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The following appendices were prepared as part of this study and copies of them can be obtained from the Town of Smithers:

- Appendix A – Stakeholder Consultations Report
- Appendix B - Background Reports Review
- Appendix C – Facilities Inventory
- Appendix D - Online Survey Results
- Appendix E – Stakeholder Groups’ Financial Assessment
- Appendix F - Profiles of Other Fairgrounds
- Appendix G - Council Presentation, September 2013

Executive Summary

The original Smithers Fairgrounds were where Heritage Park is now, and the first Fall Fair was held in 1913. Since then the Fall Fair has been a regular event in the Smithers calendar. In the 1970s, the Fair moved from its downtown location to the current Fairgrounds site. At this time, a license of occupation was agreed between the Town Council and the Bulkley Valley Agriculture and Industrial Association. This legal arrangement was slightly renegotiated in the late 1980s and further licenses were granted to the Northern Saddle Club and the BV Bowmen.

The current governance model was established in the 1970s, and it empowers the Fall Fair Management Committee, a committee of Council, as the primary decision making body.

The Fairgrounds are used by a wide range of agricultural and equine groups. These groups host a number of events during the year and while many of the events are little known in the community, many have a significant economic impact on the community and the region.

However the financial model of fair operations that has existed for many years and is replicated around the province and across Canada is itself struggling. It involves many hours of labour by community volunteers, and a minimal outlay of hard cash to pay for what needs to be purchased. But volunteers are burning out, services are getting more costly, and both the public's expectations and the regulatory requirements are increasing.

The current fairground buildings date back in many cases to the establishment of the Fall Fair on this site. In most cases they can be regarded as at the end of their useful life. Renewal is urgent. The Fairgrounds are also in the floodplain of the Bulkley River and current provincial and other regulations will need to be met if the required improvements to the basic services are to be made.

The Town's long term licenses with the three primary tenants terminate in 2014, and a new license arrangement must be developed, with the BVAIA favouring another 25 year license (which they are allowed under the current license agreement). For Council however, this is an excellent opportunity to streamline governance and operating procedures and to plan for upgrading the Fairgrounds so that it can play a stronger role in the community's social and economic future.

This report is designed to provide a renewed governance plan, operational strategy and land use strategy for the Fairgrounds. Moving forward requires action on several fronts.

Governance – the current model is complex and needs to be simplified. However the current BVAIA license can be renewed for another 25 years with its present structure. Change will require the BVAIA to want to change, and the incentive for this is to strengthen the partnership with the Town, since the required facility upgrading can only really be undertaken if the Town's capital funding capacity is used. Recommendations to move in this direction are proposed.

Land Use Planning – Council has set in motion a report that will clarify the requirements to upgrade basic services, especially sewerage, to meet provincial regulations related to the floodplain. Once these basic service requirements are clarified, it will be possible to integrate them with a plan for a new services building to provide washrooms, showers, some office space and food services through a commercial kitchen. This will replace a variety of buildings currently

on the site (food concessions, various washrooms, offices, etc). A second phase of this building could also incorporate a stage to replace the current main stage building.

Business planning – the revenues from the Fall Fair can contribute toward the ongoing repayment of a capital borrowing for the service and building upgrading proposed, however the reality is that these community buildings will need to be funded by the Town through its regular capital funding processes. However it should be recognized that, as long as there is an annual contribution from the Fall Fair, the recovery rate on these buildings will be greater than most community recreation buildings.

Program enhancement – the Fairgrounds have the potential to host more and higher economic impact events, as well as more local community programming, both delivered by the stakeholder groups, by the Town, and potentially in collaboration with the Northwest Community College.

The following recommendations are proposed:

That the Town of Smithers discuss with the Bulkley Valley Agricultural and Industrial Association, Northern Saddle Club and BV Bowmen the proposals outlined in this report, and proceed accordingly.

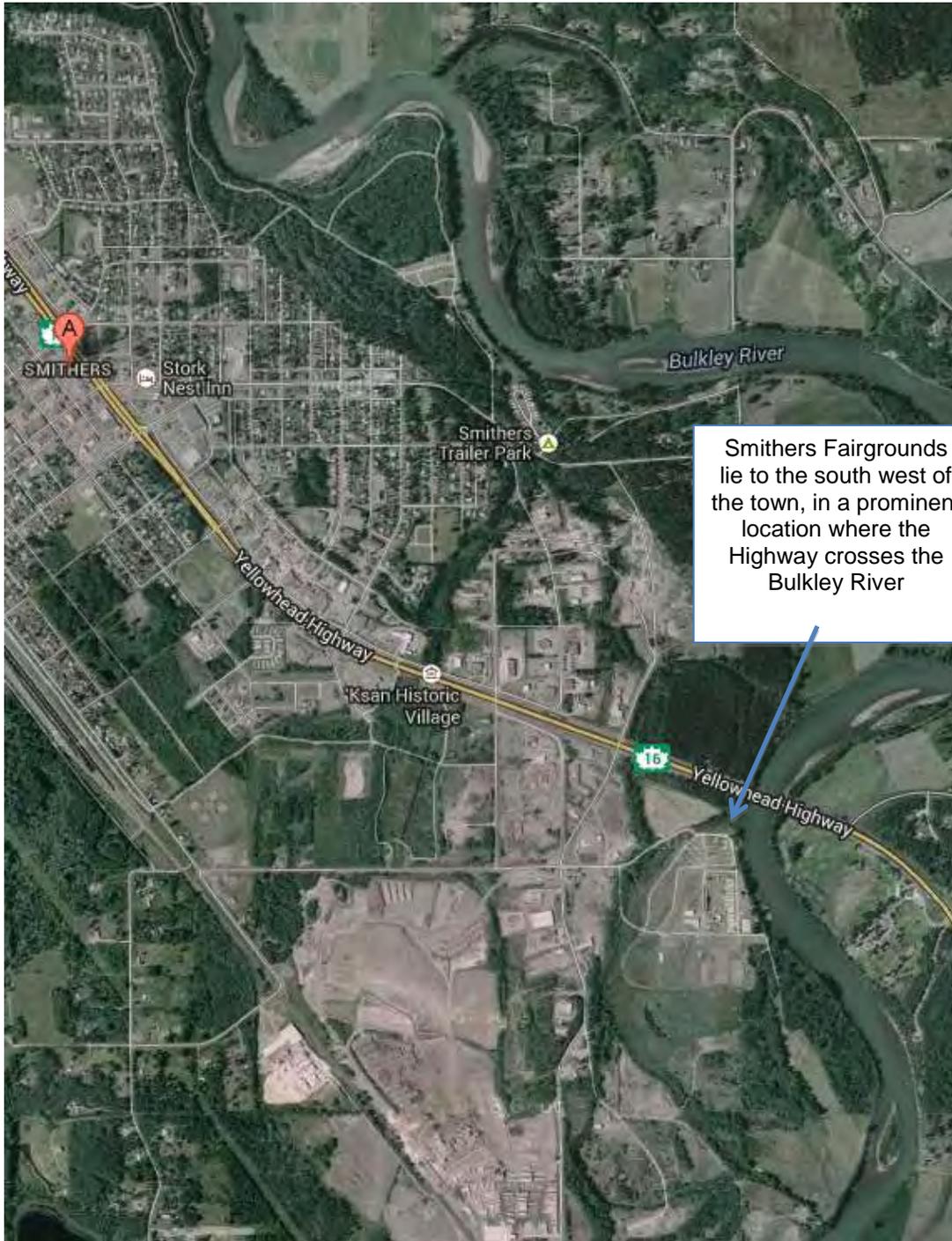
That the Smithers Council confirm the vision for the Community Fairgrounds as :
The Smithers Community Fairgrounds represent the community's commitment to its heritage and agricultural past, its vibrant present, while also serving as a foundation for a prosperous future. It is a first class venue for agricultural, educational, social, recreational, and cultural activities, for youth and family affordable activities. And its events are managed by community organizations and supported by the residents of the Town and the Regional District of Bulkley Nechako.

That, following review of the Environmental Assessment Report, the Town of Smithers request the Director of Development Services to report back with a plan for the future servicing of the Community Fairgrounds.

That the Town of Smithers retain the services of an architect to develop conceptual plans for future site development to include a new Services Building; and that this process include both stakeholder and public consultation.

That the Town of Smithers Department of Recreation, Parks and Culture lead and facilitate discussion regarding additional events and program ideas.

That the Town of Smithers review the proposed funding approach with Fairground users and support the approach in principle.



Introduction and Background

Celebrating its centennial this year, the Town of Smithers is blessed with one of the most beautiful settings in BC. It has a rich heritage based on its First Nations and multicultural history, and its agriculture and forestry industries. The town serves as a regional centre for 20,000 residents of the Regional District of Bulkley Nechako (Electoral Area A), although the town population in 2011 was only 5,400. While its industrial base has been under stress in recent years, both agriculture and forestry form essential elements of its culture, and have strong support from community volunteers and organizations. The Smithers Fairground embodies and benefits from these strong traditions.

Yet time has not been kind to fairgrounds, agricultural parks and rodeo grounds. Many, if not most, have aging infrastructure. Most are managed by community groups under some form of lease or long-term agreement with the municipal owners of the property. And most of the loyal cadre of organization volunteers are aging, and diminishing in numbers.

At the same time, most fairgrounds occupy geographically central positions in the community, reflecting their long heritage and status. They provide great venues for a range of community activities and festivities, as well as providing valuable greenspace and amenity values.

The challenge is therefore to modernize them in terms of their governance and infrastructure, to establish them on a firm fiscal foundation with an implementable business plan, while still retaining their sense of heritage and history, and their closeness to the community.

This is the challenge that faces the Town of Smithers. The Town's long term licenses with the three groups which are the primary tenants are coming to an end in 2014, and a new license arrangement must be developed, with the tenants favouring another 25 year license. For Council however, this is an excellent opportunity to streamline governance and operating procedures and to plan for upgrading the facility.

This report is designed to facilitate those goals, and to provide a renewed governance plan, operational strategy and land use strategy.

The process that led to this report included the following:

- A conference call to get the project rolling.
- Time in Smithers during which the following were hosted:
 - A variety of meetings in Smithers with key individuals and stakeholder groups (see Appendix A).
 - A visit to the Fairgrounds and the start of a facilities inventory.
 - An initial discussion with Council and with the Fall Fair Management Committee.
- A communications and engagement plan was drafted and all background reports were reviewed (see Appendix B).

- A full inventory of Fairground user groups, events and facilities was prepared (see Appendix C).
- An online survey was used to gather views of the public (see Appendix D).
- Financial information was gathered from user groups and the Town, including documentation of volunteer hours and the economic impact of major events (see Appendix E).
- Profiles of other fairgrounds were assembled (see Appendix F).
- A report and presentation was prepared for Council and a meeting of stakeholders in late September 2013 (see Appendix G).
- A draft report was prepared in late November 2013, and presented to Council and stakeholders in January 2014.
- The implementation plan was added and the report was finalized in February 2014.

THE HISTORY OF THE FAIRGROUNDS

The Smithers Fall Fair was first held in 1913, and was restarted after World War 1 in 1919. The Bulkley Valley Agricultural and Industrial Association (BVAIA) was formed in 1920, and acquired the land now known as Heritage Park from the railroad in that same year. The first Fall Fair on that site was in 1922. Over the following 35 years, through the depression of the 1930s and World War 2, the fortunes of the Fall Fair ebbed and flowed, cancelled some years, but always reappearing when times improved.

The Civic Centre was built in Heritage Park in the late 1950s, and the Fall Fair used it and the surrounding lands through to the 1970s. In 1975, the Fair moved to its current Town-owned site and the Town of Smithers also became the owners of the Heritage Park land. The present governance structure of Bulkley Valley Agricultural and Industrial Association holding a license on the property and a Fall Fair Management Committee was established at that time.

Since then, various modifications to this arrangement have been agreed:

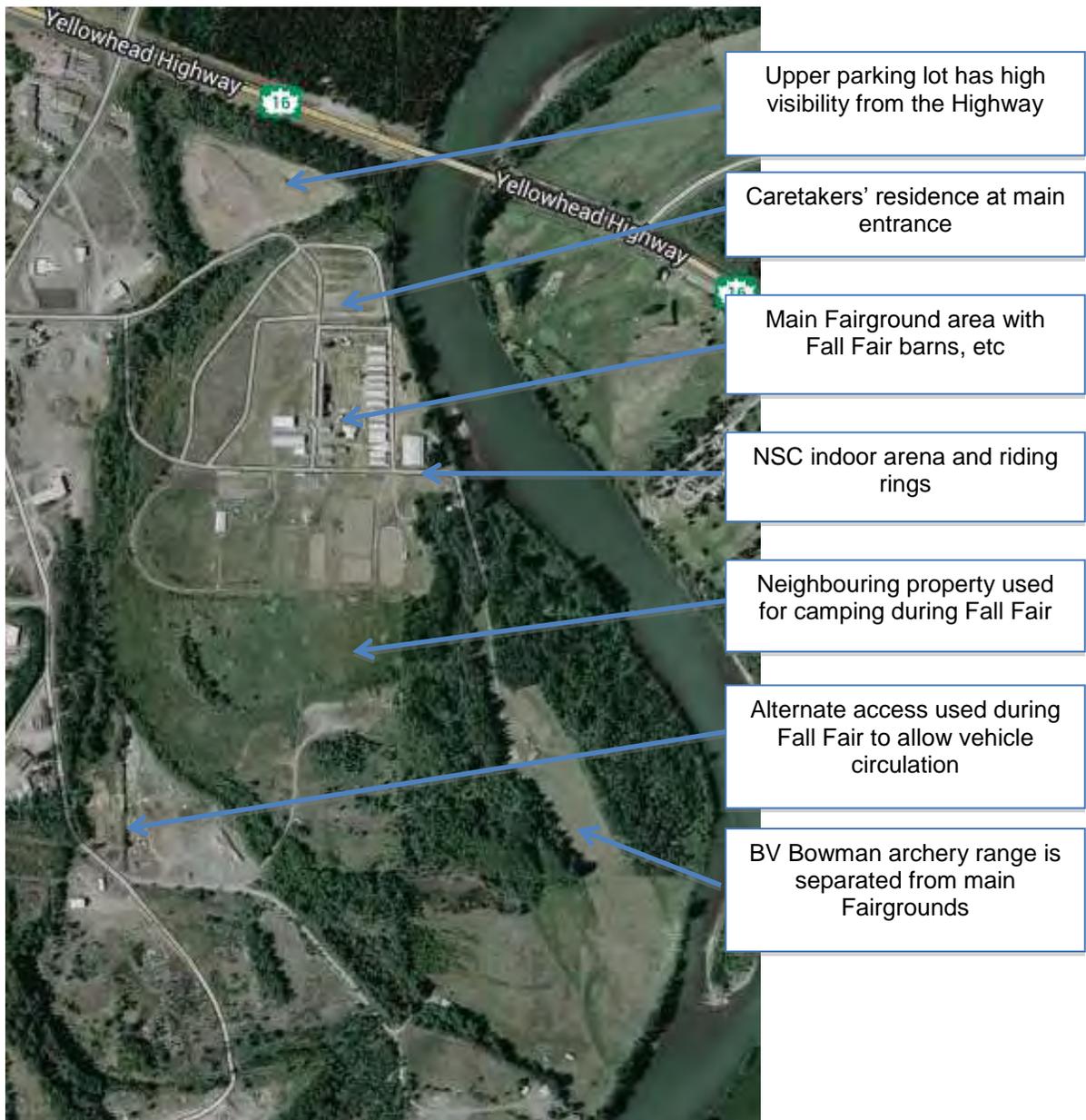
- The Northern Saddle Club was granted a license to a portion of the Town of Smithers lands in the late 1980s.
- The Bulkley Valley Bowmen was granted a license to a portion of the Town of Smithers lands in 1992.

Over the years, the Town and the Bulkley Valley Agricultural and Industrial Association have collaborated and jointly funded facility development:

- The Johnson Hall (Quonset Hut) was constructed by the Town for \$60,000, with BVAIA contributing \$12,000.
- The Town Washrooms were built with BVAIA contributing \$6,000.

All the other buildings on the site have been built almost entirely with volunteer labour and local fundraising.

The Town maintains the roadways (including snowplowing, grading and adding gravel) and the Town washrooms, and mows the grass. In addition, it is responsible for garbage removal, paying utilities, insuring all buildings/structures, updating signage, winterizing water lines, dealing with any sewage/septic issues, maintaining the creek including issues related to beaver dams.



Part 1 – The Current Situation – An Assessment

THE FAIRGROUND USERS AND USES

The Fairground Users

A wide range of agricultural and equine groups are users of the Fairgrounds.

- The Bulkley Valley Agricultural and Industrial Association (also known as the BV Exhibition or BVX) are the principal occupiers. They hold a license from the Town to occupy a portion of the site, and have done so since the Fair was relocated from their original downtown site.

Two other groups hold licenses from the Town:

- Northern Saddle Club – is the principal equine group in the region and has been engaged in the Fairgrounds since the 1980s. The lands covered by their license is within the Town of Smithers lands and are used for a variety of activities during the Fair and year round.
- Bulkley Valley Bowmen – is an archery group and holds a portion of the site which is separate from the actual lands used for the Fair. They too hold a variety of events throughout the year.

Some groups have developed facilities on the Fairgrounds which they use at Fair time and at other times during the year:

- Bulkley Valley Folk Music Society – have been very involved in developing the main stage facility and also have an office and storage facility. They use the Fairgrounds to host the Midsummer Festival and various other music events.
- Smithers Rodeo Club – have developed the rodeo facilities and host several events every year.
- Heavy Horse – this group stage a number of events including the Glenn Stewart Horsemanship Clinic. They have developed an office building which they use for events and general administrative purposes.
- Order of the Elks – have a food concession on the Fairgrounds.
- Royal Canadian Legion – have a food concession on the Fairgrounds.
- Smithers Lions Society – have a food concession on the Fairgrounds.
- Smithers Rotary Club – have a food concession on the Fairgrounds.

Many other groups use the Fairgrounds, at various times through the year, using land and often facilities owned by one or other of the licensees:

- Bulkley Valley District 4-H Council – hold various events during the year.
- Three in One Breed and Open Horse Show – hold a single event during the year.

Some groups are only involved in the Fair, or at one specific time during the year:

- Bulkley Valley Cattleman Association – have minimal involvement in the Fairgrounds.
- Glenwoods Women's Institute – contribute to and manage exhibits at the Fair.
- Northern BC Poultry and Small Animal Sale – normally hold only one event per year.
- Smithers Farmers Institute – have minimal involvement in the Fairgrounds.

Other groups have, or could have, an interest in the future development of the Fairgrounds:

- NW Community College – have an interest in strengthening their programming and would be keen to participate in any future development.
- Smithers Access Committee/ Measuring Up the North – are keen to see the access of the site upgraded for persons with disabilities and other challenges.

Of these organizations, the Bulkley Valley Agricultural and Industrial Association is a not-for-profit society with charitable status. Several other groups are formally registered as not-for-profit organizations under the BC Society Act. A number of the groups are more informally organized and use the structures of other groups to manage their finances, insurance and other related matters.

The Fairground Buildings and Infrastructure

The following is an inventory and comment on the current buildings and infrastructure:

Building	Description	Future Life/Comment
Davidson Hall	Built in 1984, this building has metal cladding, a concrete floor and exterior lighting. It is used as an exhibit hall during the Fair and is used to store recreational vehicles in the winter. During the summer it is occasionally rented for concerts. At one stage, it was rented for the local gymnastics group. It has gas heating but this is currently disconnected.	The structure is sound and there is potential for alternative year-round uses. There is also potential to build on to this building.
Johnson Hall	This Quonset Hut was built in 1975 as part of the agreement for the relocation of the Fair to the current fairgrounds; this building is controlled by the Town. The Town also stores recreational vehicles during the winter. Electrical and other services are very limited, and the roof has a persistent leak.	A utilitarian building with some life left, but little potential for upgrading.
The Mall	The booths in the Mall are very limited, but serve a purpose during the Fair. Each one has light and a double electrical outlet, and 65% of them are retained from year to year by the same vendor – tenants have made various tenant improvements. The area is secured and is used for winter storage of other equipment.	Has reached the end of its useful life, although could continue as is for some time yet.
Rodeo Area	The rodeo area has been significantly upgraded in the past five years – bleachers have been replaced as have all the various fencing, penning and control features. There is a joint office and announcers' booth.	Generally in good condition, well maintained with life left.
Draft Horse office	The office was renovated relatively recently.	Adequate for its use.
Draft Horse barn	The barn is old, likely built in the early 1980s. The area around is very wet and subject to flooding. Each of the stalls is equipped with power and water.	Has reached the end of its useful life, although could continue as is for some time yet.
NSC Riding Arena	This is an indoor riding arena.	This building has potential for expansion and is one of the few buildings used year round.

NSC Rings	There are a number of horse jumping rings which are used for various different kinds of programs. They are: <ul style="list-style-type: none"> • Driving Ring • Dressage Ring • Hunter Jumper Ring • Light Horse/Gymkhana Ring 	All require minimal maintenance and are adequate for future use.
Dry Shavings Shed	Recently constructed by the NSC.	New building.
Folk Music Society office	The office was created in the 1980s. It is in generally poor shape and while it has an electrical supply, it does not have any running water.	Has reached the end of its useful life, although could continue as is for some time yet.
The Barns	Some of the barns were moved to the Fairground site from the original downtown Fairgrounds. Others have been built more recently, although many are showing their age. They all have electrical power and there are a variety of water hydrants to service them. The poultry barn also houses the kitchen used for the Midsummer Festival – it has water and electricity. The dairy barn includes an automated milking stand	These barns have generally reached the end of their useful lives, although could continue as is for some time yet. The integration of the poultry barn and the kitchen for the Midsummer Festival is not appropriate.
The swine barn	A new barn was built in 2012. However it has no services.	New building.
Other buildings	There are a number of other small buildings which have been built at various stages to serve specific purposes – the petting zoo, the livestock office, the first aid truck.	Most of these have limited long term asset value – some could easily be moved to other locations on the site.
Main Stage	This building is used for a variety of music and other festivals as well as during the Fall Fair. It was substantially renovated in 1997 as a joint project between the Folk Music Society and the BVAIA. A sound booth is housed in an adjacent building.	This is a key building for current and any future events. It is adequate for the current events, but the whole stage area needs to be upgraded.
4H Washroom	This facility also includes showers which are used regularly through the season primarily by young riders.	All washrooms and showers are of limited future use given the current septic field/pumped tank disposal methods.
Graeme Johnson Shed	Storage shed located close to the river's edge.	Adequate. But storage for all organizations is a challenge.
Atco Washrooms	Old washrooms located in an Atco Trailer	Inadequate.
Public Washrooms	Located in a concrete block building – no heat and closed during the winter.	Adequate but in need of upgrading.
Legion, Rotary, Lions and Elks concession buildings	These buildings have a variety of cooking equipment, refrigeration, etc. Some were purpose built, others were moved to the site from elsewhere and other uses. Most are used on only a few occasions during the year, although some of the organizations also use them as meeting locations.	All these cooking facilities struggle to meet the variety of codes that are now in place.

Fair Office	This is centrally located and used year round for office and meeting purposes.	Adequate.
Caretakers' RV	This is located near the main gate and provides accommodation for the on-site caretakers.	Adequate.
Archery Buildings	The BV Bowmen have built a number of structures for storage, BBQs, etc.	Adequate.

The Fairgrounds are serviced by various electricity, water and gas lines. Washrooms, showers and other grey water from concessions, etc are serviced in a number of ways:

- A septic field serves the 4H washroom and shower building, and other water outlets in the vicinity.
- A septic field serves the two washroom buildings (Public/Town and Atco Trailer)
- A septic field serves the Caretakers residence.
- Some facilities have installed holding tanks which must be periodically pumped.

In addition, all major events must hire porta-potties – for the Fall Fair in 2013, 21 units were hired at a cost of \$6,000.

WHAT THE PUBLIC AND STAKEHOLDERS THINK ABOUT THE FAIRGROUNDS

Stakeholder Interviews

A variety of individuals and others, mainly representatives of the various users groups, were interviewed in order to ascertain a list of concerns related to the Fairgrounds. They made the following points:

History of the Fairgrounds

The history of the fairgrounds is very important and there is a strong sense of entitlement within that community. The current model has worked well for 25 years – collaboration is certainly the key and works well at the present time. However the current arrangement of three groups having licenses and other groups having none, is not conducive to long-term harmony.

The Fall Fair and Other Summer Events

Putting on the Fall Fair, which is a major event and one of the largest in BC, is a year round operation with many financial and logistical challenges. It is a product of the hard work of all the groups which are involved. The Midsummer Festival organized by the BV Folk Music Society is the other major summer event.

Floodplain and Servicing Issues

The location on the floodplain poses challenges – servicing, winter and spring flooding are the main ones. Long term development will be a particular challenge.

Security Issues

There were differing views about how to manage security at the Fairgrounds...and the utility of the

- Bulkley Valley Agricultural and Industrial Association (BV Exhibition)
- Bulkley Valley Bowmen
- Bulkley Valley Cattleman Association
- Bulkley Valley District 4-H Council
- Bulkley Valley Folk Music Society
- Glenwoods Women's Institute
- Heavy Horse/ Glenn Stewart Horsemanship Clinic
- Northern BC Poultry and Small Animal Sale
- Northern Saddle Club
- Order of the Elks
- Royal Canadian Legion
- Smithers Access Committee/ Measuring Up the North
- Smithers Farmers Institute
- Smithers Lions Society
- Smithers Rodeo Club
- Smithers Rotary Club
- Three in One Breed and Open Horse Show
- NW Community College
- Town of Smithers, staff and Councillors
- Regional District of Bulkley Nechako (Electoral Area A)

current arrangement involving a live on site caretaker.

Accessibility Issues

Access for people with mobility issues is a challenge. Again, any future developments will need to meet current regulations in this regard.

Year Round Use

While many people and groups spoke of the potential for greater use of the Fairgrounds outside of the summer season, this would require major investment in facilities.

Finances and Insurance

While many groups using the Fairground are incorporated societies, others operate under the financial auspices of either the BVAIA or Northern Saddle Club. There is a complex flow of monies between groups, as well as in-kind trading of services. The bottom line is that there is a vast amount of unpaid volunteer labour and services with the actual finances likely small in comparison – the tip of the iceberg.

Event Approval Processes

The current processes, while being continually modified and improved, are complicated by the structure of the Management Agreement and the multiplicity of groups and individuals involved. This will only change if that structure changes.

Other Administrative Processes

Clearer definition of roles would make responsibilities clearer. Expectations would be clarified. Policies, practices and fees could be unified. Everyone would be better informed about what is occurring.

Events

There are many events held at the Fairgrounds, most of which are ‘under the radar’ of the town, the media and the public. However it is likely that more could be held and their economic value could be enhanced.

Infrastructure Upgrading

Services must be improved – sewer, water, electrical. Various proposals are circulating, with varying visions regarding the future of the Fairgrounds.

Potential or Suggested Future Uses

There are lots of ideas for new and, for the most part, complimentary activities and future uses for those parts of the Fairgrounds which appear underused. As well, the key user groups have ideas for future upgrading.

Education and the Community College

There is potential for and interest in greater linkage between NWCC and the current and future potential uses of the Fairgrounds.

On-line Survey

In order to gather ideas from the general public, an online survey was posted through the Town website, and promoted in a variety of ways including the Mayor’s Twitter feed. The results can be summarized as follows:

General Demographics of the Users

- The survey was completed by 117 people, of whom half lived in the Town of Smithers and half outside in the Regional District of Bulkley Nechako (Electoral Area A) area.
- 41% of respondents had only visited the Fairgrounds for the Fall Fair. The other 59% had come for other activities and events.

- Of the 59% who had visited for other than just the Fall Fair, some form of horse related activity was the main purpose of their visit. About 25% had attended the Mid-Summer Festival. There were a range of other reasons given.
- The primary group which respondents were involved with was the Northern Saddle Club which, with other horse clubs and those who were members of horse groups as well as other groups, made up almost 75% of affiliations.
- In terms of frequency of visiting the Fairgrounds, there are a group of people who use the Fairgrounds on a very frequent and regular basis, every week or perhaps more often; these made up about 20% of survey respondents. Another group are less frequent visitors, roughly every month – these made up 35% of respondents. The remaining 45% visited only once or twice per year, which would be for instance for the Fall Fair and the Mid-summer Festival.

Required Facility Upgrading

- Respondents made a wide variety of comments on the current state of the facilities and what upgrading was required. The broad themes emerging were as follows:
 - Washrooms and bathrooms are inadequate (34 of the 155 comments)
 - The main stage and performance areas are inadequate (13 comments)
 - The state of the barns and stables require upgrading (18 comments)
 - The riding arenas require upgrading (29 comments)
 - The 'Mall' area requires upgrading (8 comments)
 - The parking areas and the roadways require upgrading (13 comments)
 - The office areas are inadequate (5 comments)
 - The grounds maintenance needs to be improved (5 comments)
 - There is a need for better, indoor, year-round space (6 comments)
- The response to the question of how should these improvements be funded was somewhat predictable – hopefully someone apart from me will pay for these upgrades! The preferred funding mechanisms were using revenue from rentals and events and outside bodies. Lowest priority was for municipal taxation to be used.
- Generally people were happy with the facility but thought it could be improved upon in a variety of ways.
 - Some comments were focused on the need for some upgrading.
 - Others indicated that apart from a little TLC, it was OK.

Vision for the Fairgrounds

- Many peoples' vision was to maintain the status quo.
- Some wanted the Fairgrounds to be more horse focused than at present.
- Others had in mind expansion of the facilities and amenities, allowing more year round use for events which would bring in revenue.
- For some, their vision was chiefly around adding quality to what is there now, by better maintenance, but keeping the Fairgrounds focused on families and affordability.

Potential for Hosting Events

- Almost everyone was supportive of hosting additional events at the Fairgrounds.
- The largest group of 'other comments' focused on staying with the status quo around to agricultural and equine activities.
- The second most frequent comment concerned more music, concerts, dances, etc:
- Dog activities were noted by a few respondents.
- Meetings, conferences and allied community events were also frequently noted.
- Camping was often noted, as were ballfields and soccer fields, and other children's camps.

Council and FFMC Discussions

As part of the background research for the project, the minutes of the FFMC meetings held in the years from 2009 to 2012, were reviewed.

The following topics/issues were discussed:

'Legal' issues generally concerning the current organizational structure of the Fairgrounds and the many issues which flow from that structure. Issues included (in no order):

- Leases and licenses
- Confusion re boundary lines between groups
- Use of space for NWCC/SSS Carpentry program
- Site surveying and mapping
- Insurance requirements
- Requirements for sub-leasing space
- Business and other licenses – exemptions
- Historic grievances (such as BVEx 'loss of 10 years occupancy in 1989')
- Development of the site by groups – approval processes, agricultural partnerships/research
- Development of a Demonstration Garden
- Expiry of agreements in 2014

Issues related to capital planning and maintenance of the fixed assets:

- Capital planning and ongoing maintenance of buildings and site
- Renovations and repairs undertaken by groups – concerns re process
- Washroom access (seasonal) and accessibility
- Building and space planning – additional buildings, renovations, etc
- Potential boat launch
- Northern Saddle Club Shavings Bin/Building
- Invasive plant removal/management

Administrative issues, especially related to the approval and management of events and site uses:

- Event permission forms
- Camping during events, both at the Fairgrounds and at Riverside campground
- Use of the Fairgrounds in emergencies (such as forest fire evacuations) for animal storage
- Event approval processes
- Annual processes for notifying groups and approving events
- Use of site for RV winter storage
- Use of water by non-license holders
- Roles of the Fairground Attendants/Caretakers

Issues specific to the Fall Fair:

- Traffic on site during the Fall Fair
- Management and staffing during the Fall Fair

Broader issues:

- Use of Town logo and links to Town website
- Representation on the FFMC

- Overlapping/conflicting/lack of long range plans of organizations.

Clearly these issues are interrelated and need to be reviewed during the Business and Land Use Planning process.

Attendance at FFMC meetings was also reviewed to determine which groups were present when decisions were made. Again, this was based on FFMC meetings held in 2009 to 2012. In addition to the Chairperson, representatives of the Regional District of Bulkley Nechako (Electoral Area A), Town staff and councillors, the following groups were represented at one or more meetings:

- B.V. Exhibition
- Northern Saddle Club.
- 4H
- 3 in 1 Breed Show
- Bulkley Valley Folk Music Society
- Measuring Up the North.

Council Discussions

The minutes of the FFMC are formally reviewed by Council. The following topics/issues were also discussed at their meetings (2010 to 2013):

- 'Legal' issues generally concerning the current organizational structure of the Fairgrounds and the many issues which flow from that structure. Issues included (in no order):
 - Adjudication of boundary lines between groups
 - Waiving permit fees
- Issues related to capital planning and maintenance of the fixed assets:
 - Boat launch funding
 - Lions Club Picnic Shelter – approval
 - Funding requests to outside agencies
 - Construction of washrooms – replacement of ATCO trailer washrooms
 - Approval of Right of Way for Telus/BC Hydro
 - Approval of Northern Saddle Club Clean Shavings Bin
 - Investigation of chemical free ways to control invasive plants
 - Approval of construction of new facilities
- Administrative issues, especially related to the approval and management of events and site uses:
 - Consistency in charging for additional garbage pick-up
- Issues specific to the Fall Fair:
 - Waiving business license requirement for Fall Fair operations
- Broader issues:
 - Economic development potential of Fairgrounds
 - Congratulations for events (Live Nation Sirius Face the Music)
 - Initiating Business Plan
 - Approval of 46% recovery rate

THE FINANCIAL FRAMEWORK OF THE FAIRGROUND

There are at least four aspects that need to be reviewed related to the financial framework for the Fairgrounds. They are:

1. The revenues and expenses incurred by the Town in its stewardship of its land, and its services to the Fair as a significant community event and its services in support of recreation and the groups that deliver this aspect of the Town's recreation portfolio.
2. The revenues and expenses incurred by the various licensees and user groups in their similar dual role of recreation service delivery and land stewardship.
3. The additional value of the volunteer hours that those groups commit to these tasks.
4. The economic return that is generated for the town and region as a result of the events that are hosted at the Fairgrounds.

Town of Smithers Financial Commitments

The Town's budget related to the Fairgrounds, from 2008 to 2012, has been as follows:

<u>Expense Items</u>	2008	2009	2010	2011	2012
Wages - Regular	\$ 5,531.71	\$ 10,684.40	\$ 4,405.63	\$ 7,239.78	\$ 3,774.41
Advertizing	\$ -	\$ 303.24	\$ -	\$ -	\$ -
Contracted Services	\$ 1,457.34	\$ 4,228.35	\$ 1,289.65	\$ 2,133.84	\$ 791.32
Insurance	\$ 4,395.32	\$ 4,388.05	\$ 6,479.84	\$ 7,480.35	\$ 7,631.63
Rental Own Equipment	\$ 5,000.00	\$ 5,000.00	\$ 4,500.00	\$ 4,500.00	\$ 4,500.00
Materials and Supplies	\$ 189.67	\$ 14,927.18	\$ 425.14	\$ 479.40	\$ -
Utilities - Electricity	\$ 1,843.65	\$ 2,105.57	\$ 1,715.30	\$ 2,095.26	\$ 2,389.61
Total	\$ 18,417.69	\$ 41,636.79	\$ 18,815.56	\$ 23,928.63	\$ 19,086.97
From General Operating Fund	\$ 18,417.69	\$ 41,636.79	\$ 18,815.56	\$ 23,928.63	\$ 19,086.97
<u>Revenue Items</u>	2008	2009	2010	2011	2012
Fall Fair Grounds Rental	\$ -	\$ -	\$ -	\$ -	\$ -
RV Storage	\$ 5,918.00	\$ 6,650.00	\$ 6,300.00	\$ 7,175.00	\$ 6,075.00
Total	\$ 5,918.00	\$ 6,650.00	\$ 6,300.00	\$ 7,175.00	\$ 6,075.00
To General Operating Fund	\$ 5,918.00	\$ 6,650.00	\$ 6,300.00	\$ 7,175.00	\$ 6,075.00
Net	\$ 12,499.69	\$ 34,986.79	\$ 12,515.56	\$ 16,753.63	\$ 13,011.97
Recovery Percentage	32%	16%	33%	30%	32%

In most years, the Town spends around \$19,000 and recovers in revenue about \$6,000, which is from RV storage rentals. The recovery rate is normally about 30%.

The expenditures were higher in 2009 due to costs incurred to provide additional gravel to improve the road system around the Fairgrounds.

Financial Commitments of Fairground Users

Information was received from a variety of Fairground user groups, and the following comments can be made:

- Apart from Bulkley Valley Agricultural and Industrial Association, which has substantial revenue from the Fall Fair, all the groups operating at the Fairgrounds have minimal financial transactions. This is typical of volunteer organizations with no paid staff.
- All the groups break even over the long term.
- Capital planning consists of saving over several years before they embark on a purchase. Examples are the new shavings bin constructed by the Northern Saddle Club, and the acquisition of new targets by the BV Bowmen. In most such cases, the community contributes in the form of sponsorships and volunteer hours. None of the groups had any debt.
- The scale of Bulkley Valley Agricultural and Industrial Association is different from the other groups and the revenues from the Fall Fair allow it to hire a staff person to manage operations year round, and part-time staff to prepare for the Fair. It is doubtful that the scale of the Fair, recognized as one of the biggest in BC, could be maintained without this staffing expense.
- The Bulkley Valley Agricultural and Industrial Association manages its finances in order to balance its books. This involves decisions about prices for entry, fees for concessions, etc. The most critical factor in its revenue generation in any year is the weather and the number of attendees. In 2012, their net revenue was \$6,102 on actual expenditures of \$273,000 plus in-kind expenditures¹ of \$95,000. In 2013, the net revenue was \$26,768 on actual expenditures of \$328,000 and in-kind expenditures of \$107,000.
- That the BVFMS manages to stage the Mid-Summer Festival without a staffing expense, is a tribute to their volunteers.
- The only other payments to human resources were the Rotary's minimal payment to volunteers in its food concession at the Fair, and some minimal contracting (eg BV Bowmen hire a person to cut their grass; some organizations pay a bookkeeper).
- The Bulkley Valley Agricultural and Industrial Association has arrangements with the Fair's food concessions and others selling goods, which allows them to share in these revenue streams. Any 'profit' made by the concessions goes back into the community.
- The Bulkley Valley Agricultural and Industrial Association also have some non-Fair income streams, primarily the RV storage.
- The organizations use the Fair and other events to work collaboratively toward community goals. For example, the Lions allowed the high school students to run their concession in order to raise money for a school band trip.

¹ In-kind donations of service and product are estimated and included as equal amounts in the revenue and expenditure sides of the balance sheet.

This is a financial model of fair operations that has existed for many years and is replicated around the province and across Canada. It involves many hours of labour by community volunteers, and a minimal outlay of hard cash to pay for what needs to be purchased. However this model is struggling: volunteers are burning out, services are getting more costly, and both the public's expectations and the regulatory requirements are increasing. The information from the Elks sums that up and is worth repeating (paraphrasing an email from the Elks current president):

The Elks are the largest booth at the Fair. We have paid the Fall Fair Board every year. It used to be a percentage of our gross that was usually in the \$2500 range This year and last year they offered an option that we could pay a flat fee \$2000 if paid up front. Our members met this year to discuss the fact that the Fire Department is requiring fire suppression equipment at a cost of \$7-9000 plus and to reconfigure our ventilation system at a cost similar in price. We are a nonprofit group that has been in the Valley for about 80 years - we have never asked for exemptions from utilities or taxes in that entire time. But our group has dwindled and we lost our major funding source (the Dancers in our hall downtown). It has left us so we have put our Hall up for Sale and our Building at the Fair Grounds in jeopardy. We have membership list of active members of approximately 8.

Assessing the Value of Volunteer Commitments

Our communities rely on the volunteers who commit hours of their time to put in place for others a wide variety of programs and services. Nor is it possible to know how much time these volunteers commit to these activities – it is likely much more than even they are prepared to admit!

It is also impossible to value this time – a lawyer who bills his/her clients at \$300/hour, but who manages a recreational sport club in his/her spare time, cannot reasonably have the time spent valued at either \$300/hr or at minimum wage.

However it is salutary to document how many volunteers and how many hours are provided, and both BVAIA and Northern Saddle Club have provided the following data:

Bulkley Valley Agricultural and Industrial Association

- 478 individuals were involved in the Fair organization in 2013. Of these, 310 were 'weekend' volunteers – people who committed the whole weekend to be at and run aspects of the Fair:
 - 80 people worked in the display halls.
 - 60 people ran the rodeo.
 - 25 worked in 'operations'...and did the multitude of things that kept the Fair running.
- And they were assisted by 168 other individuals who gave up one day at the weekend.
- In addition, the nine people on the board of BVAIA, and the 30+ people involved with the other groups (assume eight) likely committed 50 hours each on average to plan the Fair's smooth running.
- If each individual worked eight hours per Fair day (likely a gross under-estimate), then it took 10,734 hours of labour to put on the Fair.
- BVAIA value this contribution at \$77,800.

Northern Saddle Club

- For their 2012/13 year, data was compiled on volunteer hours. It was estimated that volunteers committed 1,068 volunteer hours with Board members taking the bulk of the load with 511 hours and club volunteers providing 557 further hours in workbees and in support of events.

It is likely that the smaller clubs required less volunteer hours to run, but the commitment of Smithers and Regional District of Bulkley Nechako (Electoral Area A) residents to this community activity is clearly immense.

Economic Impact of Fairground Events

Events are a major element in tourism, which in turn is key to economic development. Even in relatively small communities, there is normally tourism activity. Smithers is no exception: it lies on Highway 16 which is a major route for tourists heading to or from the Prince Rupert ferry or Haida Gwaii. Another aspect of tourism is people visiting friends and relatives. And the key to getting any of these tourists to stay a few extra nights in Smithers is by increasing the events and other experiences that they can have while staying here.

Conversely, events which are thought of as primarily for local people also can and do attract visitors – either those just passing through or those who come specifically for the event. Of Smithers events, the two largest are the Fall Fair and the Mid-Summer Festival (data was requested for two other events, the Spring Shoot of the BC Bowmen and the Three in One Horse Show, but the data was not available). The economic impact of these two events was estimated², with the key parameters as follows

² These calculations were made with the aid of an Economic Impact Model developed by YTA for BCRPA.

BV Exhibition

Visitor Expenditures

How many performers and spectators attended the event?
 What percentage of each group were from out-of-community?

	No.	x	% from out of community	=	Total
Performers	550	x	30%	=	165
Spectators	16550	x	25%	=	4137.5
Others	350	x	5%	=	17.5
Total		+			4320

Select an expenditure per person/per day:

$$\text{\$ } 100.00 \times = \text{\$ } 432,000.00$$

Number of full days of the event:

$$\times 2.375$$

Estimated Visitor Expenditures/New Money:

$$= \text{\$ } 1,026,000.00$$

Organization Expenditures

	Org. Comm. Budget	+	Other Orgs Budgets	=	Total
Estimated Total Cash Expenditures	\\$ 327,700.00	+	\\$ 30,000.00	=	\\$ 357,700
Estimated In-kind Expenditures	\\$ 107,500.00	+		=	\\$ 107,500
Total	\\$ 435,200.00	+	\\$ 30,000.00	=	\\$ 465,200

Percent spent in community

$$\times 60\%$$

Estimated Organization Expenditures/New Money:

$$= \text{\$ } 279,120.00$$

Employment

How many days of paid employment are created by the event?

To do what?	
Administration	317
Grounds	85
Gates	16
Total	

$$= 418$$

Multipliers

Total Visitor Expenditures/New Money

$$\text{\$ } 1,026,000$$

Total Org. Expenditures/New Money

$$\text{\$ } 279,120$$

Total Visitor and Organization Expenditures/New Money

$$= \text{\$ } 1,305,120$$

Expenditure multiplier

$$\times 1.3$$

Employment multiplier

$$\times 1.1$$

Total Economic Impact

$$= \text{\$ } 1,696,656$$

Total Employment created in person/days

$$= 459.8$$

For both these events, the economic impact is not the main reason they are put on. However they both contribute to the local economy in a variety of ways:

- The BVX provides employment, and generates close to \$2m in direct economic impact.
- The Mid-Summer festival is totally volunteer run but still contributes almost \$200,000 of economic impact.

PROFILES OF OTHER FAIRGROUNDS

As part of the research for this project, interviews were conducted with those involved (either municipal staff or not-for-profit volunteers) with seven BC fairs and fairgrounds. The comments made concerning each fairground are summarized in Appendix F, with more generalized comments summarized as follows:

Location/History

Fairgrounds in British Columbia have a long history. In most cases they were originally located close to the city centre. However they are recognized now to be a land-use which is more appropriate on the periphery of the community, and in most cases they have been relocated. This relocation generally occurred in the 1970s as the communities expanded and as civic recreation facilities were planned and developed. Only in communities which did not see this level of growth, or indeed which have shrunk in size, are the fairgrounds still centrally located.

Fairground Cities Consulted

- Prince George
- Williams Lake
- Burns Lake
- Terrace
- Chilliwack
- Saanich
- Armstrong

Facilities and Amenities

While a few of the fairgrounds in our survey still had only agricultural or equine facilities, most have become the locations for other municipal recreation buildings. Often the desire to find appropriate locations for municipal recreation buildings was the reason that the fairgrounds had come into municipal ownership. These facilities vary, but include arenas, curling clubs and sports fields such as for softball and baseball.

Ownership and Management

Most of the fairgrounds are currently in municipal ownership, having been sold or given to the municipality by the original not-for-profit society which had obtained the crown land toward the very beginning of the settlement's establishment.

Those fairgrounds which are still privately owned either pay a substantial land tax (Saanich – \$60,000) or have those taxes waived by the municipality. Unpaid land tax was often the reason that land was transferred into public ownership.

The municipality normally plays some role in the maintenance and operation of the fairgrounds. In almost every case within our survey, the actual operation and day to day management of the fairgrounds was in the control of one or more not-for-profit groups. This was seen by most interviewees as having distinct advantages such as the ability to apply for a range of grants, the ability to use volunteer and in-kind services, etc.

In most cases, one or more of the organizations had a lease to use/occupy the municipal land. Where these legal agreements were in place, they were leases not licenses to operate. These leases ranged in duration from five years to 20 years.

Generally speaking the only service that was provided at no cost to the organizations was free use of the land and facilities at fair time; this period ranged from 15 to 30 days. Most municipalities waived rental fees for the fair operating organization. This was however generally limited to the agricultural or equine facilities, although some municipalities did provide free use of related indoor facilities.

Municipalities also generally provided some additional maintenance to the site at fair time such as grass-cutting. However most also expected to recover the real costs of any additional staff time that was incurred.

Capital costs were generally provided by municipalities with contributions from user groups especially fair societies. However given that the role of most fairs was to break even, and they generally adjust their entry fees to achieve this goal, it was only with one or two of the largest fairs that there was any significant revenue left after all expenditures were accounted for.

In terms of the balance of authority in fairground management, several structures were evident:

- the most frequent arrangement was that the municipality was clearly in control. They managed the site in collaboration with one or more groups, but there is no question that they ran the show.
- In some cases, an umbrella group had been created to share authority among the various not-for-profit groups, thus allowing the municipality who were the owners of the land to play a more background role.
- In one case, the fairground was included in the contract with a private company who primarily managed the arena and other facilities which were all in the fairground site.
- Only in one case, did the organization that ran the fair also manage the fairgrounds year-round. In this case, that organization was the owner of the land, and the municipality was in no way involved, except in receiving the land taxes applicable to the site.

Primary User Groups

The set of groups who used the fairground facilities was generally the same at every fairground – agricultural, equine, dog, rodeo, etc. In those cases where additional facilities were located on the fairgrounds, those groups were often involved in the general management. This often included sports groups such as local softball associations.

Only in two communities was the hosting of other events seen as a key element of the community's economic development. One of these cases was Chilliwack where the city has invested significantly in a major year-round facility. The other was Burns Lake where the fairgrounds have recently been improved with a grant from the Northern Development Trust with event hosting as a major goal.

General Finances

Where the municipality is involved in the fairground, generally through a lease with participating not-for-profit societies, an annual report including financial report was either required or requestable. In one or two cases it was also required for the organizations to have long-range plans for their operation, although it was generally admitted that these were "back of the napkin".

Local government support

Most standalone fairgrounds operated at arms length from the municipality – and municipalities were generally happy with this relationship. In some cases grants were occasionally given to groups for specific projects although it was the general feeling related to fair societies that the fair itself should be conducted on a break even basis.

Where the fairground was the location for significant recreation facilities the municipalities were much more active and generally controlled the long-term planning and any required capital development.

Part 2 – Moving Forward

In order to move toward a comprehensive planning framework for the Fairgrounds, it is necessary for there to be a shared understanding about the land, its ownership and its stewardship.

There is clearly a legal framework that must be followed; it works in terms of ownership, leases, licenses, etc. Within this legal framework, the Town of Smithers owns the land on which the Fall Fair occurs and several not-for-profit organizations have licenses to use that land for certain purposes and at certain times of the year. Also within this framework, the Town is governed by the Local Government Act and the not-for-profit organizations, if incorporated, are subject to the Society Act.

However there are also some broader principles that must be considered, and which provide what might be termed 'a community lens' through which this legal framework should be viewed. Through this lens, we can ask the question 'where is community in all this?' In response we might comment:

- The land in the centre of Smithers which is called Heritage Park and which was originally 'purchased' from the Crown/railway land grant by the Bulkley Valley Agricultural and Industrial Association for the Fall Fair, is community land in the stewardship of the Town of Smithers.
- The Fairgrounds is community land in the collaborative stewardship of the Town, the BVAIA, the Northern Saddle Club, the BV Bowmen and the other user groups. We will refer to them as the Smithers Community Fairgrounds.

In these terms, the licenses and management agreement are simply statements of how all these parties are going to work collaboratively and make decisions in the best interests of the community. They are also frozen in time: they are statements of how the parties saw the world when they were signed...but the world has moved along, and the interpretations of those agreements have also evolved.

In this section of the report, we will adopt this 'community lens' view. Thus our understanding of the four elements of the plan are as follows:

- Governance Plan – how the Town, the BVAIA and other groups should work together to make decisions related to the Fairgrounds.
- Facilities and Land Use Plan – what changes must be made to the current facilities and services in order to fulfill a vision of the future.
- Programming Plan – What programs best suit the Fairgrounds future roles?
- Business Plan – How these changes might be paid for, and the financial benefits that might accrue from them.

GOVERNANCE PLAN

Generally speaking, the collaborative stewardship approach has worked well for all parties for the past 40 years or so since the move of the Fall Fair to the current Fairgrounds. Under this governance regimen:

- The Fall Fair has been organized almost every year (unlike some other fairs which have missed years or disappeared completely).
- The facilities on the Fairgrounds have been maintained and renewed with only minimal expenditure of public funds (unlike many other recreation facilities such as pools, arenas and fields).
- The economic benefits of the Fairgrounds have been spread through many community organizations, leveraging a variety of benefits (from local employment to money for school band trips).

But this is not the only stewardship model that could be employed:

- The Town could divest itself completely of its involvement and ownership in the Fairgrounds such as through selling the land to another party, for instance the BVAIA or to a private entity. There are many examples of governments in BC doing this in other circumstances.
- The Town could take on some or all of the roles currently managed by the BVAIA with respect to the Fairgrounds. Again, there are examples in BC of this occurring, although in most cases there was no fall fair once this takeover occurred.

Neither of these alternatives would ensure long term continuation of the Fall Fair. It is therefore clearly in the best interest of all parties that the current collaborative stewardship model continues. In order for this model to work successfully for several more decades, the current challenges identified by all parties need to be addressed, while still retaining the strengths of the current model. These challenges include the following:

- Over-complexity – too many organizations involved in decision making.
- Lack of transparency and reporting mechanisms – there is no clear reporting about either financial transactions or performance expectations. Even who is and how to become a member of the not-for-profit Bulkley Valley Agricultural and Industrial Association is unclear.
- Confusion about expectations and responsibilities – from the location of boundary lines between licenses to how often the Town should mow the grass to who has the right to schedule events and what fees events should be charged.

These kinds of challenges have also led to distrust between the stewardship partners which is also undermining the relationships which are essential for these kinds of partnerships to work well.

What changes are required to overcome these challenges and build a firm basis of trust for moving forward?

- There must be greater separation between putting on the Fair and managing the Fairgrounds. These two roles have historically been the roles of the BVAIA. There are two options for effecting this separation:

- Form a new organization to run the Fairgrounds, leaving BVAIA to manage the Fair.
- Ask Bulkley Valley Agricultural and Industrial Association to restructure itself so that these two functions are more clearly separated.

Given the history of BVAIA and the challenges of creating a new organization, the second option seems to be more logical, but that decision must rest with the Board and members of BVAIA.

- All organizations with an interest in the Fairgrounds must be represented on the decision making body that manages the Fairgrounds. If this remains the BVAIA, that organization must restructure itself such that organizations such as Northern Saddle Club and BV Bowmen, and other key organizations have a vote in Fairground management matters.
- There needs to be more clarity about which organizations are registered societies (under the BC Society Act) and which are just loose affiliations of individuals. Only registered societies should be involved in the Fairgrounds decision-making. Registered societies are required to provide an annual report to the province. Copies of these annual reports should also be presented to the Fairgrounds decision-making body. These reports no longer need to include the financial statements of the organization, only the AGM minutes; since the financial statements need to be presented at the AGM, these should be included in the version of the annual report which is tabled with the Fairgrounds decision-making body.
- The Town needs to be a member of the decision-making body, and the Regional District of Bulkley Nechako (Electoral Area A) also needs to be represented on this body.
- An annual report concerning the Fairgrounds needs to be provided to the Town Council. This will report on a series of performance objectives that are agreed annually between Council and the decision-making body.
- Issues such as insurance for buildings and events should be handled by the decision-making organization, with other organizations contributing to an insurance fund in line with their activity levels.

This new structure will require changes to the existing organizational and legal arrangements. These changes are as follows:

- The present licenses of occupation for the Northern Saddle Club and BV Bowmen should be terminated and that of the BVAIA revised to include the whole of the Fairgrounds. An alternative to this would be to exclude the BV Bowmen from all consideration in this discussion since their license area is quite separate and they have no involvement in the Fall Fair
- The Management Agreement should be rewritten to reflect the principles outlined above. The FFMC will become an entity of the decision-making body, although with different membership and roles/authority.
- The BVAIA license should be extended or renewed for five years (not the 25 year extension that is allowed for in their current license agreement). It may be converted to a lease, either now or at the end of the five year extension³. There should not be an

³ Legal advice is required on this point – not included in the terms of reference of this report.

automatic roll-over clause in the extended agreement, but roll-over should be contingent on the success of this renew arrangement; success should be measured by meeting agreed performance objectives and majority agreement of the members of the decision-making body.

Recommendations

That the Town of Smithers discuss with the BVAIA, Northern Saddle Club and BV Bowmen the proposals outlined in this report, and proceed accordingly.

FACILITY AND LAND USE PLAN

In the on-line survey, the public were asked to give their vision for the Fairgrounds as Smithers moves into its next 100 years. The visions that they articulated lie on a continuum from maintaining the status quo to developing the site for year round use. In the middle of that continuum is a position that includes the following facility and program elements:

- Upgrading the existing facilities and amenities to a slightly higher quality than at present; with food concessions, washrooms and the main stage as prime elements to upgrade.
- Generally increasing maintenance levels and minor upgrading such that it looks, feels and works better.
- Getting more happening at the Fairgrounds – events and activities that serve both the existing users and the broader community
- If this increases economic impact, so much the better.

The vision for the Fairgrounds can be phrased as follows:

The Smithers Community Fairgrounds represent the community's commitment to its heritage and agricultural past, its vibrant present, while also serving as a foundation for a prosperous future. It is a first class venue for agricultural, educational, social, recreational, and cultural activities, for youth and family affordable activities. And its events are managed by community organizations and supported by the residents of the Town and the Regional District of Bulkley Nechako (Electoral Area A).

However there are a number of challenges and obstacles to meeting this vision:

- The Fairgrounds are in the floodplain of the Bulkley River, and as such are subject to a variety of floodplain regulations which may make new development either impossible or overly expensive.
- The current arrangement of septic tanks and regularly pumped holding tanks is marginal at best and it is likely that maintaining this arrangement will not be acceptable to either the provincial authorities or the Town in the long term.
- The age of many of the buildings and structures is such that they are at or past the end of their useful life. Renewal is essential – TLC is ok in the short term but not in the long term.
- Other provincial regulations are impacting many of the facilities requiring costly upgrading. This includes fire and public health regulations in relation to food preparation, building

inspection requirements for upgrading, and other regulations such as those related to the floodplain itself or environmental regulations related to it.

- The volunteer-based model that has built, renovated and maintained the facilities is itself under significant pressure.

The facilities on the Fairgrounds can be divided into several groups – these include those that have long-term potential, and those which need to be replaced in the next ten years:

Long-term Potential	Need to be Replaced
Davidson Hall Johnson Hall NSC Indoor Arena New Shavings Shed Rodeo Ring and related penning Riding rings Fair office	The Mall Concession buildings Town and Atco Trailer washrooms Folk Music Society Office

This leaves a variety of other barns and buildings in a different classification: at the end of their life, but can be either maintained with adequate maintenance, or replaced at minimal cost. In terms of developing a new land use plan for the Fairgrounds, these buildings can either stay as is or be rebuilt (possibly relocated) in other parts of the site.

The Main Stage facility is in a different category. It likely has a future of 10+ years, and is equipped with a variety of sound and other equipment that could be relocated. Its future is dependent on whether its location within the site conflicts with other plans, or whether any new developments can sensibly incorporate a stage and performance area.

A new facility and land use vision for the Fairgrounds must therefore address four issues: how to upgrade the basic infrastructure of the site, sewerage in particular; how to provide for new food, washrooms and showers; how to upgrade the main stage in the longer term; and how to address the other more minor challenges.

Upgrading Basic Infrastructure

Council has requested a full report from engineering consultants regarding the impact of provincial floodplain regulations on future development, in particular sewerage, but this report is not yet available. However it is likely that disposal of sewerage through either septic fields or underground holding tanks is neither permitted nor acceptable. High water levels occur annually and flooding not infrequently; both have an adverse effect on the safe disposal of sewerage.

This means that the most likely acceptable method of disposal is to pump the sewerage to higher ground and either treat it there, or link it into the Town’s gravity fed sewers. It would also be advantageous for the sewerage to be concentrated in one facility, rather than trying to link existing facilities and systems.

Once it is raised to higher ground, the option exists to treat it more ecologically in some kind of ‘living engine’ disposal system. If such a system is thought preferable, it is likely that NWCC would be interested in its learning and research potentials. However the issue of cost will certainly influence any such decision-making.

Also once the planning is underway for a pumped system, all other services (water supply, electricity, gas) should be routed along the same easement corridor, allowing these services to the site to be upgraded.

New Food, Washrooms and Showers

The scatter of food concessions, kitchens and washrooms across the site is both inefficient and ineffective in supplying quality services to events such as the Fall Fair.

A new services building, or an addition to an existing building, is required. The parameters of this new building would include:

- Washrooms to cope with major events – this could be enough for the Fall Fair, but a strategy of a smaller number of centralized washrooms supplemented by a number of porta-potties distributed across the site, may be a preferable alternative for really large events.
- Showers to replace the current 4H washroom and showers – like some of the washrooms, these showers should be externally accessible to provide use outside of main event times.
- Food service through a commercial kitchen – this would replace the five or more currently existing kitchens. It should also have a small inside eating area, and larger outdoor patio eating area.

The location of this building should be close to the current core of the site where the Mall, Elks and Rotary concessions currently are located.

At the same time, or in a second phase of the building, offices and meeting rooms for user groups should be included.

An alternative to a new building would be to put an addition on to the front of the Davidson Hall. This may be less expensive, but less effective in supporting longer term use of the site.

Upgrading the Main Stage

The future of the Main Stage facility adds additional complexity to site and facility planning. The current facility is in generally good condition (based on a very cursory inspection and information from stakeholders) and its sound and light equipment has been continuously upgraded since its last major renovation in the mid-1990s.

However a key part of the vision for the Fairgrounds is more music and concerts during an extended summer season, and this will require improvements to the stage and seating.

One way of going would be to add a new main stage element to the new services building described above, either as part of a phase 1, or as a subsequent phase (but integrally designed). This would add a stage and back stage amenities to the building, and design various dual use rooms within the building to support the stage (change rooms, green room, etc).

If the services building were to be located where the Elks/Rotary Concession building is now, it could use the same seating area as the current main stage.

Other Site Development

There is potential on the site for a variety of other improvements. The following should be considered in the next, more detailed, site planning phase:

- Extending the NSC Indoor Arena – there is a desire on the part of the Northern Saddle Club to extend their covered arena such that it will meet provincial and national event hosting standards.

- Upper Parking Lot – this area of the site is under-utilized at present and offers potential for a number of uses. Its visibility from the highway is a further asset. Options include an improved camping area for trailers, although there are several private campgrounds in the Town which might raise objections. However this is a service which people with horses from out-of-town appreciate as it allows them to be close to their animals for the duration of a show. Another suggested use for the upper parking lot is to designate it an off-leash dog area; this would formally recognize what occurs anyway.
- Boat Launch and Riverfront walkway – the need for a boat launch into the Bulkley River has been identified for both leisure/recreation and emergency river access purposes. The proposed location is the confluence of Bigelow Creek, which is an area not used for any other Fair or user group purposes, but is easily accessible from the Fairgrounds access road. There has also been discussion of the opportunity for a riverfront walkway, which would certainly bring more Town residents and be an added attraction for tourists to stop. There would need to be consideration given to fencing between the BV Bowmen license area and the walkway.
- Opportunities for Agricultural and Horticultural Education – there would be interest from the Smithers community (community gardens groups, Farmers Market, etc) as well as from NWCC for using some of the land at the Fairgrounds for intensive horticulture. Precisely what infrastructure would be needed for this is a matter for further discussion, but it could be linked to the possible 'living engine' sewerage system, and the service building as an indoor classroom area. There are several areas on the site that could be used more intensively for these purposes without interfering with the Fair or other events. Indeed, if planned as a demonstration area, it would be an added attraction at Fair time.
- Storage – there is never enough storage and the removal of some of the buildings, such as the BVFMS Office, will create a need for more. The other storage related issue is security: many organizations noted that existing sheds are regularly broken into and vandalized. Once the overall plan for facilities has been developed, the provision of storage space within it should be assessed, and additional storage provided.

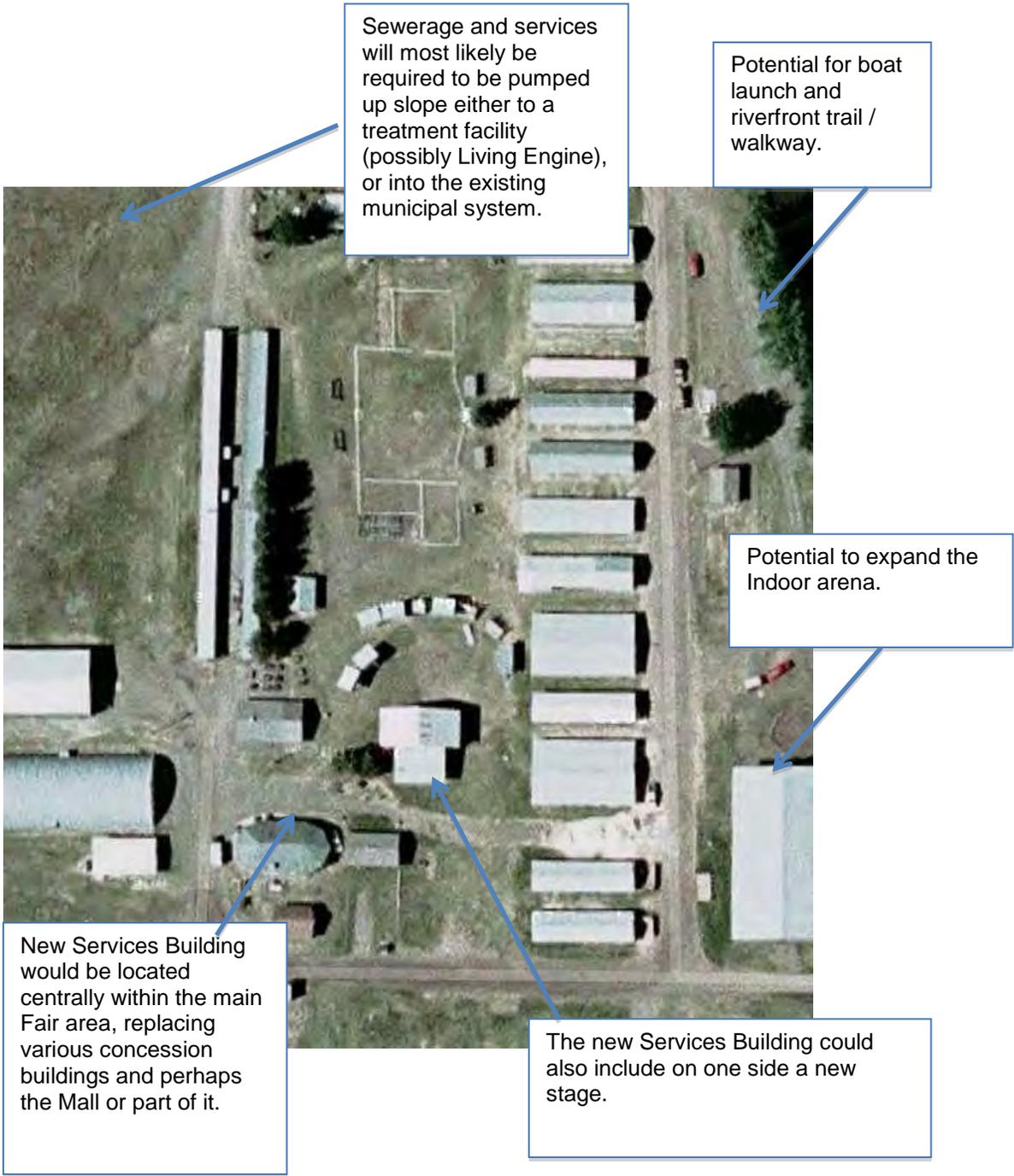
Recommendations

That the Town of Smithers enter into discussions with all interested parties to confirm the vision for the Community Fairgrounds as :

The Smithers Community Fairgrounds represent the community's commitment to its heritage and agricultural past, its vibrant present, while also serving as a foundation for a prosperous future. It is a first class venue for agricultural, educational, social, recreational, and cultural activities, for youth and family affordable activities. And its events are managed by community organizations and supported by the residents of the Town and the Regional District of Bulkley Nechako (Electoral Area A).

That, following review of the Environmental Assessment Report, the Town of Smithers request the Director of Development Services to report back with a plan for the future servicing of the Community Fairgrounds.

That the Town of Smithers retain the services of an architect to develop conceptual plans for future site development to include a new Services Building; and that this process include both stakeholder and public consultation.



Sewerage and services will most likely be required to be pumped up slope either to a treatment facility (possibly Living Engine), or into the existing municipal system.

Potential for boat launch and riverfront trail / walkway.

Potential to expand the Indoor arena.

New Services Building would be located centrally within the main Fair area, replacing various concession buildings and perhaps the Mall or part of it.

The new Services Building could also include on one side a new stage.

PROGRAMMING PLAN

The current programming at the Fairgrounds is as follows:

- Two major events annually – Fall Fair and Mid-Summer Festival.
- A number of smaller horse and agricultural events – Rodeos, Horse Pulls, 4H Judging Clinic, 3 in 1 Horse Show, etc.
- A small number of music events put on by the BVFMS.
- Meetings of organizations – Lions Club, 4H, etc.
- Individual use of the Fairgrounds by riders.

Additional programming should be designed to meet the following goals:

- Greater use by and exposure to Town residents.
- Increased economic impact which will benefit the Town's economy in a variety of ways.

The following have potential to meet these goals:

More events

There are many events held at the Fairgrounds – most summer weekends there is something happening. However many of these events have little or no economic impact. This is not a criticism – those events provide entertainment and challenge for those involved.

The goal however, should be to host two additional events every year, one of which has an economic impact of over \$500,000, and one of over \$200,000. The template which was used to calculate the economic impact of the two current major events (see page 19) should be used to assess the impact levels.

Planning for these events will take some brainstorming on the part of the Town and organizational stakeholders, and a rolling five year plan should be put in place. It should be a key performance objective for the Fairgrounds organization (see page 27).

Events recently held or planned include the RCMP Musical Ride and the BC Mine Rescue Competition. While neither of these events will meet this criterion, priority should be given to creating a continuing event.

More children's camps

With a better and more attractive facility, it will be possible to host a range of summer and weekend children's camps focusing on various aspects related to horses, dogs and other animals, as well as the general outdoors (from education to play). The Town Department of Recreation, Parks and Culture should take the lead on this, in conjunction with the various stakeholder groups.

Other recreational programming

There is potential for other recreational programming to occur on the Fairground site. Examples would be cross-country skiing in the winter and orienteering in the summer. Again the Town Department of Recreation, Parks and Culture should take the lead on this, in conjunction with the various stakeholder groups.

Additional educational visits and activities

If the ideas on a horticultural centre and/or 'living machine' sewerage treatment facility come to fruition, then it will be possible to run a series of demonstration programs, educational visits, etc.

Recommendations

That the Town of Smithers (Department of Recreation, Parks and Culture) lead and facilitate discussion regarding additional events and program ideas.

FINANCIAL AND BUSINESS PLAN

Before outlining in a business plan how the Fairground should be financed in the future, it is important to review the two organizational models for recreation programming and their respective challenges. These two models can be termed 'volunteer run' and 'public / not-for-profit partnerships'. They have the following characteristics and challenges:

Volunteer run – this is more or less the current modus operandi of the Fairgrounds. It relies on volunteers to perform the vast majority of roles, with some assistance from paid staff. Its capital planning challenge is that, without owning the land on which it sits, and without having any buildings, it simply cannot borrow money. This means that both capital and operating expenditures must flow from the same operating revenue sources. If a new amenity is required, the organization saves over a number of years, adds local fundraising and sponsorships, and volunteers are often involved in the actual construction. This is a model which is suffering from a number of causes from limited volunteers to increasing public authority standards.

Public / not-for-profit partnerships – this is the model for most of Smithers recreation facilities. The Town owns the land and the facility, provides staff to operate it, pays them well, and is responsible for the costs, both capital and operating, of the facility. One challenge of this model is cost: while the Town can raise money for capital costs through borrowing, the operating expenditures are significantly greater than operating revenues. Recovery rates generally range between 40% and 60%, with the balance provided by the taxpayers. A second challenge is that only a small proportion of residents are users of these facilities: swimming pools may claim 40% users, but arenas are unlikely to be over 10% of residents. It is also true that the majority of visits to a pool (for instance) are by regular users⁴.

While this discussion may seem academic, it is not. The reality is that if the Town wants the Fairgrounds to grow, it cannot happen if its governance model remains in a 'volunteer-run' paradigm. It must move more toward a partnership model, with the Town assisting the user groups in ways that they cannot help themselves.

Operating Budget

On the revenue side, there will be little change as each event and activity will continue to support itself; hopefully improved quality of facilities will be reflected in increased demand. On the expenditure side, there will likely be as many savings as increases.

Capital Budget

The main challenge that volunteer/not-for-profit organizations face in capital budgeting is that they cannot borrow money and pay it back over a longer period. This has made new construction at

⁴ Using current research for the City of Victoria, YTA have determined that the Oak Bay Recreation Centre receives over 350,000 visits per year, of which 51% are from the 10% of residents who have annual passes.

the Fairgrounds particularly challenging, as evidenced in the length of time that it took the Northern Saddle Club to plan, fundraise and construct their new shavings shed.

If any of the land use changes proposed in this report are to become reality, the capital banker will have to be the Town. It can borrow at low municipal rates of interest, and it can finance development on land that it owns.

However any loan must be repaid. Luckily, the events that occur at the Fairgrounds mostly have a revenue stream, and contributions can be made from those revenue streams to the capital repayment.

The current BC Municipal Financing Authority rate for borrowing over 10+ years is 3.85%. For every \$1m borrowed, the annual repayment over 20 years is \$60,000.

What is the capacity of the Fairground users to contribute to loan repayments? It is hard to see how the users combined could raise more than \$60,000 per year. However some of the ways in which this level of funding could be raised are as follows:

- Raise the Fall Fair ticket price by \$1.50 per person – this would raise \$24,000.
- Reduced cost from not requiring porta-potties - \$6,000
- Food surcharge - \$0.50 per hamburger - \$10,000
- Other savings and annual fundraising - \$10,000
- Rental of Facility for meetings, weddings, etc - \$10,000

However it is likely that the improvements to the site infrastructure and the new service building will cost several million dollars. Other sources of funding might include:

- Regional District of Bulkley Nechako – recognizing the regional significance of the project.
- Northern Development Trust – which has committed funding to recreational facilities with economic potential, from their Community Foundation Matching Grant Program (up to \$50,000)
- Provincial government - has a variety of infrastructure programs for which this program may well be eligible.
- Federation of Canadian Municipalities – Green Infrastructure Program will fund up to \$175,000 – the innovative infrastructure project would be eligible. FCM have other funding programs for Green Infrastructure that might be applicable.

Other possible capital funding sources include:

- Naming Rights – for the building or for rooms within the building.
- Other corporate funders which are active in the community, such as new mining companies, gas pipeline builders, etc.

The BVAIA has a charitable tax number and can issue tax receipts, which is normally essential for such contributions.

Does this add up to a likely capital plan? Without a cost estimate for the two major projects, it is impossible to know, but if their capital cost were in the region of \$3m, then it is likely that the projects could be funded, with the sequence of events somewhat as follows:

- Town of Smithers agrees to borrow \$2.5m through the Municipal Finance Authority, with an expectation that a further \$500,000 can be raised through other grants and contributions.

- BVAIA and Fairground users agree to contribute \$60,000 per annum to a Repayment Fund.

Recommendation

That the Town of Smithers review the proposed funding approach with Fairground users and support the approach in principle.

Part 3 – Implementation and Next Steps

This section of the report outlines the steps required to start the implementation of the report's recommendations.

That the Town of Smithers discuss with the Bulkley Valley Agricultural and Industrial Association, Northern Saddle Club and BV Bowmen the proposals outlined in this report, and proceed accordingly.

Priority	Next Steps	Project Lead	Resources Required
High	Once Council has received the report, the BVAIA should be asked to come up with a strategy and timeline to revise its constitution to meet the concepts laid out in this report.	CAO	None

That the Smithers Council confirm the vision for the Community Fairgrounds as : *The Smithers Community Fairgrounds represent the community's commitment to its heritage and agricultural past, its vibrant present, while also serving as a foundation for a prosperous future. It is a first class venue for agricultural, educational, social, recreational, and cultural activities, for youth and family affordable activities. And its events are managed by community organizations and supported by the residents of the Town and the Regional District of Bulkley Nechako.*

Priority	Next Steps	Project Lead	Resources Required
High	Motion to Council	CAO	None

That, following review of the Environmental Assessment Report, the Town of Smithers request the Director of Development Services to report back with a plan for the future servicing of the Community Fairgrounds.

Priority	Next Steps	Project Lead	Resources Required
High	At the present time, it is unclear what servicing is required, however it is likely to require major expenditures.	Director of Development Services	Est. \$0.5m

That the Town of Smithers retain the services of an architect to develop conceptual plans for future site development to include a new Services Building; and that this process include both stakeholder and public consultation.

Priority	Next Steps	Project Lead	Resources Required
Medium	Once the site servicing plan is complete, an architect should be retained to develop the ideas in this report into a set of conceptual plans and cost estimates.	Director of Development Services	\$100,000
Medium	A fund-raising strategy needs to be developed as a joint project between the Town and the stakeholders – there are a number of grant programs that should be explored and corporations that will be prepared to make contributions.	BVAIA President	Limited seed money

That the Town of Smithers Department of Recreation, Parks and Culture lead and facilitate discussion regarding additional events and program ideas.

Priority	Next Steps	Project Lead	Resources Required
Medium	An Events Committee should be struck to brainstorm ideas for events for the period 2014 to 2020, with the aim of identifying two additional major events for each year, 2015 to 2020.	Director of Recreation, Parks and Culture	Limited seed money
Medium	Another committee, composed primarily of stakeholders but with other organizations also involved, should focus on additional programming for the Fairgrounds. These are events that can be promoted through the Town's Activity Guide, such as a range of children's summer camps.	Director of Recreation, Parks and Culture	Limited seed money

That the Town of Smithers review the proposed funding approach with Fairground users and support the approach in principle.

Priority	Next Steps	Project Lead	Resources Required
High	Discussions should be initiated with the stakeholder groups to determine their level of support for the future capital funding for Fairground improvements.	CAO	Limited seed money