

**COUNCIL
REPORT**



EDMONTON SKI CLUB REPLACEMENT

RECOMMENDATION

That the August 23, 2022, Community Service report CS01136, be received for information.

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| Requested Council Action | Decision required | | |
| ConnectEdmonton's Guiding Principle | ConnectEdmonton Strategic Goals | | |
| CONNECTED This unifies our work as we work to achieve our strategic goals. | Healthy City | | |
| City Plan Values | BELONG | | |
| City Plan Big City Move | A community of communities | Relationship to Council's Strategic Priorities | Community safety and well-being Arts and Culture |
| Corporate Business Plan | <ul style="list-style-type: none"> Deliver Excellent Services to Our Community Recreation and Culture Edmontonians are physically and mentally healthy | | |
| Council Policy, Program or Project Relationships | <ul style="list-style-type: none"> North Saskatchewan River Valley Area Redevelopment Plan, Bylaw No. 7188 Gallagher Park Master Plan Community Led Gallagher Park Edmonton Ski Club Demolition and Temporary Structures Project Community Led Gallagher Park Edmonton Ski Club New Lodge Project | | |
| Related Council Discussions | <ul style="list-style-type: none"> IIS00112 Edmonton Ski Club Temporary Modular Buildings - Environmental Impact Assessment and Site Location Study - Report October 27, 2020 | | |

EDMONTON SKI CLUB REPLACEMENT

Previous Council/Committee Action

At the June 7/8/10/13, 2022, City Council meeting, the following motion was passed:

That Administration provide a report on the approval process and funding requirements to permit the Edmonton Ski Club to demolish and remove the existing lodge and replace on an interim basis a modular building to meet the needs of the Edmonton Ski Club and the Folk Music Festival in Gallagher Park.

Executive Summary

- The Edmonton Ski Club lodge is owned by the City of Edmonton and licensed annually to the Edmonton Ski Club and to the Edmonton Folk Music Festival as part of their license for Gallagher Park for their respective programs. A portion of the lodge was closed in 2017 due to structural integrity beyond repair and in 2022 the remaining portion of the building was also closed.
- The Edmonton Ski Club is requesting funding over three years in the amount of up to \$800,000 in order to demolish the existing lodge, and install, manage and rent temporary structures to be used by the Edmonton Ski Club and the Edmonton Folk Festival in the interim until a new permanent lodge is built.
- Edmonton Ski Club is proposing to replace the temporary structures with a permanent facility if funding can be secured at an estimated total cost of \$15 million.
- The Edmonton Ski Club was successful in securing federal funding as part of the Green and Inclusive Community Buildings Program to support up to 60 per cent of the estimated project costs.
- Cost sharing and other requirements related to potential federal funding has not been confirmed; however, the Edmonton Ski Club has indicated they will be seeking approximately \$3.5 million in funding from the City of Edmonton through the 2023-2026 capital budget deliberations later this fall and will also seek funding from the Province.
- If the Edmonton Ski Club does not receive the requested funds to support the demolition and replacement, the Ski Club will not operate for the 2022/23 season and beyond.
- The City will still be responsible for demolition of the unusable buildings and removal of the ski lifts and remaining buildings.
- The Edmonton Folk Music Festival would be required to bring temporary infrastructure to the site to support annual activities.

REPORT

Current Status - Edmonton Ski Club

The Edmonton Ski Club has operated in Gallagher Park since 1911. The Ski Club is one of four ski hills in the Edmonton Metropolitan Region that provide a range of recreational and sport focused

EDMONTON SKI CLUB REPLACEMENT

ski and snowboard opportunities, such as programs, lessons, rentals, and drop-in access and an ice climbing wall. The Edmonton Ski Club is in a unique location with accessibility to the Valley Line LRT and it shares the space with the Edmonton Folk Music Festival which assumes operation of the area in the summer months.

In 2017, the City identified structural risks in the south portion of the lodge which resulted in the immediate closure of the section. Since then, the Ski Club has been operating out of the north portion of the building and two small mobile structures.

In 2022, a further inspection confirmed the north lodge had surpassed its lifespan and a significant investment would be required to rehabilitate this portion. For safety reasons, the City has now permanently closed the entire lodge.

In order for the Ski Club to continue programming for the upcoming 2022/23 season and until they can gather funding and build a permanent facility, there is a need for an interim solution for temporary structures that can support winter programming at Gallagher Park. The Ski Club has worked with Administration on a Business Case that includes two phases:

- Phase 1 - Demolition of existing lodge
- Phase 2 - Request to extend the Edmonton Folk Festival placement, serving, and ongoing rent of interim modular structures

Interim Solution - City Funding Request

The Edmonton Ski Club is seeking financial support of up to \$800,000 over three years, with \$400,000 required for 2022/23, \$200,000 in 2023/24 and \$200,000 for 2024/25 to cover the demolition of the existing lodge and install and manage the temporary structures. If deemed essential, following an Environmental Impact Assessment and Site Location Study (August 23, 2022 Urban Planning Committee report IIS01406 Edmonton Ski Club Temporary Modular Building Addition - Environmental Impact Assessment and Site Location Study cross referenced to this report), the structure currently on site to support the 2022 Edmonton Folk Music Festival would remain in place as the temporary structure, with a second structure added adjacent to the existing lodge to serve as accessible washrooms for the site.

Permanent Facility Plans

The Edmonton Ski Club is working on a business case and funding strategy to develop a new permanent lodge. It is estimated that a new lodge could be completed as soon as 2024 should funding sources be secured. The funding request for the temporary structures includes rental and associated costs for up to three years (until 2025), as it will need to stay in place until a new lodge is completed. Should the permanent facility not be funded and completed by 2025, there is a risk that these temporary structures would be required longer and presumably Edmonton Ski Club will need operating support in future years. The proposed permanent lodge will be a long-term solution for the Edmonton Ski Club and Edmonton Folk Music Festival Association. It could provide spaces for programs and events, meeting rental spaces for local community

EDMONTON SKI CLUB REPLACEMENT

groups, year-round opportunities for recreational, arts and culture groups and their connection to the greater public, as well as other advantages to having a facility located in this area.

Process and Approvals

As the proponent, the Edmonton Ski Club is required to complete all steps of the community-led construction process. The Edmonton Ski Club is currently in the concept phase of this City-supported process. The demolition, operation and servicing of the modular structures will be managed by the Ski Club, as well as obtaining the required building and development permits for the temporary structures.

The Municipal Improvement Agreement is part of the community-led process to outline the delivery component of the project. Both aspects of the demolition and interim modular structure components will be included in this agreement. In addition, the demolition will require City environmental oversight and a building permit.

Under the North Saskatchewan River Valley Area Redevelopment Plan, Bylaw 7188, sections 3.5.1 and 3.5.3, the interim modular structure is defined as a Major Facility. As such, their location within the River Valley must be deemed essential and approved by City Council. The Edmonton Ski Club is therefore required to complete and submit an Environmental Impact Assessment and Site Location Study, which will subsequently be brought before City Council for consideration.

If approved by City Council a funding agreement in form and content acceptable to the City Manager, between the City of Edmonton and the Edmonton Ski Club will be drafted. The agreement will outline the funding for the demolition of the existing lodge and the interim structure set up, modification, rental and servicing costs. Project work for the demolition and elements associated with the interim structure will not proceed until the agreement is signed by both parties.

Federal Green and Inclusive Community Buildings Program

The Federal Green and Inclusive Community Buildings (GICB) program aims to build community buildings and improve existing ones – in particular in areas with populations experiencing higher needs – while also making the buildings more energy efficient and resilient, lower carbon emissions and improve their performance. This five-year \$1.5 billion program will support green and accessible retrofits, repairs or upgrades of existing public community buildings or the construction of new publicly-accessible community buildings that serve high-need, underserved communities across Canada. Edmonton Ski Club applied for this program for the new permanent lodge, and received up to \$6.6 million towards the estimated construction cost of \$15 million.

Edmonton Folk Music Festival Association

The Edmonton Folk Music Festival Association (EFMFA) has been willing, supportive and instrumental in the placement of the interim small mobile and large modular structures. In previous years the Ski Club has utilized the mobile structures for functions such as the ticket window and the warming lodge; these structures are used by the EFMFA in the summer and are

EDMONTON SKI CLUB REPLACEMENT

moved around on site to accommodate EFMFA staff use and festival set-up. There is currently a single temporary structure placed on site to support the EFMFA for 2022 but will be removed after the festival if no support for the ongoing rental and second structure is provided.

Budget/Financial Implications

To address the immediate interim building requirements for the Edmonton Ski Club, Council would need to identify a funding source for the \$800,000 in 2022, with cash flows to occur over a three year period. Edmonton Ski Club is seeking financial support of \$400,000 for 2022/23, plus \$200,000 required for 2023/24 and \$200,000 required for 2024/25. All funds being sought are operating in nature and would be used to fund the following:

- Modular structure delivery, placement, accessibility modifications, future removal and utility connections (\$200,000).
- Modular structure rental for 3 years (\$450,000).
- Demolition of the existing lodge (\$150,000).

Due to the building's condition, the cost to demolish the existing lodge will still need to be incurred, independent of Council's decision to fund the interim facilities for the Edmonton Ski Club. This would be a cost to the City that is currently unfunded.

The \$800,000 would require multi-year one-time funding from 2022 to 2024. Eligible funding sources include the Financial Stabilization Reserve or funding from the tax levy. The tax levy increase required would be approximately 0.05 per cent over the three years. Tax-levy is not the recommended funding source as a large portion of the funds are required in 2022, and the tax rate has already been approved for 2022.

The Edmonton Ski Club has secured federal funding and will be seeking provincial and municipal funding to support the construction of a new permanent facility, with preliminary cost estimates at \$15 million. The funding model is preliminary and includes funding from all levels of Government and fundraising from the Ski Club. The Edmonton Ski Club is currently refining a business case for the permanent facility and plans to request funding support from the City of Edmonton through the 2023-2026 capital budget deliberations later this fall.

COMMUNITY INSIGHT

The Edmonton Ski Club has a long history of providing skiing in central Edmonton. The Ski Club has developed a long-term vision for the site that includes the development of a new lodge which aligns with the Gallagher Park Master Plan. The City of Edmonton Community Led construction process requires the Ski Club to engage the site partners, stakeholders and general public at different stages in the implementation of the vision.

The Edmonton Ski Club is engaged in ongoing communications with the Edmonton Folk Music Festival Association and Cloverdale Community League to ensure that planning and project information is shared and transparent. Project information is shared on their website. Further

EDMONTON SKI CLUB REPLACEMENT

information will be shared through site signage, open house and mail drops to ensure the community is aware of the short and long term plans for the site.

The communications explain that the interim modular structures will allow both the Edmonton Ski Club and the Edmonton Folk Music Festival Association to sustain operations and continue to provide affordable and accessible arts and outdoor recreation opportunities for Edmontonians and visitors. They also explain that the temporary structures will remain on site until a new lodge is built.

The Edmonton Folk Music Festival Association, Cloverdale Community League and other stakeholders have provided letters of support for the construction of a new lodge and site improvements, understanding the interim plan and site impacts required to support the long-term vision.

GBA+

The Edmonton Ski Club provides programming opportunities for diverse community members to access and be included in skiing and associated winter activities in the heart of the city.

Should a temporary structure proceed, a detailed GBA+ analysis highlighted the following equity measure recommendations:

- Accessibility to modular structure.
- Modify the structure to accommodate wheelchair and other accessibility needs. While there is a cost associated with these modifications, this will help improve access to services for all citizens. This recommendation aligns with the City of Edmonton's Accessibility for People with Disabilities Policy.
- Maintain inclusive and accessible programming.
- The interim modular structures will allow for continued Edmonton Ski Club operations, services and programs. Many of these programs and services aim to be inclusive and meet the needs of equity-deserving groups, including the popular learn to ski for schools, newcomers ski nite, ski lessons for first timers and low cost subsidized skiing fees.
- Stakeholder communications.

The Edmonton Ski Club will continue to deliver information in a variety of ways as the business case develops.