



Baseball Stadium Letter of Intent

Date	October 6, 2021
To	Executive Committee
From	Financial Strategy & Sustainability
Service Area	Financial Strategy & Sustainability
Item No.	EX21-65

RECOMMENDATION

The Executive Committee recommends that City Council:

1. Delegate authority to the City Manager to approve a letter of intent between the City of Regina, Living Sky Sports & Entertainment Inc. and the Regina Red Sox Baseball Inc., as described in this report and substantially in the form as attached as Appendix A.
2. Delegate authority to the City Manager for subsequent expenditures and/or ancillary agreements that may arise from the letter of intent.
3. Approve funding up to \$100,000 for the City's share of the exploratory work with costs incurred beyond 2021 to be included in the 2022 budget.
4. Authorize the City Clerk to execute the letter of intent after review and approval by the City Solicitor.
5. Approve these recommendations at City Council on October 13, 2021.

ISSUE

The City of Regina (City) has been approached by Living Sky Sports & Entertainment Inc. (Living Sky) and Regina Red Sox Baseball Inc. (Club) to explore a potential opportunity to partner in the development of a high performance baseball stadium within the city of Regina. To further advance these discussions, the parties have drafted a Letter of Intent (LOI), attached as Appendix A.

This report seeks Council approval to enter into the LOI and the allocation of necessary resources to support the City's commitments under the LOI. With respect to investment in high performance baseball facilities, the Recreation Master Plan recommends the City should consider partnerships but not initiate development on its own.

IMPACTS

The attached LOI confirms the mutual commitment of the City, Living Sky and the Red Sox to work together to pursue the potential development of a new high performance baseball stadium (Project) in Regina.

The LOI does not create any binding obligations on behalf of the City, and any recommendations or agreements after the feasibility work will be brought back to City Council for review prior to any commitments being made. Work under the LOI is to be completed by August 31, 2022.

Policy Impact

Recreation Master Plan

While the Recreation Master Plan does not rank investment in ball diamonds overall as a priority area to invest (ranked #17 for investment in outdoor amenities), the Plan recommends that for future investment in high performance ball diamonds, such as the ball diamond serving the Red Sox, that the City consider potential partnership opportunities, but not initiate the development. In this regard, the LOI is consistent with the Recreation Master Plan.

Financial Impact

Financial impacts related to the LOI are limited to those resources required to meet the City's commitments under the LOI.

The City typically employs some level of external resources to assist Administration in undertaking exploratory or feasibility study work similar to that contemplated in the LOI. This work includes, but is not limited to, undertaking a needs assessment, economic impact assessment study, concept plans, and analysis of preferred site locations, capital and operating costs, financing or funding options, etc. As key Administration resources that would normally be assigned to advance the work in the LOI are currently being employed to advance other Council priorities, including the feasibility study for the new indoor aquatics facility and the Rapid Housing Initiative, the Administration intends to leverage resources from both the Regina Exhibition Association Limited (REAL) and Economic Development Regina (EDR) to advance required work under the LOI where possible.

In addition, it has not yet been determined what share of those costs would fall to the City. The LOI states that cost sharing will be determined on a case-by-case basis and all parties acknowledge that the cost sharing determined may not be shared equally.

It is recommended that Executive Committee approve funding for the City's share of this exploratory work of up to \$100,000. Any funding required for 2021 will be absorbed within the forecasted General Fund operating surplus for 2021 as outlined in the 2021 Mid-Year Financial Report (IR21-5) with funding required for 2022 included as part of the 2022 budget.

OTHER OPTIONS

Executive Committee could decide this work or potential investment into a high performance baseball facility is not a priority at this time and not authorize the City Manager to enter into the letter of intent.

COMMUNICATIONS

Administration will work with the other parties to the LOI to develop an engagement plan.

DISCUSSION

The Regina Red Sox's Baseball Inc. (Club) has a proud history representing Regina with roots stemming back to the 1940's. The Club is a member of the Western Canadian Baseball League (WCBL). The WCBL is Canada's pre-eminent summer collegiate baseball league. The predecessors to the WCBL date back to 1948. Over the past 56 years the league has gone by such names as the Canadian American Baseball League, the Northern Saskatchewan Baseball League, the Alberta-Saskatchewan Baseball League, the Western Major Baseball League, the Saskatchewan Baseball League and since 2000, the WCBL.

The WCBL boasts a long-standing tradition of creating a showcase for top Canadian professional and college prospects while at the same time offering American college players the opportunity to hone their skills in front of enthusiastic baseball fans in towns and cities throughout the Prairies.

There have been two constants over the decades that the WCBL and its predecessor leagues have been in operation: first, the quality of the baseball which professional scouts have consistently compared to the Single A professional level, and second, the quality of the summer experience for players.

The Regina Red Sox play a 56-game schedule during the spring and summer, with 28 home games, plus preseason and playoffs. The Club won the 2011 and 2012 league championship. In addition, the Club won the Saskatchewan Major Baseball League championship in 1976 and 1977 and the Southern Baseball League championship in 1972, 1953, 1955, 1960, 1964 and 1969. The Red Sox have reported a total attendance of 20,000 in 2018 and 18,700 in 2019.

Currie Field

The current home of the Red Sox is Currie Field which is located at Mount Pleasant Sports Park. The Clubhouse was constructed in 1968, the concession and washroom facilities date back to 1995 and the press box was built in 2004. Currie Field has a seating capacity of 1,200.

The City of Regina Facilities Operations and Maintenance branches provide day to day operation and maintenance at Currie Field, as part of the overall care of the Mount Pleasant Sports Park. In addition to regular cleaning and operational work, staff perform extra duties on game days, such as preparing the field and play area, changing rooms, press box and other buildings for use. Staff are on site during games and do a full cleanup of the facility afterward. The Club is also an active participant in assisting with getting the park ready, which provides the time for City operations to concentrate on field condition and public facilities.

The operating budget for the entire Mount Pleasant Sports Park is \$323,000, which includes costs for Currie Field as part of the shared maintenance responsibilities. This budget covers all operational, maintenance and utility costs.

The 10-year Recreation Capital Plan has approximately \$3 million allocated to renovate and improve existing support facilities at the Mount Pleasant park over the next two years. The park has a number of amenities including Currie Field, where the Red Sox currently play, a speed skating oval, two soccer pitches, Livingstone Field (football), toboggan hill, dog park, and Kaplan Field (softball/fastball). All users of the park will benefit from these renovations and the renovations are expected to proceed regardless of whether a new high performance ball diamond were to proceed as an outcome of the LOI given the wide use of the facilities. While the renovations are expected to proceed, the specific nature of the improvements may be impacted by the outcome of the LOI and whether the Red Sox's continue to play at Currie Field.

The Regina Red Sox have determined that the current facilities at Currie Field no longer meet the Club's needs. It is the Club's conclusion that when compared to other venues in the league, the aging facilities at Currie Field make it difficult for the Club to recruit quality players and remain competitive. In addition, it is the Club's assessment that the facilities at Currie Field severely limit the Club's options for food and beverage, seating, parking and their ability to attract corporate sponsors.

It is the Club's position that for it to remain viable, the Club needs to offer a great environment with a competitive team, so fans have a memorable experience and want to keep returning to the ballpark and that is not the case now playing at Currie Field.

As a result, the Club has requested that the City of Regina join in partnership with Living Sky Sports and Entertainment Inc. to pursue the potential development of a new baseball stadium and is interested in entering into a LOI with the City to explore such a development.

Alignment with Recreation Facility/Amenity Partnership Framework

When considering ball diamonds throughout Regina, the Recreation Master Plan recommends that the City consider reducing the quantity of ball diamonds while investing in the quality of the remaining ball diamonds. However, when considering investment in high performance baseball facilities such as a field for the Red Sox, it is recommended that the City consider potential partnership opportunities, but not initiate such a development.

Typically, when a potential partner approaches the City, staff follow the process laid out in the Recreation Facility/Amenity Partnership Framework. The Partnership Framework requires a feasibility study. Due to the fact that this initiative could align with the City's goals related to neighborhood development and or economic development, administration recommends proceeding with the feasibility study. The feasibility study would include the following considerations:

- Jurisdictional research
- Site options and analysis
- Ownership structure and operational responsibilities
- Funding contributions and obligations related to initial capital, ongoing operations and maintenance and future capital maintenance
- Construction timing and design, construction management and procurement responsibilities
- Leasing arrangements and community accessibility to the facility
- Needs assessment
- Economic impact assessment
- Concept plans

Location Considerations

While there has been public speculation that the potential site for a high performance baseball stadium could be in the Yards, it is important to clarify that a location for a potential baseball park has not been identified and will be considered as part of the project work outlined in the LOI

Financial and Other Considerations

Work to be undertaken under the LOI includes the determination of the estimated cost of a new high performance baseball facility and options on how such a facility could be funded/financed. High level build costs for a new baseball facility and supporting facilities have been estimated at around \$20 to

\$23 million and the facility would also incur annual operating, maintenance and utility costs in addition to ongoing capital renewal. The current 5-year General Fund capital plan and 10-year Recreation Master Plan currently do not include funding for such a facility.

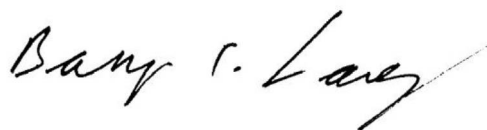
Pursuant to the proposed LOI, the parties would create an Advisory Committee which would include representatives from Baseball Saskatchewan, Baseball Regina and other members mutually agreed to by the parties to provide advice and perspective related to the work to be undertaken.

DECISION HISTORY

None with respect to this report.

The recommendation contained in this report requires City Council approval.

Respectfully Submitted,



Barry Lacey
Executive Director,
Financial Strategy & Sustainability

Respectfully Submitted,



Chris Holden
City Manager

Prepared by: Jonathan Wiens, Manager, Divisional Business Support

ATTACHMENTS

APPENDIX A - LOI Executed LSSE and Red Sox