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## 2010 BUDGET BRIEFING NOTE

### Ski Hill Reviews

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#### Issue/Background:

- Budget Committee directed the General Manager of Parks, Forestry and Recreation to provide a Briefing Note on reviews conducted on the City operated Ski Hills including any that could be identified prior to amalgamation.
- The Division identified one Review, initiated in June, 2002, when Council mandated a review of Economic Development Culture and Tourism, Parks and Recreation Alternate Service Delivery (ASD) and Service Improvement Initiatives. (Clause No. 1 of Report No. 10, Policy and Finance Committee, titled, "Service Improvement and Alternative Service Delivery Work Program", adopted as amended by City Council at its meeting of June 18, 19 and 20, 2002.)
- The following are the highlights of this review.

#### Key Points:

- The purpose of the review was to study the feasibility of a public/private partnership for the maintenance and operation, including capital investment, of the City's two ski/snowboard centres.
- Implications identified were the following:
  1. Revisions to program delivery may impact staff.
  2. Capital investment is required to maintain and improve facilities to meet ski industry standards.
  3. There are a limited number of private sector firms in the ski industry.
  4. Weather plays a vital role in ability to provide service.
- Phase One of the work plan, completed in 2003 included an assessment report which presented, in one document, a description of the City of Toronto's two ski/snowboard facilities, providing information and recommendations regarding the properties, in order to assist staff in their evaluation of the assets and their potential.
- Phase Two included the gathering of information on specific options to improve customer service, harmonize operations, reduce costs and improve net revenue performance.
- Phase Three included drafting a Request for Proposal (RFP) to test private sector interest in establishing a public/private partnership for capital development and operation of ski centres.
- In late 2003 and 2004 Parks and Recreation staff met with executive members of the Canadian Ski Council and Ontario Snow Resorts Association to review the future of the two City operated Ski Centres.
- The North York Ski Centre and more to a greater extent, the Centennial Park Snow Centre have the physical environment to develop a number of skiing and winter facilities that would meet the market demands and trends, increase visitation, and extend time spent on site, thus creating the capacity to increase revenues.

- The ski industry representatives saw the benefits of improving the Centennial Park Snow Centre operations consistent with the overall growth of the southern Ontario ski industry and were interested in sustaining and growing the markets for skiing/boarding, however, concern was expressed about the prospect of improving and expanding these urban-based facilities without a ski area master plan.
- Neither facility had a Ski Area Master Plan, therefore a specialized ski area consultant was hired to prepare a ski area master plan, refine operational efficiencies and consider other market trends in the ski/snowboard industry.
- The master plan, completed in April 2004 was specific to the Centennial Park Snow Centre's variety of multi season activities and facilities, and highlighted the various design elements and costs of a Tubing Centre with conveyor lift. On June 21, 2004 Council approved \$0.300 million for the project.
- In December, 2006 a conveyor lift was installed at Centennial Park Snow Centre.
- Due to the capital investment required of a private operator and the length of lease required (20 yr.) to see a return on investment, a decision was made not to proceed with the release of the Request for Proposal to test private sector interest in a public/private partnership for capital development and operation of ski centres.
- The original motion directed the Chief Administrative Officer to report back to Council. Parks, Forestry and Recreation Division reported on this initiative to the Economic Development and Parks Committee meeting on November 22, 2004. The report can be found at the following link:  
<http://www.toronto.ca/legdocs/2004/agendas/committees/edp/edp041122/it006.pdf>
- The master plan completed in April 2004 examined an opportunity for a private operation of a variety of seasonal activities and facilities at the City owned ski hills however this proposal was never tested through a full RFP. The plan also called for additional capital investment by the City to upgrade and transform the facility into a 12 month operation. The proposal included in the 2010 Recommended Operating Budget for Parks, Forestry and Recreation incorporates renting out of the Centennial Park Ski Hill and Earl Bales Ski Hill for winter operations only. The terms for a potential RFP for this purpose should consider the information gathered in the 2004 review.

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