



Date: June 8, 1999

**TO: Board Members - Parks and Recreation**  
**FROM: General Manager - Parks and Recreation**  
**SUBJECT: PROPOSAL BY PHOENIX GYMNASTICS CLUB AND  
PACIFIC INDOOR LAWN BOWLING CLUB**

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## **RECOMMENDATION**

- A. THAT the Board approve in principle the joint proposal by the Phoenix Gymnastics Club and the Pacific Indoor Lawn Bowling Club to build an athletic facility in the Nat Bailey Stadium Park area; subject to all design, financial and legal details to the satisfaction of the Board.**
- B. THAT the above approval in principle be granted until June 1, 2001.**
- C. THAT the Board authorize the preparation of a Master Plan to guide future development for Hillcrest Park, Nat Bailey Stadium Park and Riley Park, such a plan to include the provision of gymnastics/lawn bowling facility.**
- D. THAT the Board authorize the preparation of a Memorandum of Understanding (MOU) governing the development and operation of this facility.**

## **BACKGROUND**

At its meeting of January 29, 1999, the Board resolved to refer the proposed construction by the Phoenix Gymnastics Club of a gymnastics facility in Hillcrest Park to a public consultation process. The Board also directed staff to address the outstanding issues concerning financing and the Vancouver Racquets Club/Phoenix interface.

## **DISCUSSION**

Concurrent with the Board's last meeting, the Pacific Indoor Lawn Bowling Club submitted a letter to the Board requesting an opportunity to meet with staff and representatives of the Phoenix Gymnastics Club to discuss the possibility of the Pacific Indoor Lawn Bowling Club's facility being incorporated with the Phoenix Gymnastics Club gymnasium.

The subsequent meeting of proponents determined that, subject to favourable geotechnical conditions, the idea of combining the two facilities into one had significant merit.

Since the Board's last meeting, geotechnical testing of the proposed site was done by the Board, confirming that soil conditions in the proposed development location were favourable, including construction of a deep basement.

These findings encouraged the Pacific Indoor Lawn Bowling Club to confirm its intention to join the Phoenix Gymnastics Club in the proposed development.

The bowling facility is to be 25,000 square feet, mostly below grade. The gymnasium would be built on top of the bowling facility, but with a 13,000 - 15,000 square feet footprint, would not cover all of it. Either landscaping or Riley Park Centre program space could cover the balance. A site plan for a possible location on Nat Bailey Stadium Park is attached.

### **Consultation**

The Riley Park Community Centre Association has formally expressed support for the Phoenix proposal. The Vancouver Racquets Club supports the proposal, on the condition that it would not preclude a possible future expansion of the Vancouver Racquet Club to the north. No such expansion is currently being planned, however.

A publicly advertised community meeting was held at Riley Park Community Centre on April 29, 1999 to permit interested residents to obtain more information about this proposal. The meeting was attended by approximately twenty residents, as well as representatives of the Pacific Indoor Lawn Bowling Club, Phoenix Gymnastics Club, and Board staff.

Several residents expressed concern about the proposal, with issues including:

- The need for neighbourhood park space for unstructured activity.
- Concern about additional parking and traffic.
- The future of Nat Bailey Stadium.
- Creation of a master plan for the area.

At the conclusion of the public meeting, the majority of residents present agreed to support this proposal, with a general consensus that the area required a master plan to deal with land use and facility development issues.

### **Master Plan**

The appropriate location for the proposed athletic complex, including its role in facilitating future expansion of the Riley Park Community Centre, should be the subject of a Master Plan encompassing Hillcrest Park, Nat Bailey Stadium Park and Riley Park.

It is proposed that such a master plan be commissioned within the next several months, to be funded from existing capital funding, (50/50 General Facilities Improvement and General Planning Accounts at \$50,000 total). This timetable advances the Master Plan process from the original contemplated start in the year 2000.

The terms of reference for the master plan would address the following issues:

- The future of Nat Bailey Stadium
- The future of the Vancouver Curling Club and Vancouver Racquets Club
- The possible closure or greening of city streets in and around the parks involved
- The location and program for future Riley Park Community Centre expansion
- The future of Percy Norman Pool
- The location for the Phoenix/Pacific project
- Traffic and parking
- Structured play space and passive park areas
- Facility design criteria
- Connections to Queen Elizabeth Park and the neighbourhood

It is imperative that the Master Plan proceed expeditiously so that the lawn bowlers can vacate Grimmett Park by the June 1, 2000 deadline. For this reason the plan is to be started now. Failure to start early could possible result in the clubs having raised all the money, without an approved Master Plan.

### **Financing**

The project is to be financed by the two clubs through a combination of fund raising, bank loan and 1986 Capital Plan allowance of \$250,000 to the Lawn Bowling Club. Current project costs are estimated to be around \$2.4 million by the clubs. A staff analysis of this projection will be completed as soon as the program requirements are confirmed.

### **Form of Agreement**

Following the Board's consideration of this matter, a Memorandum of Understanding, (MOU), which will govern the planning and development process to be undertaken to realize this project will be prepared. This will be brought back to the Board for approval.

The building/land is proposed to be leased for a 25 year operating term at \$1.00 per year. A draft of the document has been discussed with these two clubs, and there is broad agreement on the most aspects of the MOU, with a few areas of concern.

- i) loan 'guarantee'
- ii) building standard
- iii) corporate/donor recognition

i) “Loan Guarantee”

One issue in this MOU is the financial “guarantee” that the Club wishes in the arrangement of loans required to finance the construction of the facility. Initially Phoenix Gymnastics advised that they may wish to borrow funds, but now the Pacific Indoor Lawn Bowling Club have also indicated they may wish to seek credit. Phoenix is seeking \$400,000 to \$600,000 and the PILBC may require a similar amount. The two clubs are seeking different means to “guarantee” the loans. PILBC is seeking the assignment of the lease, while Phoenix is in effect requesting the Board to co-sign the loan.

The Phoenix Gymnastics’ rationale for seeking the Board’s “guarantee” so that it can borrow is:

1. The club wants to spread the loan cost burden to future members and users of the new facility, instead of taxing the current membership to raise all the required funds while paying high fees in order to rent space for programs.
2. The club is committed to increasing access to gymnastics and to keeping teens in sport. Lower fees will enhance the objectives. The Board’s “guarantee” may result in a lower interest rate and longer term.
3. The club would like to address the issue of inequity of funding and access opportunities for girls and young women to participate in sports, with gymnastics being the preferred sport. The club wants to be treated in a similar way that other large non profit minor sports are supported in Vancouver.

While these arguments are not without merit, the club is receiving a substantial benefit over the other sports groups, namely the exclusive use and control of a single use facility on a year round basis on public park property.

Legal Services have advised that other than the assignment of the lease to a financial institution, the Board has no statutory ability to “guarantee” loans. The Vancouver Charter provides the City with a wider set of powers, which may offer a solution to this concern. Providing a ‘guarantee’ different from assignment would need to be explored further with the City.

ii) Building Standard

A second issue is the building quality proposed, the proponents have quoted a per square foot construction cost of \$73.00, while Park Board facility costs typically run at \$140.00. Lower initial construction cost almost invariably leads to higher operating costs or earlier building replacement costs, and will likely compromise aesthetics. Staff believe that lower maintenance costs and longer building life span are in the interest of all parties. The clubs have recently committed to build to Park Board standards, but perhaps at lower prices through sub trade discounts in the form of sponsorships.

iii) Corporate/Donor Recognition

A third issue relates to “corporate” sponsorship and donor recognition. Staff have indicated that recognition of donors and sponsors conform to the Board’s policies. The Phoenix Club would like to be able to sell the name of the new facility, to a sponsor. The level at which this is agreed to needs to be reviewed in the context of the Board’s practises and policies.

**SUMMARY**

This report sets out approval in principle to build a combined gymnastics/lawn bowling facility in Nat Bailey Stadium area or Riley Park. The siting of the facility is to be finalized in a Master Plan process for the area. A Memorandum of Understanding governing the development and operation of the facility also needs to be prepared. This report represents significant progress in the evolution of this project.

Prepared by:  
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