming partnerships will also be developed with local multi-cultural organizations to provide introduction to tennis and access to courts. The WCTC will also provide equipment subsidies and will work with local groups such as the Spirit of Children Society to deliver continuous programming for indigenous kids and youth.
- New home to Canada's national wheelchair tennis program. The WCTC will be Canada's only fully accessible facility, with the potential to expand on the 5 wheelchair competitions that are already staged in BC. It will become the home of Tennis Canada's national wheelchair program, recognizing that wheelchair tennis is the fastest growing Paralympic sport in the world. This can be achieved without specialized adaptation, because wheelchair tennis and able-bodied tennis are played on the same courts. Tennis Canada wheelchair tennis coaches and programming staff will move to the WCTC.
- Access to a world-class sports facility and availability and access to national high performance tennis programming. The current scope of the WCTC would be superior to the Toronto centre in that it would have:
 - 24 permanent indoor and outdoor courts
 - Multi-surfaced courts with a combination of hard and clay courts
 - Dedicated mini-tennis courts for children
 - Pickleball courts
 - Strength and conditioning space
 - Change rooms

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- Multipurpose adaptable spaces for meetings, events and community activities

Canada currently has 4 players in the top 25 and 6 in the top 100 in the world. These players were all developed with the assistance of the Montreal and Toronto Centres. BC has a huge potential to generate athletes who can achieve these levels with the assistance of a world class centre in Burnaby. Access to mini-tennis, pickleball and multi-purpose adaptable spaces also allows the Centre to connect the City of Burnaby to sport for life, which keeps people of all ages and skill levels active.

- Increased exposure and economic impact for the City of Burnaby and re-investment of net revenue back into the Burnaby area. The WCTC will attract thousands of players through sanctioned local, Provincial and National tournaments. Tennis Canada estimates that National events generate between \$50,000 and \$100,000 each. Within 3-5 years of opening, the WCTC will host an indoor professional tournament which will generate over \$1 million of annual economic impact for the community. In addition to the direct capital investment by Tennis Canada and other levels of government for the construction of the Centre, Tennis Canada estimates that the following economic benefits will also accrue to Burnaby through the Centre's operations:
 - Ongoing re-investment from operating surplus - \$250,000 per year and \$7.5 million over 30 years;
 - Value of community discounts and program subsidies: \$180,000 per year and \$5.4 million over 30 years;
 - Value of allocation of court time for City of Burnaby use: \$30,000 per year or \$900,000 over 30 years;
 - Value of outreach programs conducted by Tennis Canada in the community: \$56,400 per year or \$1.7 million over 30 years.

These figures do not include the estimated economic impact of tournaments or other hosted events noted above.

It should be noted that the cost responsibilities between Tennis Canada and the City for the construction and operation of the WCTC will be finalized within the construction and operating agreements. The specific terms of community access as it relates to the benefits noted above will also be finalized as part of these agreements. These agreements will be subject to Council approval.

It should also be noted that as with all other community facilities in Burnaby, Tennis Canada will conduct public consultation through the design process of the WCTC to ensure the public is involved in the development of the Centre.

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5.0 RECOMMENDATION

In light of the community benefits that will be generated from the development of the WCTC, staff recommend that Council agree to contribute up to \$5 million in preloading costs for the project. Staff recommend that staff be authorized to finalize and execute an amended Memorandum of Understanding with Tennis Canada to provide for this requested contribution. The City's contribution of preloading costs up to \$5 million and the off-site servicing costs of approximately \$6.5 million would be funded from the City's Community Benefit Reserves.

Please note that Council, in approving the previous Memorandum of Understanding, also approved a recommendation authorizing staff to pursue a construction and operating agreement for Council's approval, as the next step of the development proposal with Tennis Canada. Should Council approve the recommendations in this report, staff will continue to pursue this next step incorporating the amended Memorandum of Understanding.



Dave Ellenwood
DIRECTOR - PARKS, RECREATION & CULTURAL SERVICES

DE:tc

Amendment to the MOU with Tennis Canada for the Western Canada Training Centre (2019.07.29) Revised

cc: Director Public Safety & Community Services
Director Corporate Services
Director Engineering
Director Finance
Director Planning & Building
City Solicitor