



**Date:** April 12, 2022

**To:** Parks & Recreation Commission

**From:** Perry Vetter, Parks and Recreation Director, Tracy Petersen, Assistant Director of Recreation, Chad Eischens, Braemar Arena and Field General Manager

**Subject:** Proposed Braemar Park Master Plan Amendments and Special Project Request for Braemar Ice Arena Expansion

## Information / Background:

At 500 acres, Braemar Park is the largest recreational space in the City of Edina. It is home to Braemar Golf Course, Braemar Golf Dome, Braemar Arena, Braemar Sports Dome and Field, and Courtney Fields. The Braemar Park Master Plan Improvements includes improving the connectivity of trail systems, access, and wayfinding to park amenities and facilities; providing separated use trail systems to accommodate walkers, mountain bikers and cross-country skiers; identifying new site improvements and recreational amenities to enhance existing facilities; developing and improving the quality of natural resources in the park; incorporating sustainable site improvements to promote land water resources; and investing in facility infrastructure are goals of the master plan.

## Amendments to the Braemar Park Master Plan

The current Braemar Park Master Plan was adopted by the Edina City Council in 2018. However, the process to develop the plan began much earlier and included comprehensive engagement and feedback. Interview team members included Parks & Recreation Commissioners; Edina residents; Edina Nordic Ski Coach; Edina High School Mountain Bike Club; Minnesota Off Road Cyclist; and staff members. The firm SRF was selected by the interview team and included Applied Ecological Services for natural resources stewardship and Trail Source LLC for trail planning to complete the master plan.

Stakeholder interviews and the inventory and analysis were completed in June, 2017. The Parks & Recreation Commission and City Council provided feedback in July and the first community open house was held on July 26, 2017. The first concepts were presented to staff, the Parks & Recreation Commission and the City Council in September and the second community open house was held on September 18, 2017. Based on all feedback received, the draft concepts were combined into one master plan concept and a third community open house was held on October 23, 2017. More modifications were made based on additional feedback and a final master plan was completed on December 4, 2017.

As part of the community engagement for the project, three online surveys were conducted along with a Speak Up Edina (now Better Together Edina) discussion. The city maintained a project website and provided regular updates and invitations via social media and email.

The final Braemar Park Master Plan recommendation was presented to the Parks & Recreation Commission on December 12, 2017. The commission reviewed and recommended the plan. The commission questioned the availability of funding and as well as possible stages for implementation of the master plan. The Edina City Council supported the Parks and Recreation Commission recommendation and adopted the Braemar Park Master Plan on January 3, 2018.

Staff is recommending making amendments to the master plan. These amendments do not necessitate reopening to review any portions of the adopted plan that went through a wide variety of input and analysis. The plan remains valid, the improvements needed, and are still desired by the community. The following amendment requests are enterprise related and have a finite impact to the adopted plan or are called for in other official guidance.

#### Proposed Braemar Park Master Plan Amendments:

- I. Special Project Request for Braemar Ice Arena Expansion
- II. Arena Complex Capital Infrastructure
- III. Facility Study and Revenue Needs Assessments for Golf Clubhouse and Golf Dome (non-referendum funded amendment)

These amendments are described in further detail in the remaining parts of this staff report.

If the council continues to target expansion and infrastructure as potential sources of funding, that will be left to Edina voters to determine if they are approved. The recommendation is to review the following items and recommend amendments to the existing plan as described in this report.

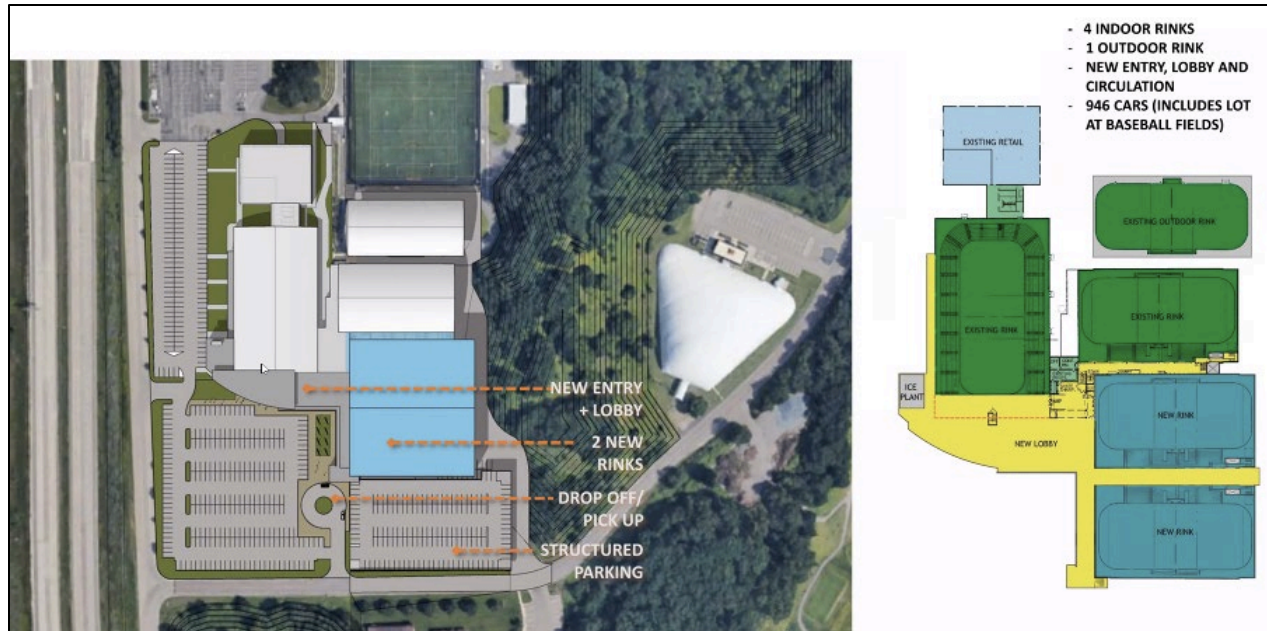
#### I. Special Project Request for Braemar Ice Arena Expansion

Last fall a group of residents initiated a special project proposal for the expansion of Braemar Ice Arena to add a fourth sheet of indoor ice. Braemar Arena currently operates three indoor ice sheets year-round (West Rink, East Rink and South Rink) as well as an outdoor sheet (Backyard Rink) that is also refrigerated during winter months.

The sport of hockey and skating are rich with tradition in Edina. Braemar Arena is home to a variety of dedicated user groups such as the Braemar City of Lakes Figure Skating Club, Breakaway Academy, Edina High School, the Edina Hockey Association, many other dedicated users, and also two partners in General Sports and the Velocity Training Center.

The City has many roles and responsibilities to its defined athletic associations. The first responsibility is to act as a liaison between the associations and the City to assist associations in providing program offerings that are desirable, fair and equitable to all participants. The second is to provide access to city-owned facility space and priority access to District-owned facility space. The City has a responsibility to try to meet space needs for the community and recognized athletic associations, such as the Edina Hockey Association. By defining ice demand in the community and what expansion can provide, this is an important step in fulfilling the City's role in meeting its responsibility to associations for youth sports.

Under the initial idea, one sheet of ice would be demolished, and two new sheets would be constructed, along with a covered walkway to the existing West rink and a parking deck. The building lobby would be expanded, as would the drive lane, drop-off area and outdoor programming space. A concept created for the city is below.



During the review of the special request, Park and Recreation Commissioners were generally supportive of the idea and investing in further study. This first area of study committed to was an operational analysis to understand how a fourth sheet of ice would impact the existing arena operating budget. Staff contracted that analysis to Ballard\*King & Associates to objectively analyze this request. Ballard\*King (BK) is a leading recreation consulting firm that specializes in feasibility studies, master plans, operational audits and assessments for recreation, sports and wellness facilities. Staff has received that analysis and it is attached as supplemental information for this item.

#### Operational Analysis Summary

BK initially conducted a series of stakeholder meetings with several current ice user groups and arena staff. This allowed a better understanding of current use, unmet demand, and future potential to support expansion. BK interviewed Showcase Hockey, Edina Youth Hockey Association, Braemar City of Lakes Figure Skating, Breakaway Academy, Edina High School, General Sports, and Hockey Finder. Through this operational analysis a list of recommendations was generated for staff consideration.

BK found that there is a vast amount of unmet demand by core stakeholder user groups primarily in winter months. Stakeholders expressed frustration that they must travel to and purchase ice time at rinks outside of Edina and often times great distance at early or late times of the day. That unmet demand would be reduced by this request to expand the arena and the financial result is that it would be a net positive to the arena budget. To note, the revenue estimates provided for in the analysis are conservatively based on ice demand expressed by the stakeholder interviews only. There would be remaining ice time available for additional sales to groups outside of those interviewed that has the potential to additionally improve the arena financial position.

The following charts summarize the financial feasibility projections found in the BK analysis. Figure 1 identifies the financial feasibility using revenue and expenses for adding a fourth sheet of ice. There are two scenarios including one identifying a base level of expenses and the other is a more conservative level of expenses which could be viewed as a high or worst-case scenario. That feasibility model indicates that a fourth sheet of ice has the potential to bring in a range of net revenue of \$109,000 to \$242,000 dollars annually.

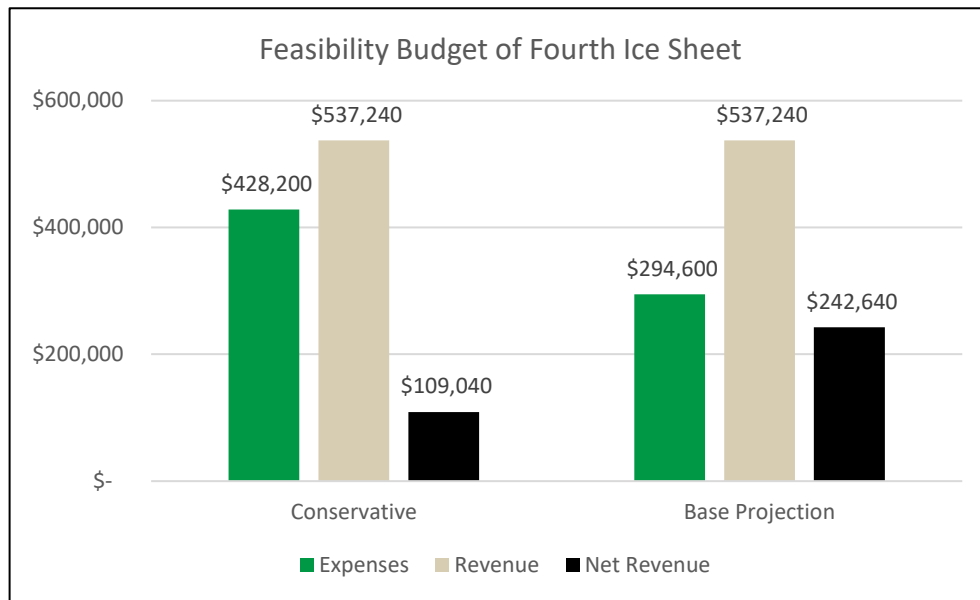


Figure 1

Figure 2 then applies those net revenue scenarios to the overall operating budget of Braemar Ice Arena. Those net revenue scenarios show that the addition of a fourth sheet of ice improves the financial position of the overall budget. As noted in the report these revenue projections are based only on additional ice rentals from the stakeholders interviewed and there is additional opportunity to increase revenue potential with outside user groups. These projects do not factor in reduced spending expected with repair and replacement of existing capital that would be expected.

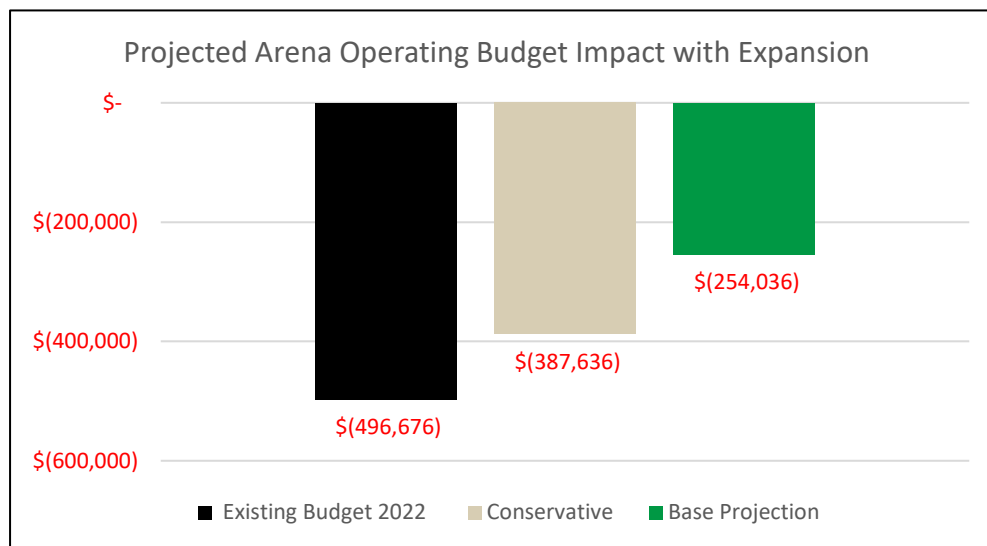


Figure 2

The revenue summary feasibility phase of this study concludes that a fourth sheet of ice will operate on a solvent basis and generate enough revenue to provide support of the Braemar Ice Arena budget. It is expected that the revenues will increase about 3% to 5% over the first 4-5 years before leveling off. The increase can be attributed to gaining more market share, growth in off-season opportunities, and ice rental

rate increases. Growth in revenue after the fifth year will likely come only from any increases in rental fees rates as the schedule reaches a saturation point.

#### Land use, planning and other expansion implications

The expansion proposal, like any other land use application, would be reviewed to ensure the necessary planning and land use regulations are reviewed. Until an actual site plan proposal is developed the extent of analysis and required approvals are unknown. There is the potential for land use approvals in some or all of these typical areas: site plan review if 10% of Sq Ft expansion occurs not inclusive of parking enhancements, setback requirements, parking study, sign ordinance, steep slope study, conservation study, watershed district review, height study and traffic implications. Further analysis on an actual architectural proposal would better define the required process for review.

#### Facility design, amenities and building components

The addition of a fourth sheet of ice and renovation of existing infrastructure would provide an opportunity to review important factors such as sustainability and the implications to the City's climate action goals, its commitment to public art and ability to engage underrepresented members of the Edina community. If the expansion request is recommended by the Edina Parks and Recreation Commission and adopted by the Edina City Council, a team made up of users, commissioners and staff would be established to guide design and needs of the facility.

## II. Arena Complex Capital Infrastructure

Braemar Arena is one of the busiest ice arenas in the entire state; approximately 500,000 annual visits are recorded from residents of 158 Minnesota communities, 12 states and one other country. As such the infrastructure and subsequent replacement or repair have not kept up to the demands and needs of users. An example of needed projects include:

- Dasher board and glass safety system replacements
- Flooring replacements
- Ice Refrigeration system and delivery replacements
- Heat and boiler replacements for all rinks
- Electrical system replacements for all rinks
- Window and roofing replacements and repairs
- Hot water system replacements
- Domestic water distribution system replacements
- Sanitary system and fixture replacements
- Locker room rehabilitation
- Restroom rehabilitation
- Permafrost removal in east rink
- Energy efficiency improvements and insulation
- ADA route and walkway improvements
- ADA door and access improvements
- ADA restroom improvements
- ADA viewing and seating improvements
- Waterproofing and moisture control
- Fire protection and security improvement

At this time Braemar Arena has approximately \$13.5M of unfunded and unscheduled capital improvement needs as listed in the prior 2021-2026 CIP. These items have been listed in the City of Edina Capital Improvement Program for the last two capital budget cycles. Renovation and replacement of these items will have a net positive impact on the arena operating budget as a vast majority of annual expenses are to repair and replace infrastructure, or newer systems will be more efficient. The improvements are currently listed as part of the local option sales tax referendum for 2022. These improvements are alluded to, but not specifically included in the Braemar Park Master Plan.

### III. Facility Needs and Revenue Assessment Study

Since the master plan adoption occurred in 2018 the popularity of programming in the community has increased and various thoughts have been introduced on how to meet those demands. There is merit to including a non-referendum funded needs assessment for both a) the Braemar Golf Course Clubhouse and b) the Braemar Golf Dome Facility to study both facility needs, community needs and future revenue potential. At this time these are study only requests and are not part of the Local Option Sales Tax Referendum. These are areas of focus that could include potential future facility needs and opportunities to create additional revenue or service to the community.

#### Summary

The Parks & Recreation Department has many amenity offerings in its park system. If the Braemar Park master plan, arena infrastructure improvements and expansion are completed, Braemar Park and Arena will arguably be the best such facility in the metro area and beyond.

The amendments are supported by staff for inclusion in the Braemar Park Master Plan.



#### Staff Recommendation:

The goal of adopting a special project request process was to allow residents to bring forth ideas about amenities to expand offerings in the park system. These requests are meant to be informal and used as a beginning point of dialogue, saving the resident, staff, and the commission from having to develop a detailed analysis for the project at the introductory stage. Since the initial request an operational analysis has been completed showing an expansion would lessen demand by our users and would financially contribute positively to the Braemar Arena budget. The capital improvements needed for the arena complex have been listed in the capital improvement program of the city as unfunded and unscheduled. The needs assessment study are forward thinking requests to determine if needs and revenue could be enhanced in the future.

#### Parks and Recreation Commission Requested Action:

Staff recommends receiving the information, discussing the attached information and continuing the discussion to the May 10, 2022 meeting. At that time if supported, make a recommendation to include the amendments to the Braemar Park Master Plan to the Edina City Council. The City Council would review the recommendation at the May 17, 2022 meeting.