
CITY OF KELOWNA

MEMORANDUM

Date: April 19, 2004
File No.: 1810-01

To: City Manager

From: Sports and Facilities Manager

Subject: **Policy & Procedure Manual for Recreation Facilities, Community Theatre, Sportsfields and Parks**

RECOMMENDATION:

THAT City Council approve the changes to the Policy & Procedure Manual for Recreation Facilities, Community Theatre, Sportsfields & Parks, specifically including (a) general comprehensive insurance requirement for all rentals, (b) percentage of ticket sales for applicable outdoor events, (c) payment schedules and allocation priorities for arenas, sportsfields and the Apple Bowl Stadium as defined in the report from the Sports & Facilities Manager dated March 30, 2004.

BACKGROUND:

During the 2003 review of the Policy & Procedure Manual for Recreation Facilities, Community Theatre, Sportsfields & Parks, City Council approved incremental increases in fees and charges consistent with BCCPI, and authorized staff to make appropriate minor changes within various policies and procedures. The more significant or major policy and fee changes still require Council approval.

The following are the highlights of the significant changes within the Policy and Procedures Manual and consist of the following areas:

- General comprehensive insurance for all rentals
- Percentage of ticket sales for applicable outdoor events
- Changes to payment schedules and allocation priorities for arenas and sportsfields
- Apple Bowl allocation .

Insurance

The insurance broker for the City of Kelowna for this program is All Sport Insurance Marketing Lt. All Sport began providing this service for the City of Kelowna in the fall of 2001.

As a condition of use, all renters of City facilities are expected to procure and maintain general comprehensive insurance of a minimum \$2,000,000, with the City as an additional insured, to protect both the interests of the City and the users themselves. Historically, it has been a challenge for both the City and our renters, to ensure that this insurance is available and in place, especially for rentals of a one time or short notice nature. In order to ensure that all renters of City facilities have the required insurance, the City's Risk Management team has arranged through All Sport Insurance Marketing Ltd., to provide general comprehensive insurance as part of the company's "Insurance Program for Municipalities and Community Centre User Groups".

Access to this insurance program has been available for a number of years, and Recreation Services has been systematically introducing this in several rental categories such as outdoor events, theatre rentals, and sportsfield and arena rentals. It is now recommended to extend this to all rentals including several 'one-time' rentals for banquets, weddings and similar functions.

By offering this service, the City not only confirms that the insurance requirements have been met, but offers our renters the one stop convenience of purchasing their insurance as part of their rental agreement. Notwithstanding this option, renters may also continue to arrange insurance coverage elsewhere as evidenced by a completed Certificate of Insurance.

Current Practice	Recommended
<ul style="list-style-type: none">• Renters are currently at their own risk to procure and maintain general liability insurance.	<ul style="list-style-type: none">• All rentals are required to procure comprehensive general insurance.• As an option for renters, the City will collect and receive insurance premiums on behalf of our brokers, All Sport Insurance Marketing Ltd. as part of the rental agreements.

Please find attached the policy and current rates as provided by All Sport Insurance Marketing Ltd.

Ticketed Events in Parks Fee

Kelowna's waterfront area, and more specifically City Park and Waterfront Park/Island Stage are quickly becoming a popular venue for large ticketed events. In 2003 these sites were host to Shakespeare Kelowna, Wakefest, Heartland Music Festival, Blues Fest, Dragon Boat Festival and Field of Dreams. Estimated event attendance ranged from 150 – 9,000 per performance.

The waterfront area is recognized as a premier event venue with key features including:

- Larger spectator site (i.e. Island Stage up to 5000 spectators and City Park Oval up to 10,000)
- Beer concession revenue
- Food concession revenue
- Pristine outdoor venue
- Additional control over the financial operation of the event with items such as security, sound, lighting and equipment

The rationale for implementing a percentage based fee for ticketed waterfront events includes;

- Provide funds to re-invest in outdoor event development
- The market value of the waterfront locations
- Events that demand exclusive use of a park or portion thereof
- Bookings for the purpose to generate revenue

Current Practice	Recommended
<ul style="list-style-type: none"> • Ticketed and commercial events pay 2x the regular rental fee per portion of the park used. 	<ul style="list-style-type: none"> • Fee based on percentage of gross ticket sales or base rent for site booking, whichever is greater. • Community non-profit groups @ 5% • Commercial bookings @ 8%. • A ceiling rate be established based on: <ul style="list-style-type: none"> -City Park/Waterfront Park-ticket sales x ticket price x % (to a maximum of \$8,000) -Island Stage-ticket sales x ticket price x % (to a maximum of \$5,000) -On multiple day events, the above formula applies to the highest gross revenue date with the remaining dates maximum ceiling rate reduced by 50%. • Groups must operate ticket sales through a recognized local ticket agency or make alternate arrangements to the satisfaction of the City of Kelowna. • If the donation is at the discretion of the entrant, then only base rent would be applied.

It is proposed that this policy be reviewed after the 2005 season with a report to Council..

Arenas

Due to rental use patterns changing over the last few years we require a higher level of commitment from groups and longer term planning periods. Examples of the changes include the emergence of sport schools requiring day time ice, the competitive nature of spring/summer commercial sport camps/schools, Spring hockey leagues, and the City's direct involvement in arena programming. The only consistent picture has been the demand for regular season (September through March) ice time.

The opening of the Capital News Centre has had an immediate and positive impact on arena usage. It has increased opportunity for causal use and sport growth and development. With this in mind, the proposed changes for the arena operations are to:

- Establish a higher level of commitment at time of booking for spring/summer ice.
- Recognize that the primary tenant for summer ice bookings is sport camps and schools with a sport tourism focus.
- Be more consistent with the operating practices of the Capital News Centre.
- To be able to respond in a more business-like fashion to changing use patterns.

Current Practice	Recommended
<u>Payment of Fees and Charges</u> Spring/Summer Season <ul style="list-style-type: none"> • 7 days of month end (Youth) • 30 days in advance (Adult) 	<u>Payment of Fees and Charges</u> Spring/Summer Season <ul style="list-style-type: none"> • 10% (non-refundable) of the total rental contract to be paid by March 1st • Remainder to be paid 30 days prior to the first day of booking

Current Practice	Recommended
<p><u>Cancellation of Arena Bookings</u></p> <p>Regular Season</p> <ul style="list-style-type: none"> 15 day cancellation period <p>Spring/Summer Season</p> <ul style="list-style-type: none"> 30 day cancellation period <p><u>Annual Ice Allocation Process</u></p> <ul style="list-style-type: none"> 2 submission period deadlines: <ul style="list-style-type: none"> -April 15th for September to March -December 15th for April to August <p><u>Allocation Guidelines for Summer Season</u></p> <ul style="list-style-type: none"> The Allocation Guidelines does not recognize the different booking patterns and use between the regular and summer ice season. <p><u>Arena Fees</u></p> <p>Regular/Spring Season</p> <ul style="list-style-type: none"> 2004/05 rate \$153.18 plus GST. Regardless of booking period commercial rate remains consistent. 	<p><u>Cancellation of Arena Bookings</u></p> <p>Regular Season</p> <ul style="list-style-type: none"> 30 days cancellation period <p>Spring/Summer Season</p> <ul style="list-style-type: none"> No cancellation policy after March 1st. <p><u>Annual Ice Allocation Process</u></p> <ul style="list-style-type: none"> Deadline of April 15th for September to August allocation Groups are able to refine Spring/Summer schedule prior to March 1st <p><u>Allocation Guidelines for Summer Season</u></p> <ul style="list-style-type: none"> The Allocation Guidelines will give a higher priority to sport schools and camps that encourage sport tourism. <p><u>Arena Fees</u></p> <p>Regular/Spring Season</p> <ul style="list-style-type: none"> Non-prime time commercial rate: Non-profit Minor Rate x 1.5. 2004/05 rate would be \$114.89 Staff have the authority to negotiate a rate with large commercial rentals to secure business, as long as the negotiated rate is within 20% of the set commercial rate.

Sportsfields

The demand for access to sportsfields has been steadily increasing for the past number of years. Sportsfield inventory is currently near maximum capacity. The changes within the policy are designed to:

- Get the most effective use of this finite resource.
- Streamline booking process.
- Ensure bookings reflect actual needs.
- Respond to the booking patterns during the summer.

Current Practice	Recommended
<p><u>Payment of Fees and Charges</u></p> <ul style="list-style-type: none"> Charges for league or seasonal play must be paid in advance of first day of use 	<p><u>Payment of Fees and Charges</u></p> <ul style="list-style-type: none"> Regular local non-profit minor-pay within 30 days of current month end Regular local non-profit adult leagues-pay monthly in advance of use

Current Practice	Recommended
<u>Cancellation of Sportsfield Bookings</u> <ul style="list-style-type: none">• 7 days in advance <u>Designation of Prime Time</u> <ul style="list-style-type: none">• No difference of prime time designation between regular season and summer season.	<u>Cancellation of Sportsfield Bookings</u> <ul style="list-style-type: none">• 30 days in advance <u>Designation of Prime Time</u> <ul style="list-style-type: none">• July and August: 8:00 a.m. to dusk• Spring Break: 8:00 a.m. to dusk

Apple Bowl Stadium

The traditional philosophy of scheduling use of the Apple Bowl has supported maintaining a *premier turf field*. Over the last few years there have been short exceptions to this practice for reasons such as rebuilding of the East Field, high level sporting events outside of usual usage patterns, and Military Camp. The last two seasons has also seen the successful emergence of High School Football which has added additional booking requirements in the fall season. The additional bookings during the fall season place added strain to the turf field where it creates a situation that may compromise our ability to maintain a premier turf field. We do not have the option of accommodating High School Football with a suitable venue other than the Apple Bowl. Concerns related to the increased use include; deteriorating turf conditions and the potential for the turf to fail given the right combination of wet field conditions and extensive use in a short period of time.

This scenario has been presented to the Apple Bowl User Group. There was consensus to increase the use to further accommodate High School Football. Therefore staff is recommending changing the policy wording to reflect the current procedures in allocating rental time in the Apple Bowl Stadium.

Current Practice	Recommended
<ul style="list-style-type: none">• Need to maintain a premier sporting facility with the playing field in the best possible condition.• Maximum of 2 games per day permitted.	<ul style="list-style-type: none">• Need to maintain a high caliber sporting facility.• The City shall coordinate the use of the facility for all events with a view to maintaining the playing field area in a high caliber condition.

The above policy changes have been reviewed and approved by the Arena Advisory Committee, Sportsfield Advisory Committee and Apple Bowl User Committee.

These recommendations have been reviewed and approved by the Parks and Facilities Committee at their March 31, 2004 meeting.

Jim Gabriel
Sport and Facilities Manager

Cc: Director of Parks and Leisure Services
Recreation Services Manager

SCHEDULE 'A'

INSURANCE

All renters of City of Kelowna facilities will be responsible to have comprehensive General Liability Insurance as described in the following sections.

1. Should you choose to purchase insurance through All Sport Insurance as provided by the City of Kelowna through the rental contract, all insurance requirements as stated below will be met. Fee Schedule 'A' on page 8, "User Groups Rates" will apply).
 2. If you choose to purchase this insurance at the Insurance Company of your choice, the insurance requirements required by the City of Kelowna are provided below.
1. **Renter to Provide**

Renter shall procure and maintain, at its own expense and cost, the insurance policy listed in section 2, with limits no less than those shown in the respective items, unless the City advises in writing that it has determined that the exposure to liability justifies less limits. The insurance policy shall be maintained continuously from commencement of this rental agreement until the date of termination of this rental agreement.
 2. **Comprehensive General Liability Insurance**

As a minimum, the renter shall, without limiting its obligations or liabilities under any other contract with the City, procure and maintain, at its own expense and cost, the following insurance policy:

 - (i) providing for an inclusive limit of not less than \$2,000,000.00 for each occurrence or accident;
 - (ii) providing for all sums which the renter shall become legally obligated to pay for damages because of bodily injury (including death at any time resulting there from) sustained by any person or persons or because of damage to or destruction of property caused by an occurrence or accident arising out of or related to this rental agreement or any operations carried on in connection with this rental agreement;
 - (iii) including coverage for Products/Completed Operations, Blanket Contractual, Contractor's Protective, Personal Injury, Contingent Employer's Liability, Broad Form Property Damage, and Non-Owned Automobile Liability;
 - (iv) including a Cross Liability clause providing that the inclusion of more than one Insured shall not in any way affect the rights of any other Insured hereunder, in respect to any claim, demand, suit or judgment made against any other Insured.
 3. **The City Named As Additional Insured**

The policy required by section 2 above shall provide that the City is named as an Additional Insured thereunder and that the said policy is primary without any right of contribution from any insurance otherwise maintained by the City.
 4. **Certificate of Insurance**

The renter agrees to submit a certificate of insurance, in the form attached hereto **as Schedule E-1** and made a part hereof, for itself and to the Recreation Manager at the Parkinson Recreation Centre of the City prior to commencement of this rental agreement. Such certificate shall provide that 30 days' written notice shall be given to the Recreation Manager of the Parkinson Recreation Centre of the City, prior to any material change or cancellation of any such policy.

5. **Other Insurance**

After reviewing the rental Certificate of Insurance, the City may require other insurance or alterations to any applicable insurance policies in force during the period of this rental agreement and will give notifications of such requirement. Where other insurances or alterations to any insurance policies in force are required by the City and result in increased insurance premium, such increased premium shall be at the renters expense.

6. **Additional Insurance**

The renter may take out such additional insurance, as it may consider necessary and desirable. All such additional insurance shall be at no expense to the City.

7. **Insurance Companies**

All insurance which the renter is required to obtain, with respect to this rental agreement, shall be with insurance companies registered in and licensed to underwrite such insurance in the Province of British Columbia.

8. **Failure to Provide**

If the renter fails to do all or anything which is required of it with regard to insurance, the City may do all that is necessary to effect and maintain such insurance, and any monies expended by the City shall be repayable by and recovered from the renter. The renter expressly authorizes the City to deduct from any monies owing the renter any monies owing by the renter to the City.

USER GROUP RATING SCHEDULE
2,000,000 Commercial General Liability

Sport Activities:

Low Risk Activities: Badminton, Bowling, Curling, Dance Lessons, Horseshoes, Tennis

Medium Risk Activities: Baseball, Basketball, Field Hockey, Floor Hockey, Handball, Racquetball, Soccer, Softball, Squash, Swimming with Lifeguard, Touch or Flag Football, Track & Field, Volleyball.

High Risk Activities: Refer to All Sport for all other sports.

Excluded Activities: **Contact Hockey, Cycling, Fireworks, Horse Related Activities, Marshal Arts, Lacrosse, Minor Hockey (18 & under), Rugby, Skateboarding/Skateboard Parks, Tackle Football.**

Type of Event	# of Participants	Example Premium		
		Low	Medium	High
One Day Sporting Events	1-25	\$10	\$25	Refer
	26-100	\$25	\$50	Refer
	101-250	\$50	\$75	Refer
	Over 250	Refer	Refer	Refer
All Season Sporting Activities	1-25	\$25	\$50	Refer
	26-100	\$50	\$100	Refer
	101-250	\$100	\$150	Refer
	Over 250	Refer	Refer	Refer

Adult Recreational Non Contact Ice Hockey – Seasonal	September – April	May - August
Pickup hockey – max. 30 players	\$125	\$75
League Hockey	\$200	\$100
Tournaments	Upto 8 teams	\$250
	9- 16 teams	\$375
	Over 16 teams	Refer
One time adult recreational non-contact ice hockey	Max. 30 players	\$15 (1.5 hrs) ; \$20 (2 hrs)
One time recreational skating (no sticks or pucks)	1-25 participants	\$15 (1.5 hrs) ; \$20 (2hrs)
	26-100 participants	\$35 (1.5 hrs)
	101-250 participants	\$75 (1.5 hrs) ; \$100 (2 hrs)

Recreational Non-Contact Ball/Roller Hockey – Seasonal	September – April	May - August
Pickup hockey – max 30 players	\$100	\$100
League Ball Hockey	Refer	Refer
Tournaments	Upto 8 teams	\$250
	9- 16 teams	\$375
	Over 16 teams	Refer
One time adult recreational non-contact ice hockey	Max. 30 players	\$15 (1.5 hrs) ; \$20 (2 hrs)
One time recreational skating (no sticks or pucks)	1-25 participants	\$15 (1.5 hrs) ; \$20 (2hrs)
	26-100 participants	\$35 (1.5 hrs)
	101-250 participants	\$75 (1.5 hrs) ; \$100 (2 hrs)

Meetings & Events

Type of Event	# of Participants	Example Premium	
Meetings – No Alcohol (Including arts & crafts, bridge, etc.)	1-25	N/A	
	26-100	\$15	
	101-250	\$25	
	Over 250	Refer	
	Weekly for one year	5 times rate (i.e. 1-25=\$10, annually \$50)	
	Monthly for one year	3 times rate (i.e. 1-25=\$10, annually \$30)	
	# of Participants	No-Alcohol	With Alcohol
Weddings, Block Parties, Small Kids Functions i.e Birthday parties, Baptism <i>Note: Rates are lower than for events below due to the familiar relationship</i>	1-25	N/A	\$50
	26-100	\$25	\$100
	101-250	\$50	\$150
	Over 250	Refer	Refer
Events, including Festivals & Parades, excluding Beer gardens (see below)	1-25	\$25	\$75
	26-100	\$50	\$125
	101-250	\$75	\$200
	Over 250	Refer	Refer
Beer Garden	1-100	\$100/day	
	101-250	\$150/day	
	251-500	\$200/day	
	Over 500	Refer	
Three Day Meetings/Events		Twice Daily Rate	
Five Day Meetings/Events		Twice Daily Rate	