

Final Report for the Island Coastal Economic Trust

Vancouver Island Mountain Centre

(formerly known as the Vancouver Island Mountain Sports Centre)



The Vancouver Island Mountain Sports Society (VIMSS)

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Start date October 2010 – Completion December 2011

The Vancouver Island Mountain Centre



Introduction

The Vancouver Island Mountain Sports Society has completed the construction of the Vancouver Island Mountain Centre (VIMC), situated on land adjacent to the Nordic area of Mount Washington Alpine Resort. As an umbrella group, VIMSS has been proactive in creating effective partnerships across non-profit, public and private sectors. These partnerships have been forged with the intent to build on existing strengths and amenities, and broaden the scope and breadth of uses for the building.

A natural partner was Mount Washington Alpine Resort. One of the biggest economic generators on Vancouver Island, MWAR receives over 500,000 annual visits. The bulk of the VIMC visits are concentrated in the winter months in the form of recreational skiers and snowboarders utilizing the mountain in a variety of manners.

This completion of the VIMC will continue to have both immediate and long-term benefits for the whole of Vancouver Island, and will serve a variety of mutually beneficial purposes for the Comox Valley and North Vancouver Island. The VIMC will promote outdoor/alpine recreation opportunities, raise awareness about physical wellness to both residents and visitors in the area while providing a suitable venue for practical application of 'Fitness for Life' principles, provide a central resource center for information and activities within Strathcona Provincial Park (celebrating its centennial in 2011), and create a premiere venue for art and culture related to First Nations and local Island artists

PROJECT OBJECTIVES

The Vancouver Island Mountain Centre provides easy access and a central location for all Vancouver Island residents interested in outdoor recreation. Located at the end of the Strathcona Parkway, the VIMC is in the ultimate location to provide direct access to Strathcona Provincial Park (100 years old in 2011) and Mount Washington's myriad of alpine activities.



Strathcona Park Interpretive Center



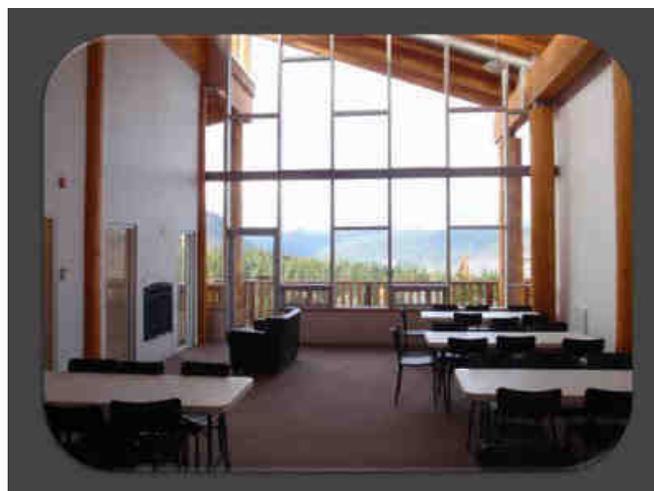
View from VIMC to the Park and Raven

The VIMC provides affordable overnight accommodation for groups of up to 40 people in the form of dormitory-style rooms. The VIMC has 9 rooms with 4 bunks in each and a 10th with 4 beds that are wheelchair accessible and a large group kitchen and dining room for up to 50 people.



An important component is the Promotion of 'Fitness for Life' education and resources to the broader community, including the means to be physically active regardless of fitness level, age or ability. Programming has been developed in consultation with seniors, sport clubs, educational institutes and outdoor environmental groups.

There are many complementary functions for the center which includes event hosting and management, mountain athlete development programs, educational programming and public services to increase the Centre's scope of utility and operational sustainability. The VIMC has the capacity to host all types of events ranging from local clinics to world class events. There are a number of groups that will use the center on a regular basis and others that will be "one off" and happen only occasionally.



Education and information pertaining to the natural history and biodiversity of Strathcona Provincial Park includes programming such as interactive activities focusing on the local flora and fauna surrounding the center. Activity themes could include, but are not limited to, extinction and the Vancouver Island Marmot, Whiskey Jacks and human interaction, Ptarmigan and seasonal adaptations, seasonal ecosystems and the natural food chain.

Education and resources for outdoor education, stressing 'Leave No Trace' wilderness principles and visitor safety will be important. As an example, we have a program that is available called Geocaching. This is where people use a GPS device to hide and seek containers in urban and wild settings. This program will introduce you to the history and correct use of GPS units for navigation in the outdoors.



The VIMC will be a venue for events and exhibitions highlighting achievement by local emerging and established artists, including First Nations. The first booking for the VIMC was the First Nations Snowboard Team. Through our relationship with this group they have left us a variety of First Nations art work and will be providing more to us in the future. We are working with Brian Scott, a local artist, who has donated a book and numerous paintings to assist VIMSS to raise funds to support the center and athletes.



The construction of the VIMC is complete and is operational. All identified objective s have been met.

Construction Update – cost overruns

The construction started in the summer of 2010. By the time the contractor (AFC) completed the foundation of the facility it was starting to snow. AFC managed to get the walls and they were working on the framing and the roof as the snow arrived with force.



The mountain received up to 200 cm of snow by the beginning of December. At that time the contractor asked if we could close up construction and begin again in the spring. We tried desperately to get the Federal Government to allow us to extend beyond the March 31 deadline. They said no. We even had the Federal Government administrators over to the mountain at one point to show them what we were up against. To put the quantity of snow challenges into perspective the mountain received 500 cm (15 feet) from Dec 23 to 28. The work had to continue through the winter. Through the whole winter the Resort received 1,900 cms of snow. The contractor talked to us many times about having to spend a few hours every day shoveling before his guys could even start work.



They had to hire snowcats and kept a bobcat on site to keep areas clear. He also told us that productivity was down because of working in the type of weather that they were not accustomed to working in. A rough estimate is that working through the winter cost an extra \$250,000. Therefore, the costs for the project were higher than anticipated.



Newest Developments and Updates

The following provides an update regarding the now operating phase of the VIMC.

1. *Operations*

The concept of VIMC encompasses a broad audience. The Mountain Centre has appeal to groups interested in alpine recreation, health, ecology and outdoor education. The Mountain Centre will serve the combined needs of many types of groups.

It was recognized that in the early stages of the project, it was neither practical nor desirable for a volunteer-run, non-profit society like VIMSS to attempt to provide in-house programming for the Centre beyond that which can be provided by associated volunteer groups.

While under construction, the Tribune Bay Outdoor Education Society stepped forward as having interest in being the operators of the facility.

The building will serve primarily as rental space to a wide range of established recreation, sports and outdoor programs on Vancouver Island, including those which function in cooperation with the school district and other educational institutions. The operational budget for the VIMC will be supplemented by the fitness center and facility rentals to high value secondary and tertiary groups, for uses such as corporate retreats and event hosting (weddings, receptions, reunions and the like).

VIMSS has contracted the Tribune Bay Outdoor Education Society (TBOES) to operate the day to day operations of the VIMC (contract started May 1, 2011). The TBOES has over 22 years experience fundraising, building and operating an outdoor education centre with 3000 annual participants (in a Provincial Park in partnership with School Districts 69 & 71). The TBOES will use their experience to fundraise, operate the VIMC building and offer VIMC programs to the public.

2. *Cooperative Marketing with Mount Washington Alpine Resort (MWAR) and Comox Valley and other Recreation Centres.*

The VIMC operators have and will continue to look at partner relationships with local recreation centres to offer programs to a variety of groups (senior, youth, adults, special populations), as well as the MWAR, targeting schools and special interest groups.

Specific target markets for the VIMC include casual recreational users who are visiting the established Resort; educational groups including elementary and high schools, college and university programs; outdoor education groups like Tribune Bay; and groups focused on promoting health and fitness through 'Fit for Life' and wellness programs.

A small but significant target market includes national and international teams for training camps and testing services, event hosting, and other revenue generating activities associated with the general themes of promoting mountain sports and recreation. While these groups may prove neutral in direct revenues, they will bring great value in marketing and promotion of the Mountain Centre.

3. Maintaining Relationships with Founding Mountain Sports Groups

Local mountain sports groups (Alpine Skiing and Snow Boarding, Freestyle, Cross Country Skiing, Biathlon, Adaptive Snow Sports and Mountain Biking), were contacted and given a window of priority booking for the VIMC. Priority pricing has also been put in place for facility use by local mountain sports groups as well as free meeting room and fitness centre use when a coach is with athletes.

4. Maintaining relationships with local businesses (on and off mountain).

The VIMC operators have a strong mandate from VIMSS to ensure accommodation and programming does not infringe on existing accommodation businesses or other centre/mountain programs. The VIMC is large group budget accommodation (minimum 20 -40) where as chalets, hotels and hostels (in Comox Valley) are not able to provide for large groups in one location or on the mountain for a group on a small budget. The VIMC has invited local hostels and other businesses to view and understand the VIMC operation (with support from them once they have the information). The VIMC fitness centre is for people living or working on the mountain (for public membership) that would not normally have handy access to a fitness facility or for teams wanting on-mountain workouts.

5. Bookings to date

The Vancouver Island Mountain Centre is proud to have hosted individuals from the following clubs, schools, organizations and special interest groups in the first few months of our inaugural year:

- ❖ First Nations Snowboard Coaching Clinic
- ❖ Justice Institute of British Columbia (Avalanche Training Courses)
- ❖ 676 Kittyhawk Air Cadets
- ❖ Mount Washington Freestyle Ski Coaches
- ❖ Triple Shot Cycling Club (Victoria)
- ❖ Maria Montessori Academy
- ❖ Camosun College
- ❖ Vancouver Island University
- ❖ 39th Service Battalion
- ❖ Omtown Yoga Retreat
- ❖ Island Oak High School
- ❖ School District 72 Pro D Day
- ❖ Kelly Creek Elementary (Powell River)
- ❖ Cypress Ski Club
- ❖ Mount Seymour Ski Club
- ❖ Alpine Club of Canada
- ❖ Yeti Snowshoe Race Team
- ❖ White Crow Village

We look forward to the following groups confirmed and visiting us in the near future

- ❖ Bandai High School (Japan)
- ❖ BC Freestyle Competition Athletes & Coaches
- ❖ Saint Michaels University School
- ❖ Snow to Surf Teams

- ❖ Nordic Training Camp
- ❖ Krusekopf Family Reunion
- ❖ Young Life Youth Group

Fitness Centre Usage

We have had 4, 2 month memberships sold, 4 punch cards and 34 paid drop-ins. We have had 80 user visits since we opened.

6. International Team Training and athlete development

There was significant interest and public discussion among Canadians following Canada's success at the 2002 Winter Games in Salt Lake City, and as a result of the awarding of the 2010 Winter Games to Vancouver. Also, Canada's perceived poor performance in the 2004 Summer Games in Athens raised the awareness of the meaning of sport in national identity and collective character.

This interest and awareness exists on Vancouver Island as much as anywhere in Canada. Vancouver Island for its size (population base) has a significant number of national sport centers (located primarily in Victoria), and an associated resident group of high performance athletes including many Olympians.

The Comox Valley has the feature of access to all-season, sea-level training opportunities and Nordic and alpine facilities with a six-month snow season (featuring late season snowpack). Mount Washington Alpine Resort is already a well-known, regional recreational asset for the Island.

The economic and sport development strategy included attracting international teams to train at Mount Washington in the lead-up to the 2010 Games. Experience in other regions that have hosted the Olympics has shown that this can provide further economic benefit through the accommodation and hosting of these teams, relationship-building and recognition value that leads to a legacy of ongoing activities.

Experience shows that most international race teams will seek training facilities away from the main competition venue where they can quietly acclimatize and prepare for events under similar snow and elevation conditions.

Mount Washington already hosts several provincially- and FIS-sanctioned cup events in cross country, alpine, biathlon, freestyle, disabled disciplines, and mountain biking. The enhancement of competition venue facilities and of local capacity to deliver these events is a key component of this strategy and proposal. It will enable the region to build its profile and capture the additional economic benefits of national and international recognition as a competition venue.

VIMSC In-House Winter 2012 Program Descriptions

*All In-House Programs are designed around specific learning objectives

Program Name	Winter Team Building
Program Description	This program will involve a variety of activities that challenge group members, break down barriers, and foster teamwork. The program is organized into three sections; group icebreakers, initiative tasks, and trust activities with the majority of the events completed outdoors.

Program Name	Winter Geocaching
Program Description	Geocaching is a world-wide pursuit dedicated to GPS where individuals hide "treasure" that others try and find using GPS coordinates and hints. This program will involve learning about the history of GPS and their various uses combined with map reading. Participants will then have the opportunity to hide their own geocache and search for others.

Program Name	Introduction to Winter Mountaineering Skills (Junior, 8 to 12yrs) and (Senior, 13 to 17yrs)
Program Description	This program will focus on age appropriate sections: (1) proper gear and preparedness (2) safe snow travel skills, including kicking snow steps, edging with boots, knot tying, belaying and slope decision making and (3) Emergency and risk management skills, including proper technique to self-arrest from a fall and digging an emergency snow hole, weather and animal information. (4) GPS and map reading in the mountains.

Target Group Identification & Marketing

Local Mountain Sports Groups: VIMC operators are striving to work in close conjunction with local mountain sports groups to determine a strategy that provides services and access in a timely manner that reflects the VIMSS commitment to local athlete development. Preferred pricing has been developed.

Visiting Mountain Sports Groups: Information packages have been sent to visiting mountain sports groups once race schedules were released, to allow them to book the facility during their visit to Mount Washington Alpine Resort (MWAR).

Fitness & Lifestyle Groups: Contacts have been developed with Vancouver Island Yoga studios or recreation centres with the potential of offering winter yoga and related fitness retreats. This target market could expand to Tai Chi, Pilates, Boot Camp and a variety of other fitness pursuits.



University Varsity Sports Teams: Contacts have been made with coaches of a variety of Varsity teams and interest has been expressed in running low impact team building-based programs at specific times of the year (after team selection prior to the beginning of the season and year end wrap up). An information pack has been developed to specifically meet coach's expectations.

Public Schools: A series of programs for schools have been developed including detailed descriptions of program learning objectives and expected outcomes. Marketing using Tribune Bay Outdoor Education Society contacts to offer winter, on-mountain programming are being offered to schools. In the case of school groups, the Mountain Centre would provide hands-on opportunities to get active while showcasing young local athletes as role models. Through promotion of both Strathcona Provincial Park and Mount Washington Alpine Resort, the Mountain Centre would enable young people to connect with the natural world while improving their physical activity rates in a healthy environment.

Universities: Contact and have bookings have been made with local universities and colleges from North Island College Coastal Adventure Program, Camosun College in relation to their Fitness and Wellness Programs and Vancouver Island University (VIU) in relation to their Tourism, Recreation, Sustainable Leisure and Student-focused Outdoor Campus Recreation Programs.

Corporate Groups

VIMC will be involved in development of a strategy for working with Vancouver Island businesses to provide accommodation, meeting space and team building-related programming.

Military

Contacts have been made with bases in Comox and in Victoria with the offering programs and accommodation.

Seniors

The VIMC operators see the senior market as having great potential for centre usage. The Centre operators have submitted a funding grant to the New Horizons organization that, if successful, will help in the purchasing of senior-related programming equipment and the development of seniors-focused programming.

Economics

The contractor, AFC, had paid employees totaling 15,077 hours. The project employed approximately 87 "man months" of AFC staff. Subtrades will be about half of that; another 40 man months.

According to an analysis by the Vann Struth Consulting Group Inc., the employment impact of the project was projected to be greatest in the construction phase with 60 full-time equivalent positions in the Comox Valley. The economic output has been calculated at \$7 million in the first year (construction), with operation years starting at \$1.3 million. The total economic output generated by the project included all construction and ongoing operational costs, spending by tourists visiting the facility, and the associated indirect and induced spending by local and provincial businesses that receive income through the Centre's operations.

Government revenue generated by the project was nearly \$1 million in the construction phase, with an ongoing impact of about \$150,000 per year to the three levels of government. Currently there is one full time position and one part time position and this will grow as business grows.

Conclusion

Every attempt has been made to ensure we used existing resources to demonstrate sound project management, honored financial sustainability principles, and ensure that the business and social impacts of the Mountain Centre will serve will into the future.

The Vancouver Island Mountain Centre will serve as a wide-ranging community resource promoting outdoor recreation, mountain sports, wilderness education and our natural history. It will promote general fitness principles while providing a central training and competition venue for emerging athletes and coaches on Vancouver Island.

The facility will provide a bold and unique marriage of fitness education and outdoor education in an area with an existing user group base of over 550,000 annual visitors. This already established market is the foundation for the economic feasibility of the Vancouver Island Mountain Centre.

Thank you for helping us to "Create the Legacy"!



PROJECT FINANCIAL STATEMENT

VANCOUVER ISALND MOUNTAIN SPORTS CENTRE

Period: Jan 1, 2010 to Dec 31, 2011

Project Expenditures

Construction, materials and equipment	\$ 2,340,590
Landscaping, paving, signage	\$ 229,110
Engineering and Design	\$ 184,130
Project Management	\$ 149,205
Contingency	\$ 16,399

Total Expenditures **\$2,919,435**

Project Income (Sources of Funding)

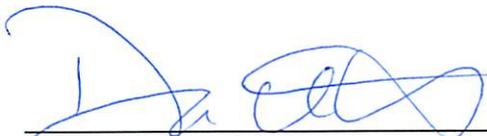
Western Economic Diversification	\$1,115,000
ICET	\$ 555,000
CST	\$ 250,000
Regional District	\$ 14,500
Mount Washington Resort	\$ 250,000
2010 Legacies Now	\$ 20,000
Province of BC	\$ 175,000
Fundraising	\$ 16,961

Total Income (Sources of Funding) **\$2,396,461**

Balance (covered by CCCU Term Loan
\$350,000 and Bridge Loan \$300,000) (\$ 522,974)

**If balance is positive ICET contribution may be reduced proportionately*

I hereby certify that this statement accurately represents all project expenditures and all sources of project funding



Financial officer

Mar 15, 2012

Date