

File No.: 04-1000-20-2023-420

October 10, 2023

s.22(1)

Dear s.22(1)

Re: **Request for Access to Records under the Freedom of Information and Protection of Privacy Act (the "Act")**

I am responding to your request of July 13, 2023 under the *Freedom of Information and Protection of Privacy Act* for:

Regarding the PNE Outdoor Amphitheatre Project and the increase in multi-year capital budget from \$64.8 million to \$103.7 million (approved at the Standing Committee on City Finance and Services meeting on July 12, 2023), record of the most recent PNE funding/financing request, related business case for the project, the cost-benefit analysis, and related correspondence between the CEO of the PNE and City Manager.

All responsive records are attached. Some information in the records has been severed, (blacked out), under s.12(3)(b), s.13(1), s.17(1), and s.22(1) of the Act. You can read or download these sections here:

http://www.bclaws.ca/EPLibraries/bclaws_new/document/ID/freeside/96165_00.

Under section 52 of the Act, and within 30 business days of receipt of this letter, you may ask the Information & Privacy Commissioner to review any matter related to the City's response to your FOI request by writing to: Office of the Information & Privacy Commissioner, info@oipc.bc.ca or by phoning 250-387-5629.

If you request a review, please provide the Commissioner's office with: 1) the request number (#04-1000-20-2023-420); 2) a copy of this letter; 3) a copy of your original request; and 4) detailed reasons why you are seeking the review.

Yours truly,

[Signed by Cobi Falconer]

Cobi Falconer, MAS, MLIS, CIPP/C
Director, Access to Information & Privacy
cobi.falconer@vancouver.ca
453 W. 12th Avenue Vancouver BC V5Y 1V4

If you have any questions, please email us at foi@vancouver.ca and we will respond to you as soon as possible. Alternatively, you can call the FOI Case Manager at 604-871-6584.

Encl. (Response package)

:pm

From: "Mochrie, Paul" <Paul.Mochrie@vancouver.ca>

To: "Rowley, Cheryl" <Cheryl.Rowley@vancouver.ca>

Date: 7/28/2023 9:01:48 AM

Subject: FW: Additions for Tonight's PNE Public Board Meeting

Attachments: Community Questions.pdf

Document for the HP-PNE Board to Refer to at the June 12 '23 meeting.docx

PNEreport (1).pdf

From: Salome Valente <SValente@pne.ca>

Sent: Monday, June 12, 2023 12:30 PM

To: Kirby-Yung, Sarah <Sarah.Kirby-Yung@vancouver.ca>; Impey, Patrice <Patrice.Impey@vancouver.ca>; Rachel Roy <rroy@aqrlaw.ca>; Raj Sihota <rajs@strategies360.ca>; Maury Kask s.22(1) Ty Speer s.22(1); Mochrie, Paul <Paul.Mochrie@vancouver.ca>; David Crawford <DCrawford@pne.ca>; Karen Massicotte <KMassicotte@pne.ca>; Salome Valente <SValente@pne.ca>; Shelley Frost <sfrost@pne.ca>; Stacy Shields <sshields@pne.ca>

Cc: Rojas, Maria <Maria.Rojas@vancouver.ca>; Hall, Tiggy <tiggy.hall@vancouver.ca>; Rowley, Cheryl <Cheryl.Rowley@vancouver.ca>

Subject: [EXT] Additions for Tonight's PNE Public Board Meeting

City of Vancouver security warning: Do not click on links or open attachments unless you were expecting the email and know the content is safe.

Good afternoon everyone,

I have a few additions for the public portion of tonight's meeting:

1. I've attached the 3 community questions that were submitted by neighbours along with the PNE answers that will be presented tonight.
2. Two of tonight's speakers emailed us last night with some material that they asked that we pass along to the Board that they will be referencing when speaking to the Amphitheatre topic.
 - a. Maria Mussenden's document is titled "document for the HP-PNE Board to refer to at the June 12 '23 meeting" and its excerpts from the report on the Amphitheatre that went to Council on June 23, 2021
 - b. Kathy Lau's document is titled (PNE report) and it's the entire report on the Amphitheatre that went to Council on June 23, 2021
3. We have one more speaker who will be speaking on the Arborist report.

Thank you and see you on Webex in a few hours.

Salome

Salome Valente (she/her) | Executive Assistant & Manager, Corporate Administration

PACIFIC NATIONAL EXHIBITION

2901 East Hastings Street | Hastings Park | Vancouver, BC | V5K 5J1

T: 604.251.7702 F: 604.251.7773

www.pne.ca [pne.ca]

We respectfully acknowledge that we work on the unceded traditional and ancestral territories of the Musqueam, Squamish, and Tsleil-Waututh peoples.

Community Questions



Why did the PNE staff use the Forum for the May 16th Open House, when clearly staff was aware of the existing sound issues with or without the use of a microphone and when staff had six months to organize this Open House?



May 16 Open House

Location & Audio-Visual Equipment

- ▶ The Forum and sound system were selected for 2 reasons
 - Anticipated numbers based on past open houses
 - Annual clients in other spaces

- ▶ We have reserved the Hastings Room for the November 1, 2023 open house and will need to limit the number of people



Can you provide an update on the Sanctuary since the December public board meeting and an update on the timeline, financing and progress of the Day Lighted Stream.



Hastings Park Arborist Report

Tree Removal

- ▶ Summary of trees removed
 - 37 trees from Sanctuary (22 of which were Western Red Cedars)
 - 5 Western Red Cedars from lot 9b on west side
 - 1 maple on pathway from gate 1 to lot 1 (by Forum)
- ▶ Summary of trees damaged from February Snowstorm
 - 2 trees from edge of Momjii Gardens and Hastings fell due to weight of snow (1 False Cypress & 1 Sequoia)
 - 1 maple in Momiji and 1 Fig Tree by Prize Home Lot were damaged significantly with lost limbs however we have been able to maintain them

****all fallen trees were naturalized into the sanctuary where appropriate*



Hastings Park Arborist Report

Replacement Strategy

- ▶ PNE team working with COV Arborist & PNE Arborist on developing a replacement strategy for all trees that have been removed with the following considerations
 - Develop a full inventory of trees on the site with supporting maintenance plans
 - Identifying trees with longer lifespan to suit our changing climate(e.g. likely will not replace with western red cedars as they are dying quickly in our new climates)
 - Location of the replanting may change based on the suitability (e.g. we may not plant large trees along Hastings in areas where there are powerlines as it is too risky)
 - Where trees are not being replaced with similar sized trees we are working on designing new more suitable green spaces (flowerbeds, hedges, shrubs) in those locations



Hastings Park

Evasive Species Update

Sanctuary

- ▶ We are working on eradicating the blackberry bushes on the eastern side of the sanctuary
- ▶ In coming 4 weeks the team is working on the removal of the bamboo on eastern side of the sanctuary

Italian Gardens

- ▶ 2 flowerbeds on the west side of the fountains we have removed the evasive species and currently working on identifying the standing water issue before replanting
- ▶ 2 flowerbeds on the east side of the fountains we have removed the evasive species and replaced with a pollinator grass



Daylighted Stream

Project Status Update

- ▶ The Daylighted Stream project will be managed by the COV and the Vancouver Parks Board, supported by the PNE
- ▶ 2023 - Flow and design study 2023
 - Daylighted stream needs are being planned within the scope of the Amphitheatre design phase to ensure both redevelopment projects are in alignment
- ▶ November 1 - PNE Open House
 - Daylighted stream project update by COV representative
- ▶ The financing for the project will fall within the COV capital planning



Why didn't the PNE have an extensive engagement before the new amphitheater redevelopment was taken to Council for approval in June 2021?



Amphitheatre Consultation & Communication

- ▶ Community consultation on the planning for the PNE Amphitheatre occurred within the time frame for the full Hastings Park Master Plan
- ▶ 5 PNE Public Board Meeting Amphitheatre Updates 2018 - 2022
- ▶ Regular updates for PNE Community Advisory Group and Neighborhood Focus Group between 2017 and 2022
- ▶ Interviews with 30 local arts and culture groups
- ▶ 3 Public Information Sessions held at PNE in February 2020
- ▶ Communication about Amphitheatre in community newsletters 2020, 2021 and 2022
- ▶ Talk Vancouver Survey in 2020 (~8000 responses)
- ▶ PNE Open House on Amphitheatre Nov 22, 2022
- ▶ PNE Open House on May 16, 2023
- ▶ Revery Architects will be completing additional community engagement including Indigenous consultation



Document for the HP-PNE Board to Refer to at the June 12 '23 meeting while I present.

The bold black print below is taken from the CoV Hastings Park – [PNE Master Plan Program: Amphitheatre Renewal](#) report dated June 9, 2021 presented to Council on June 23, 2021 for approval.

Pg. 2 Report Summary

(second paragraph) Extensive community engagement has already taken place and as the project proceeds towards planning and design, further community dialogue is planned.

- **Despite what is relayed here very little consultation took place with the local communities in the vicinity of Hastings Park before it was taken by City Staff and senior PNE Staff to Council for approval. In my opinion, here, the PNE staff and the HP-PNE failed these local communities.**
- **Consultation with local communities needed to have taken place due to the 2021 renewal Amphitheatre Project proposal greatly deviated from the 2010 approved Amphitheatre renewal project.**
- **The 2021 approved Amphitheatre Renewal Project,**
 - **cost, 10 times greater; capacity, increased by 33.4%; roof, increased to also cover entire audience (previous approval, just covered stage); number of structures increased (previously approved, just one structure, covered stage), it as been 13 years since the 2010 approval; and, this Project has the potential to greatly impact the very people who have had very little say in it.**

Page 14 c) Studies

A series of studies were completed as part of the planning phase of the Amphitheatre Renewal project. These were focused on identifying the project opportunity and identifying and mitigating potential risks associated with site development. These studies included the following reports:

- Demand Analysis and Business Case (April 2019)
- Renewable Energy Strategy (December 2020)
- Infrastructure Assessment (November 2019)
- Archeological Overview Assessment (October 2019)
- Environmental Assessment: Stage 1 and 2 Preliminary Site Investigation (April 2019)
- Arborist Study (January 2019)
- Traffic, Parking and Access Study (January 2019)

Findings from these reports will inform detailed designs and ensure that all due diligence is complete for the successful Amphitheatre renewal. To date there are no major risks identified with proceeding with Amphitheatre Renewal development.

- **Note here, NO IMPACT STUDY of local communities in the vicinity of Hastings Park has been conducted, once again these communities have been left out of the picture!!! The studies/reports here focus only on the development site. This is like installing a mine without an environmental study. Noise impact also needed! How will property values in these various local communities be impacted by this Project?**

Page 10-11 b) Vision for a renewed Amphitheatre

- **Becoming a venue that positively impacts the surrounding neighbourhood and community.**
 - **How can this claim be made without impact studies to neighbourhoods in the vicinity of Hastings Park.**

Page 21-22 Impacts Mitigation

- **Sound Management: Outdoor event venues have the potential to have sound impact the surrounding community. An updated Amphitheatre has made sound management a top design priority to minimize any sound impact to local residents. A host of sound-mitigation techniques have been identified to direct and mitigate noise from events. These include backstage wall with sound baffling materials, a noise attenuation wall in the northeast Hastings Park - PNE Master Plan Program: Amphitheatre Renewal – RTS14537 22 portion of the Amphitheatre footprint, suspended noise reduction panels from the roof and directional speakers to focus sound within the venue.**
- **How could noise impact mitigations have been made without a noise study impact study to these communities.**



REPORT

Report Date: June 9, 2021
Contact: Harry Khella
Contact No.: 604-829-2087
RTS No.: 14537
VanRIMS No.: 08-2000-20
Meeting Date: June 23, 2021
[Submit comments to Council](#)

TO: Standing Committee on Policy and Strategic Priorities

FROM: City Manager, City of Vancouver
President and CEO, Pacific National Exhibition

SUBJECT: Hastings Park - PNE Master Plan Program: Amphitheatre Renewal

RECOMMENDATION

- A. THAT Council approve in principle the Amphitheatre Renewal project as outlined in this report.
- B. THAT Council direct staff to proceed to the planning and design phase of the Amphitheatre Renewal project, and provide Council an update prior to construction.
- C. THAT, subject to approval of Recommendations A and B, Council approve the addition of \$7.1M to the Multi-Year Capital Project Budgets and Annual Expenditure Budgets; sources of funding to be:
 - i. \$6.0M from the Capital Financing Fund to be added to the 2019-2022 Capital Plan for the planning and design work and preliminary project infrastructure upgrades associated with the Amphitheatre Renewal Project; and
 - ii. \$1.1M from the approved 2019-2022 Capital Plan funding (Hastings Park Reserve) for implementation of Hastings Park Master Plan for site-wide infrastructure renewal.

REPORT SUMMARY

The Hastings Park-PNE Master Plan seeks to renew and transform a great City space, and create a destination area for the residents and visitors of Vancouver. The renewal and upgrade of the Amphitheatre venue will create a world-class outdoor space enabling growth of community and commercial events, establish a vibrant, year-round cultural space, and increase revenues to make the site financially sustainable. This report outlines the business case for renewing the Amphitheatre venue, the design vision and the implementation schedule.

The Amphitheatre renewal project will serve as a catalyst for growth, provide increased access to arts, culture and musical groups to the space, build community, foster Reconciliation, and provide an opportunity for the events industry to recover from the COVID-19 downturn. Extensive community engagement has already taken place and as the project proceeds towards planning and design, further community dialogue is planned.

COUNCIL AUTHORITY/PREVIOUS DECISIONS

In December 2010, Council adopted the Hastings Park/PNE Master Plan, noting that implementation of the Plan was subject to future Capital Plans. The Hastings Park/PNE Master Plan proposed a transformation of Hastings Park into a significantly greener and more accessible public park while ensuring economic vitality and long-term sustainability.

In August 2013, Council approved the implementation plan for a new governance structure for Hastings Park/PNE.

In June 2015, Council approved the new Hastings Park/PNE Governance Review and By-Law Update.

In June 2016, Council approved in principle the Playland Redevelopment Plan to revitalize the amusement park within Hastings Park.

In September 2019, Council approved the Culture I Shift: Blanketing the City in Arts and Culture strategy, Vancouver Music Strategy, and Making Space for Arts and Culture Strategy.

CITY MANAGER'S/GENERAL MANAGER'S COMMENTS

The proposal to upgrade the Amphitheatre described in this report presents a significant opportunity to improve access and opportunities for arts, cultural and music groups, and fills a gap in the local venue market. It is supported by a strong business case, with a projected \$49 million net present value and twelve-year payback period and would be an important contribution to Vancouver's pandemic recovery. While the implementation of this project would take place over multiple years, its legacy would be experienced for generations. For these reasons, the City Manager recommends approval of the foregoing recommendations.

REPORT

Background/Context

Hastings Park-PNE

1) Summary

Hastings Park is one of Vancouver's largest urban parks encompassing 165 acres and draws visitors from across the region throughout the year. Hastings Parks is a site for celebration and social gathering that brings people together for both organized events and unstructured activities.

Within Hastings Park, the Pacific National Exhibition (PNE) operates as a non-profit organization wholly owned by the City of Vancouver. The organization is financially self-sufficient through its revenue-producing business streams. The site hosts hundreds of events, performances and community programs each year, as well as Playland amusement park and the annual PNE Fair. In 2019 (from April 2019 to March 2020), the PNE hosted 209 events, over 2.5 million guests, and brought in \$61M in revenue to the local economy.

As a not-for-profit organization, the PNE invests 100% of its proceeds back into the site, facilities and programs, and the care and maintenance of green spaces within Hastings Park.

The PNE is responsible for facility maintenance and park upkeep at Hastings Park. This includes day-to-day maintenance of onsite indoor facilities such as the Pacific Coliseum, Forum, Agrodome, Rollerland, Livestock Building and Garden Auditorium, and of outdoor public spaces such as the Sanctuary, Italian Gardens, Momiji Garden and Festival Park.

2) Site Overview

a) Location

Hastings Park is a 165 park public located in the Hastings-Sunrise community located in close proximity to səilwət (Burrard Inlet). Its boundary is bordered by McGill Street to the north, Pender Street to the south, Renfrew Street to the west and the Cassiar Connector to the east. It is a site that serves many purposes for the community. As a result, there are many stakeholders that operate within its boundaries. Figure 1 shows the site context.

b) Site Governance

Legal Framework

In 1889, the Hastings Park land parcel was donated in trust to the City by the Province for the "use, recreation and enjoyment to the public." The intent of the use of the land was clarified via the 'PNE Enabling and Validating Act' passed in 2003. This legislation deemed that the types of activities taking place on site currently and historically are consistent with the intent of the Trust.

The Enabling Act also confirmed the authority of the City to use Hastings Park for those specific uses and activities provided for in the Enabling Act and to authorize other uses and activities that are consistent with the specified uses and activities in compliance with the Trust.

In 2004, the Province transferred ownership of the PNE to the City of Vancouver and the PNE is now a City entity on City land. The PNE operates at arms-length, but is governed by a City Council appointed Board of Directors.

In 2010, as part of the City Council approved Hastings Park-PNE Master Plan, a governance review of Hastings Park was requested. For over 100 years, the site had been governed by the PNE. In 2013, after extensive review by third-party consultants in conjunction with City staff, a new governance structure was approved by City Council for Hastings Park and the PNE. This structure reaffirmed PNE activities on-site with a new Board of Directors appointed to oversee the PNE and Hastings Park.

PNE Board of Directors

City Council is responsible for decision making on the capital-funding envelope relating to initiatives as part of the HP-PNE Master Plan. City Council also appoints the PNE Board members on the basis of their combined skills and experience to ensure appropriate oversight of the diverse activities and facilities on site. City Council delegate to this Board of Directors the authority to govern Hastings Parks and the PNE, which includes the implementation of the HP-PNE Master Plan.

The Board of Directors consists of a maximum of nine members; one City Councillor, four senior City employees, and four non-City members. One of the City employee appointments is to be the General Manager of Vancouver Board of Parks and Recreation who serves as the Vice-Chair of the Board.

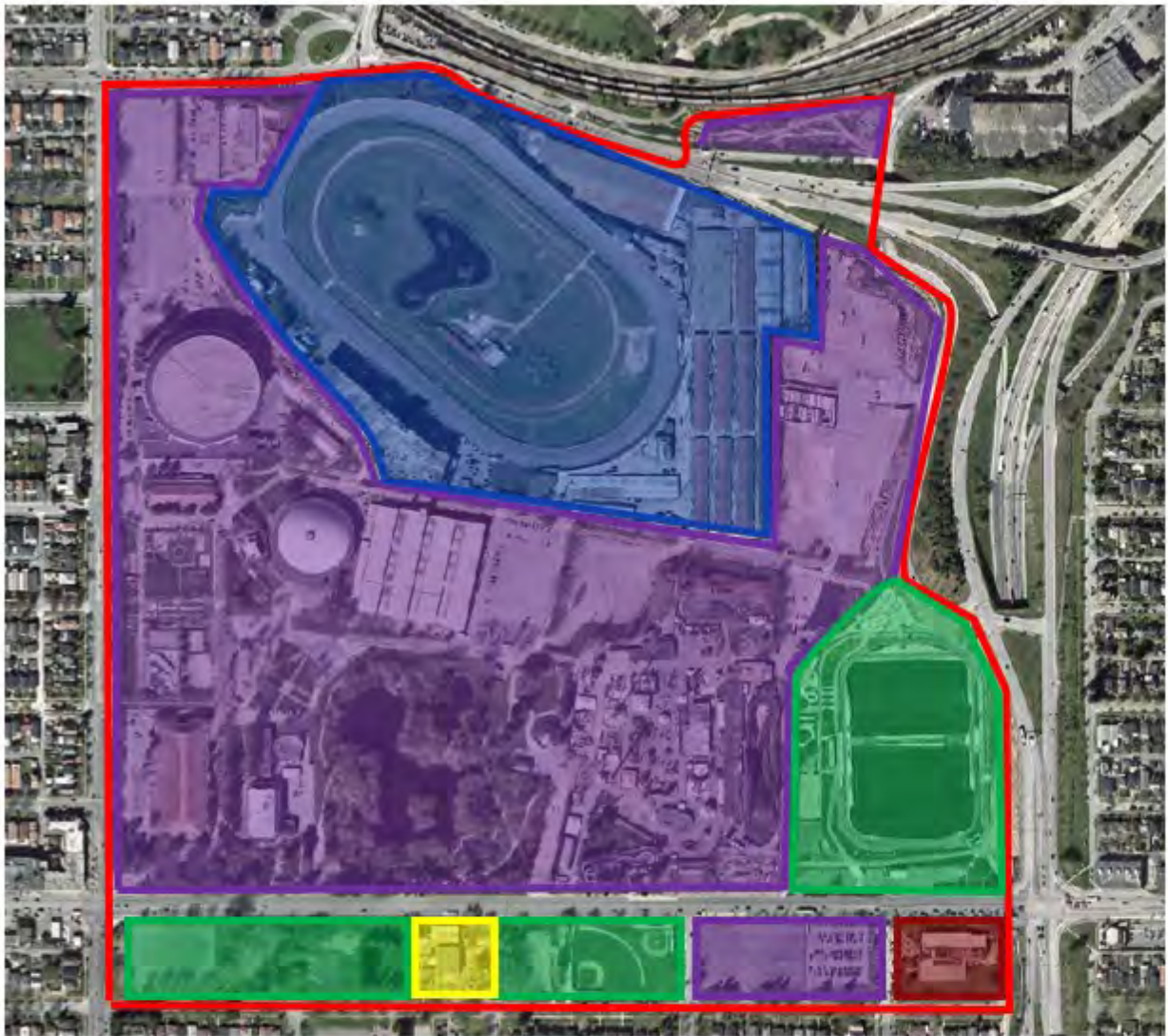
c) Site Operation

The PNE is the main operator within the Hastings Park footprint, but shares this space with several other organizations operating within its boundary. These organizations include:

- **Pacific National Exhibition:** The PNE operates close to 105 acres within Hastings Park and hosts a variety of events throughout the year. PNE staff are responsible for day-to-day maintenance.
- **Vancouver Board of Parks and Recreation:** The Park Board operates areas south of Hastings Street and is responsible for Empire Fields and Slidey Slides Park on the eastern edge of Hastings Park. They provide open space and recreational activities for the community in these areas.
- **Hastings Community Centre Association:** The Hastings Community Centre Association works in partnership with the Vancouver Park Board to operate the Hastings Community Centre to provide recreation, social, educational and cultural opportunities in the Hastings-Sunrise area.
- **E-Comm 911:** The southeast corner of the site is operated by E-Comm 911 that provides emergency communication services in the interest of public safety and public service. .
- **Great Canadian Gaming:** Great Canadian Gaming operates Hastings Racecourse under a separate lease agreement with the City of Vancouver.

Figure 1 highlights the overall Hastings Park site and outlines where different organizations operate within its boundary.

Figure 1 - Hastings Park Site Footprint and Stakeholders



- | | | | |
|---|---|---|--|
|  | Hastings Park Boundry |  | Area operated by Hastings Community Association |
|  | Operated by Great Canadian Casinos with lease to COV |  | Area operated by Park Board |
|  | E-Comm 911 |  | Area operated by PNE |

3) Community Benefits

The PNE has been a Vancouver institution for 111 years and its impact is felt in the community in many ways:

- **Employment:** The PNE is home to over 4,200 staff including over 4,000 employees that serve in the four (4) unions (CUPE Local 1004, IBEW Local 213, IUOE Local 882 and IATSE Local 118) that are active on the site.
- **Youth Employment and Mentorship:** The PNE is the largest employer of youth in the Province and provides an opportunity for younger generations to gain work experience, develop personal responsibility, and earn income. The PNE also supplies local teens to education, mentorship and skill development through the PNE Youth Council. Over 1,200 staff at the PNE are under the age of 21.
- **Economic Impact:** The PNE delivers more than \$200M in overall economic impact to the region helping support local retail, dining and service providers.
- **Events:** In 2019, the PNE held over 326 event days ranging from the Fair, Playland, concerts, family shows, trade and consumer shows, and site rentals.
- **Tourism:** The PNE draws more than 185,000 annual visitors from outside the city, region, and province to its events each year.
- **Social Connections:** The PNE site hosts over 2.5 million visitors per year¹ and has been a long-time destination for families and friends to share connections.
- **Community Investment:** The PNE contributes over \$1.5M in community grants, subsidies and donations each year to over 400 local charities, schools and community organizations.
- **Valued Entertainment:** The PNE was selected as BC's 10th most loved brand in 2020 by BC Business and the 7th most loved attraction for 18-34 year olds.
- **Environmental Leadership:** The PNE is a recognized leader for the environment, winning the Recycling Council of BC's 2018 Environmental Award for non-profits in recognition of the PNE's efforts towards zero waste.
- **Affordability and Education:** The PNE removes barriers with a dedicated focus on affordability, access and education to the local community through the Leisure Access Pass at Playland, accepting Access 2 cards for guests with development disabilities, free days and promotional days. The PNE also allows local elementary and high school students to experience science at work by showcasing Playland and the other amusement attractions.
- **Rights Recognition, Diversity, Inclusion and Access:** Targeted outreach to low-income, minority and marginalized groups is a cornerstone of the PNE business model, including an opportunity for rights recognition through engagement with Musqueam Indian Band, Squamish Nation and Tsleil-Waututh Nation.

¹ 2019 financial year

4) Hastings Park-PNE Master Plan

a) Vision

In 2010 and through public consultation, City Council adopted the Hastings Park-PNE Master Plan. The plan provided a roadmap for renewing Hastings Park and guides the capital investments needed to achieve the overall vision of the site as a multi-purpose destination for economic development, culture and entertainment, and as a park and public space for the local community and residents across the city and region.

The public consultation process helped develop a vision statement for the Hastings Park-PNE Master Plan outlining that:

- **Hastings Park is a place of renewal and transformation** – evolution of a great city park, the rebirth of a forgotten creek, the rejuvenation of Vancouver's historic fair and amusement park.
- **Hastings Park is a place of celebration** – a gathering place of year-round festivals, events, local markets, exhibitions and performances – a place that celebrates community pride, creativity and fun
- **Hastings Park is a place of connections** – a place to connect with culture, nature, and residents, with the past and the promise of the future, connecting land and water, linking the local community and the city to parkland, programs, and facilities
- **Hastings Park is a destination for local residents and visitors** – a dynamic, Citywide park that is an enabling and supportive environment for the arts, culture and events – a place of long-term economic vitality, sustainability, and innovation.

Delivery on the Hastings Park-PNE Master Plan provides an opportunity to incorporate First Nations and Urban Indigenous perspectives.

b) Goals

The overall Hastings Park-PNE Master Plan seeks to improve service to Vancouver residents through four main objectives.

- i) **Enhance the Environment and Park Space:** Increasing green space at Hastings Park from 27 to 76 acres and daylighting historic Hastings Creek down to Burrard Inlet will establish a public park space with natural beauty in an urban setting.
- ii) **Improve Physical and Social Connections:** Increasing physical and social connections in our city by improving the ways people can connect, share experiences, and enjoy the public space and events hosted by the PNE. This includes providing improved access for pedestrians and cyclists to access the surrounding community.
- iii) **Renew Facilities and Infrastructure:** Upgrading facilities and site infrastructure and heritage buildings will ensure Hastings Park continues to be a destination for events into the future.

- iv) Provide Economic Vitality:** Investing in revenue-generating facilities will help provide economic strength and financial sustainability to pay for the increased costs associated with maintaining redeveloped areas of the park and ensure financial sustainability for the PNE and Hastings Park into the future.

c) Projects

The Hastings Park-PNE Master Plan calls for a number of priority projects to be completed over the course of several decades. Some project have been completed, while others are contemplated.

Completed Work

Since 2010, the initial phase of Hastings Park-PNE Master Plan development was focused on green space and park access projects and facilities renewal and upgrades. As such, a number of projects have been completed on site, including:

- Redeveloping Creekway Park as a connection from Hastings Park to New Brighton Park.
- Adding temporary greenways throughout Hastings Park to facilitate pedestrian and bike traffic and to ensure east-west connectivity throughout the park.
- Developing new recreational spaces at Slidey Slides Park and Empire Fields
- Implementing a new signage and identity plan to improve park identity and wayfinding for guests within the park.
- Performing various capital maintenance and facility improvements to key historic buildings such as window replacement at the Garden Auditorium and Livestock Building, re-roofing at Hastings Room, Garden Auditorium and Agrodome, and partial seismic upgrades at the Livestock Building and Forum.
- Upgrading the Pacific Coliseum ice plant.
- Developing a Hastings Park Infrastructure (utility) Strategy.

Future Work

Future priority projects which are contemplated to be completed over the next 25 years as part of the Hastings Park-PNE Master Plan include:

- Renewing the Amphitheatre and creation of the new Festival Plaza.
- Daylighting Hastings Creek through the site to connect the Sanctuary and Burrard Inlet.
- Renewal and greening of the site-wide utility infrastructure.
- Redeveloping and expanding Playland.
- Improving transit and access within the site.
- Providing additional and improved greenspace (Festival Meadows, the Parade, the Green, the Alee and the Garden's Garden).

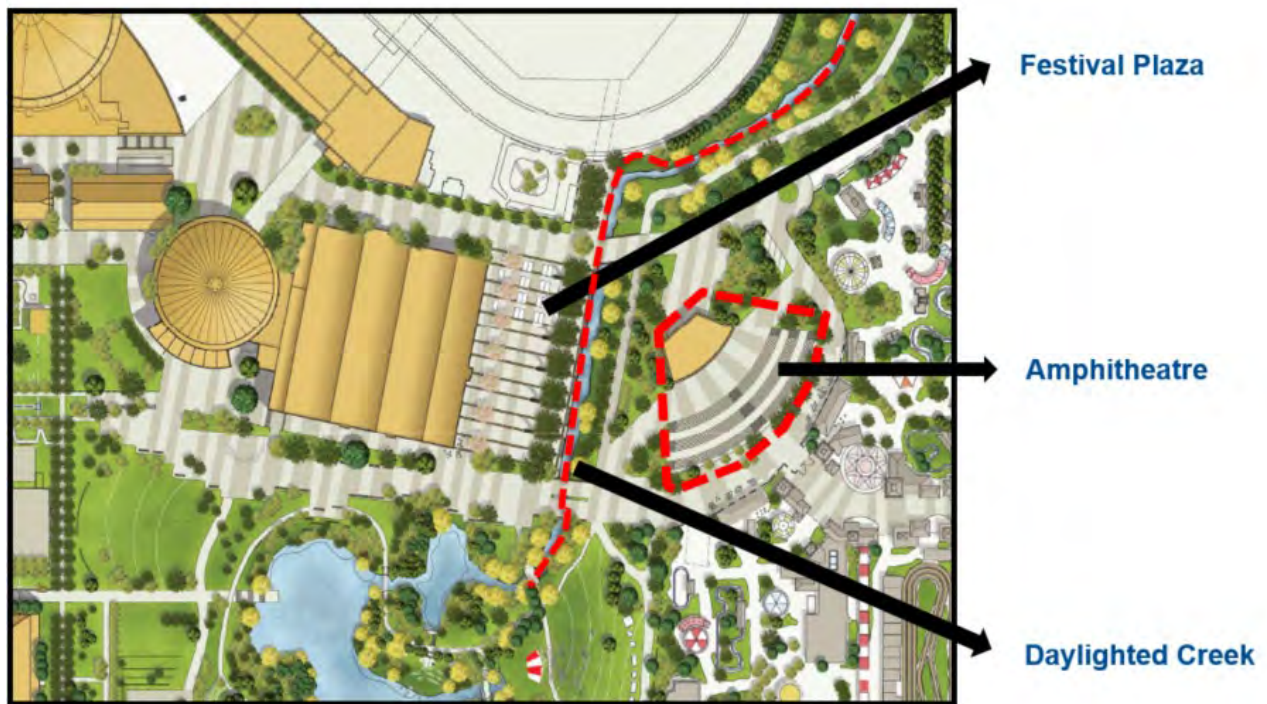
- Renewal of the administrative building.
- Adding new parking facilities to meet anticipated demand.

d) Heart of the Park

The “Heart of the Park” (see Figure 2) was identified as a distinct zone within the Hastings Park-PNE Master Plan. It is a proposed celebration space at the centre of the PNE with flexible, programmable areas for events and day-to-day use. The “Heart of the Park” is envisioned to be the centre of the park’s energy and vibrancy and a draw for visitors throughout the year.

The “Heart of the Park” consists of three integrated elements: Amphitheatre, Daylighted Creek and site wide infrastructure .

Figure 2 - Heart of the Park



- i) **Amphitheatre Renewal:** Envisioned to be a world-class outdoor venue, a renewed Amphitheatre is the biggest impact project in the “Heart of the Park”. It will enable growth for community and commercial events in the city, help establish a vibrant, year-round cultural space, and increase revenues to make the site financially sustainable and drive economic growth in the Vancouver music sector.

A future new adjacent **Festival Plaza** will be an urban plaza that provides open space and amenities for the year-round programming and accessible public space for active and passive recreational opportunities. High level planning of this area will be reviewed within the Amphitheatre Renewal planning process to ensure the site integration and potential synergies between the Festival Plaza and Amphitheatre are maximized. Festival Plaza project implementation will be in a future phase of the PNE renewal.

- ii) **Daylighted Creek:** One of the key concepts the 2010 Master Plan called for is expanded park space and habitat. Several completed projects have delivered on this intent including the Sanctuary, Italian Gardens, and Empire Fields. Connecting the existing Sanctuary pond in Hastings Park to səliłwət (Burrard Inlet) is considered fundamental to the ecological function of the site and will be achieved through a riparian corridor centred on a creek leading to Burrard Inlet.

In order to inform the Amphitheatre project, staff will undertake high level planning to identify the proposed creek alignment and required environmental set-backs. Future phases of work may include the creation of an aquatic and terrestrial wetland with a strong focus on habitat, trails and boardwalks. Technical studies, detailed design and construction of the stream will follow the Amphitheatre Renewal, subject to funding availability.

The Hastings Creek stream restoration is intended to be part of a larger watershed analysis that will meet drainage needs while improving biodiversity and water quality to Burrard Inlet. The Amphitheatre site work can contribute to the overall watershed health by ensuring that the design adheres to the Rain City Strategy Principles, by treating and managing rainwater close to where it falls.

- iii) **Infrastructure Implementation:** Renewing existing and building new suitable utility infrastructure is required to support the vision of the Hastings Park/PNE Master Plan. This includes replacing aging utility assets and implementing sustainable utility infrastructure to reduce greenhouse gas emissions within Hastings Park as well as provide sufficient capacity for growth.

Strategic Analysis

1) Amphitheatre Renewal - Summary

a) Current State

The existing PNE Amphitheatre has been a valued asset to the City since its construction in the 1960s. As an outdoor venue with a current capacity of 7,000, the Amphitheatre has hosted large outdoor festivals and concerts, events, and served as the home to the PNE's Summer Nights Concert Series during the annual PNE Fair.

The existing open-air Amphitheatre is now in poor condition and no longer meets the needs of performers, artists and guests. The venue lacks permanent back-of-house facilities and cover for guests. The venue includes out-of-date concession areas, limited washrooms, and poor accessibility for guests, hindering the venue's ability to leverage the space to its potential. Temporary back-of-house facilities are installed which raises the costs to utilize the venue, pricing out many not-for-profit groups. Moreover, a lack of covered seating shortens the operational season and limits the financial return of the venue.

b) Vision for a renewed Amphitheatre

A redeveloped Amphitheatre provides a unique opportunity to advance a host of goals of the PNE, City, and region. The vision is to create a world-class venue that is a destination for large outdoor

festivals, concerts, community and cultural events throughout the year. The vision for a revitalized and renewed Amphitheatre includes:

- Providing flexible, programmable space that maximizes its commercial potential.
- Offering sociable, inviting, accessible space that can become a year-round destination venue with covered seating.
- Establishing a venue that enables dynamic programming and multi-use options (works well for a variety and scale of activities; passive, active and programmed) and is multi-disciplinary (i.e. used by an extensive range of groups including cultural and commercial).
- Supporting community and commercial events and activities.
- Utilizing environmental and organizational sustainable operations.
- Becoming a venue that positively impacts the surrounding neighbourhood and community.
- Embracing and reflecting *xʷməθkʷəy̓əm* (Musqueam), and the *Sḵwx̱wú7mesh* (Squamish) and *səlilwətał* (Tsleil-Waututh) and *Stó:lō* First Nations culture and heritage.
- Being accessible to all citizens.

The Amphitheatre is envisaged to be used by the PNE to present its own shows and events, as well as being offered for rent to individuals, associations, and corporations who will promote, organize and deliver community events.

c) Alignment to the City's Strategic Goals

The PNE Amphitheatre is a valued asset to the City of Vancouver and a redeveloped Amphitheatre venue will support the City's mission "to create a great city of communities that cares about its people, its environment, and the opportunities to live, work, and prosper."

People: *Cultivate and sustain vibrant, creative, safe and caring communities for the wide diversity of individuals and families who live in, work, and visit Vancouver.*

- Increases participation in the arts.
- Provide increased access to the community groups².
- Provide an iconic venue for residents to gather for events.

Prosperity: *Provide and enhance the services, infrastructure and conditions that sustain a healthy, diverse and resilient local economy.*

- Fills the current gap in local event space to support growing demand for events.
- Provides increased venue capacity for the local event and music industry to grow.
- Increases the long-term financial sustainability of the PNE and Hastings Park in delivery of public programs.

² As referenced in strategic goals of D1, D2 and D3 Culture I Shift Strategy <https://vancouver.ca/files/cov/vancouver-culture-shift.pdf>

Environment: *Protect and enhance Vancouver’s climate, ecology, natural resources and connections to the city’s remarkable natural setting for future generations.*

- Improved sustainability through green infrastructure and renewable energy
- Creation of the One Water Strategy for the Amphitheatre, Hastings Creek and Festival Plaza, that will positively contribute to the stewardship of this land and water

d) Alignment to City Strategies and Policies

The proposed redeveloped Amphitheatre venue provides an opportunity to advance existing City strategies and policies:

City Policy / Strategy	Project Alignment
Culture Shift – Vancouver Culture Plan 2020-2029 (2019)	<ul style="list-style-type: none"> • Centre arts and culture in city-building
Making Space for Arts & Culture (2019)	<ul style="list-style-type: none"> • Goes towards meeting city-wide 10 year targets of 800,000 square feet of affordable, accessible and safe cultural space, including 150,000 square feet of enhanced and renewed existing cultural space • Addresses target priority for large outdoor spaces with functional infrastructure for performances including both amplified and non-amplified music, particularly capacities from 8,000 to 50,000
Music Strategy (2019)	<ul style="list-style-type: none"> • Promote a sustainable, resilient, and vibrant music industry • Ensure music is represented in city planning and space-making • Foster collaboration and economic growth across the sector • Provide affordable, safe, and accessible places to create, produce, experience and share music • Amplify all genres and music cultures in the city • Attract and retain artists, businesses, tourism opportunities and events that strengthen the local economy
Greenest City Action Plan (2015)	<ul style="list-style-type: none"> • Eliminate dependence on fossil fuels
Healthy City Strategy (2014)	<ul style="list-style-type: none"> • Increase public participation and engagement in the arts
Tourism Master Plan (2013)	<ul style="list-style-type: none"> • Provide compelling destination experiences that reflect the culture and diversity of Vancouver
Vancouver Economic Action Strategy (2011)	<ul style="list-style-type: none"> • Growth of the music sector will promote a high-performing and diverse local economy • Attracting new artists/productions is vital to creating Vancouver’s vibrant creative communities

2) Analysis

a) Summary

A business case report for an upgraded outdoor Amphitheatre venue was developed in 2019 and showed a strong business opportunity for a redeveloped PNE Amphitheatre. Analysis showed that a renewed Amphitheatre would fill a gap in the local venue market to meet the strong demand in the events industry. Findings showed:

- The event industry has shown a strong performance track record and anticipated continued growth in events and attendance.
- Flexible venue space that can serve 2,000 – 10,000 capacity events will fill a major gap in the local venue market.
- A venue with large capacity and an extended operating season provides the highest level of public and economic benefits
- Forecasted financial performance for the recommended upgrade showed a strong economic return with a 12-year payback, \$49 million 40-year net present value (NPV), and 9% internal rate of return (IRR).
- While several redevelopment scenarios were considered, significant labour relations impacts exist with pursuing a P3 partnership model. Other partnership options exist to pursue private sector equity and financing to reduce City funding pressures, such as sponsorship, naming rights and booking/access rights. Any sponsorship and/or naming rights partnership at the Amphitheatre would align with the City's naming rights policy.

b) Rationale and Benefits

The Amphitheatre Renewal project provides an opportunity to deliver a host of public benefits to the City and broader region including:

- **Catalysing growth:** A renewed Amphitheatre venue will serve as a growth catalyst within the City by driving commercial and community event growth, providing increased access to the arts and culture scene, and becoming a significant revenue generator.
- **Removing barriers:** The venue will eliminate existing barriers within the city by increasing space for the events industry to provide affordable access to arts, culture and community groups who are currently priced out of many venues.
- **Aligning strategically:** The Amphitheatre Renewal project aligns with many of the City's strategic priorities.
- **Building community:** The project brings arts and music to the forefront of community building through increased public engagement and participation in music and arts³.
- **Rights Recognition:** The project also offers an opportunity for rights recognition with Musqueam Indian Band, Squamish Nation and Tsleil-Waututh Nations, who will be engaged as part of planning and design.
- **Becoming financially sustainable:** A redeveloped Amphitheatre will increase revenue and margins at the PNE, allowing the PNE to meet the increased costs associated with future projects at Hastings Park and enhance the local music and event industry.
- **Stimulating economic recovery:** Post pandemic, a renewed Amphitheatre will play an important role in the economic recovery of Vancouver and the hard-hit music and events industry through increased employment during project design and construction, and the ability to host 49 events each year drawing visitors from outside the city, region and province.

A redeveloped venue will provide a host of tangible benefits at Hastings Park and the PNE including:

³ Per 'Vancouver Music Strategy' priorities.

- **Extended operating season from 5 to 12 months per year:** By providing covered seating, events will not be susceptible to the local weather and will be able to operate throughout the year. This will enable more events and allow guests to engage with the arts and culture scene in all seasons.
- **Increased annual community events:** Community events will increase from 0 to 22 each year through dedicated site access and reduced rates.
- **Increased capacity:** Venue capacity will increase from 7,000 to 9,340, adding more supply in the local venue industry and enabling a growth ladder in the local music and events market.
- **Improved amenities:** Improved amenities such as seating, washrooms, food and beverage offerings, venue accessibility, flex space and Wi-Fi. will enhance the guest experience.
- **Scalable venue size for diverse users:** A flexible and scalable venue arrangement ranging from 2,000-9,000 capacity will enable the Amphitheatre to host a variety of events ranging from local community groups to national tours. Providing local performance and cultural groups the same access as chart-topping artists will help support the local arts, culture and music community.
- **Increased revenue:** The updated venue is anticipated to increase the number of events outside of the annual Fair from 5 to 49 will result in revenue increasing from \$1.4M to \$9.7M (estimated average annual revenue over first 5 years), which represents an 600% increase in venue revenue.
- **Increased employment at Hastings Park:** The new venue is anticipated to create approximately 100 jobs during construction and result in over 40,000 hours of additional annual employment for union employees at the PNE.

c) Studies

A series of studies were completed as part of the planning phase of the Amphitheatre Renewal project. These were focused on identifying the project opportunity and identifying and mitigating potential risks associated with site development. These studies included the following reports:

- Demand Analysis and Business Case (April 2019)
- Renewable Energy Strategy (December 2020)
- Infrastructure Assessment (November 2019)
- Archeological Overview Assessment (October 2019)
- Environmental Assessment: Stage 1 and 2 Preliminary Site Investigation (April 2019)
- Arborist Study (January 2019)
- Traffic, Parking and Access Study (January 2019)

Findings from these reports will inform detailed designs and ensure that all due diligence is complete for the successful Amphitheatre renewal. To date there are no major risks identified with proceeding with Amphitheatre Renewal development.

d) Local Event and Performance Market

Analysis of the event industry shows a strong performance track record and anticipates continued growth in events and attendance. As noted in the Vancouver Music Strategy (2019) and in a report commissioned by Music BC⁴ conducted by Sound Diplomacy, the music industry has the following impacts in Vancouver:

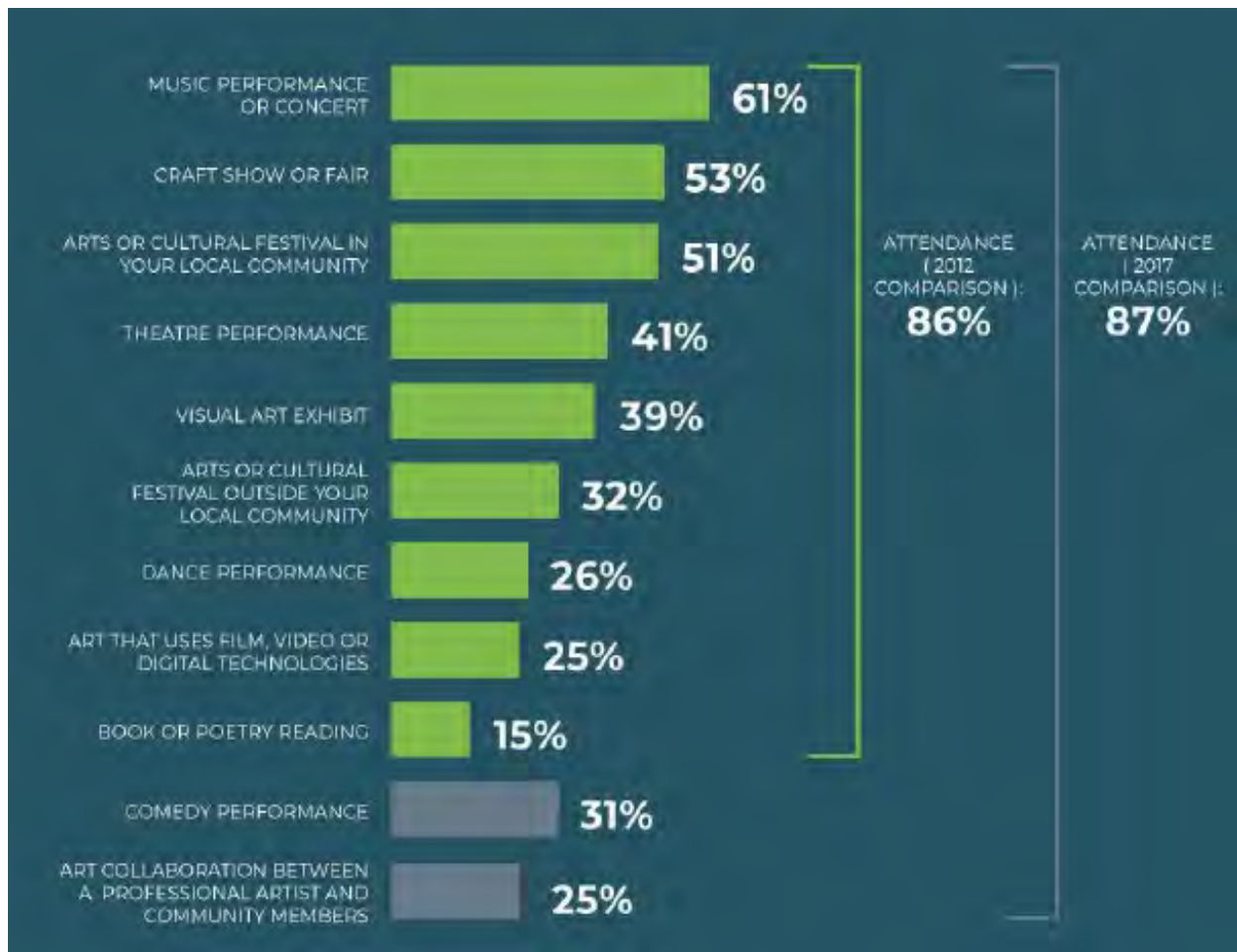
- **Economic Impact:** The economic impact of music in Vancouver, including employment and additional revenue is over \$690M. The induced Gross Value Added (GVA) of music is estimated to be over \$1.5B. Added to the direct economic impact, music is worth over \$2.2B to Vancouver.
- **Employment:** The music ecosystem supports 14,540 jobs, including 7,945 direct music jobs in Vancouver.
- **Income/Wages:** Employment impact of Vancouver's music industry is over \$520M annually, with the average income within the music venue industry at \$51,000 and the festival business at \$65,000.
- **Additional Economic Revenue:** Musicians, music festivals and music venues generate over \$172M per year in additional revenue (i.e. restaurants, parking, accommodations, etc.).
- **Epicentre for Music:** British Columbia is the third largest centre for music production and live music in Canada, placing Vancouver in a position to sustain a thriving local music industry. BC boasts over 160 recording studios, over 285 music companies, and more than 400 festivals that take place across the province each year; and
- **Anticipated Future Growth:** In the next year, 78% of festivals expect to see an increase in attendance, 59% of venues expect an increase in fill rates, and more than half of BC promoters expect to book more shows.

The strength of the local music industry is echoed by the strong demand for performance or arts events at the national level. A study conducted by Hill Strategies⁵ outlined the participation rates for many arts, culture and heritage activities and revealed that more than 80% of Canadians attended at least one performance or arts event in the last year. Figure 3 shows the percentage of people that attended live performances and events, including 61% attending music performances or concerts.

⁴ Sound Diplomacy and Secret Study – Vancouver Music Ecosystem Study (2018)

⁵ Hill Strategies – Canadians' Arts, Culture, and Heritage Participation in 2016 (2018)

Figure 3 - Attendance of live performance arts/events



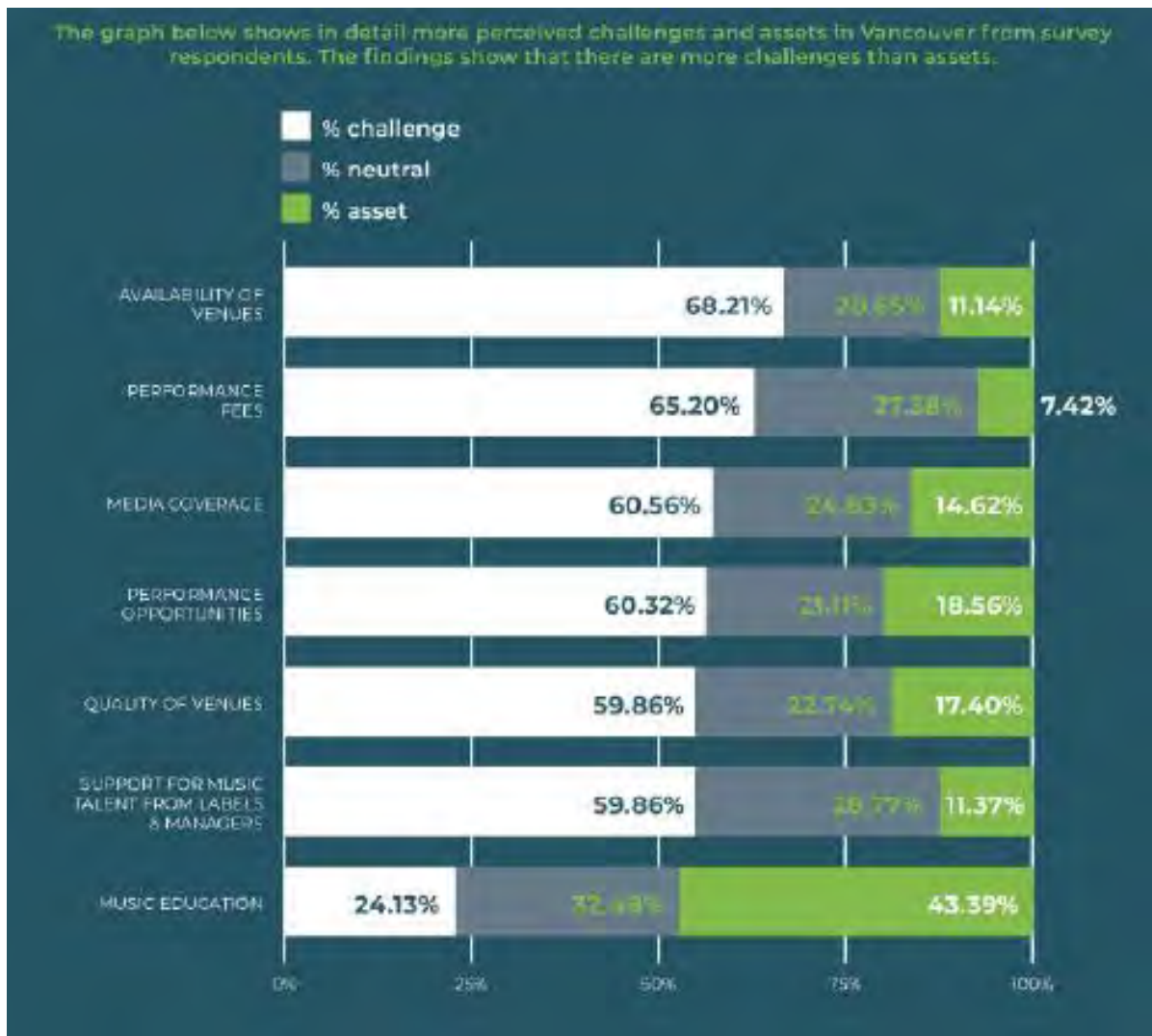
e) Local Venue Supply

Market studies and discussions with commercial and community event producers have shown that there is a supply gap in the local venue market to meet the historical market demand. New constraints have been introduced over the past 10 years have exacerbated the gap and led to a perceived decrease in availability of outdoor venues from event industry producers.

The Vancouver Music Ecosystem Study⁶ conducted in 2018 noted that availability of venues is the #1 challenge facing industry professionals as reflected in Figure 4.

⁶ Sound Diplomacy and Secret Study Projects – Vancouver Music Ecosystem Study (2018)

Figure 4 - Vancouver Music Ecosystem Challenges



The following gaps are demonstrated when combining demand research with the inventory of existing outdoor venues in the City of Vancouver:

- The capacity need for new venues is strong in the range of 1,000-5,000.
- There is a demonstrated demand for new venues in the range of 5,001 to 10,000.

This analysis reveals that a flexible venue space that can serve 2,000 – 10,000 capacity events with an extended operating season will fill a major gap in the local venue market and provide the highest level of public and economic benefits.

f) Design Vision, Recommendation and Impacts Mitigation

Design

Feedback was solicited from the event industry via interviews and a survey with 38 respondents from the commercial and non-profit event industry. This survey identified multiple design

considerations to meet the venue infrastructure needs of community and commercial users. Understanding these considerations ensures the venue meets industry needs, provides a financially sustainable venue for the PNE and City, and provides a first-class guest experience.

This feedback from industry users on venue design considerations was considered and incorporated into several potential redevelopment scenarios, including a financial assessment for each scenario.

Financial Assessment

A financial assessment was completed to forecast the revenues, expenses and net income of a redeveloped Amphitheatre. Several redevelopment scenarios were assessed for the purpose of a feasibility analysis, which are shown in Table 1:

Table 1 - Scenario Scope Analysis

	Capacity	Permanent Front-of-House and Back-of-House Facilities	Covered Stage	Covered Seating	Flex / Suite Space
Option 1 (Minimum Upgrade)	8,750	X	X		
Option 2 (Minimum Upgrade w/ Roof)	8,750	X	X	X	
Option 3 (Mid-Level Upgrade)	9,340	X	X	X	X
Option 4 (High-End Upgrade)	9,820	X	X	X	X

The event calendar assumptions ranged from 16 events for Option 1 up to 60 events for Option 4. Financial projections improved with an increase in events.

The mid-level upgrade shown as Option 3 is the recommended redevelopment scenario as it is the only scenario with a positive net present (NPV) that can be delivered within the contemplated funding envelope, with a projected forty-year NPV of approximately \$49 million and a 12-year payback period. Future upgrades involving additional capacity and front-of-house facilities will be feasible once funding through revenues becomes available.

The findings of the financial assessment (capital cost, net present value, internal rate of return and payback period) are shown in Table 2.

Table 2 - Scenario Financial Analysis

Redevelopment Scenario	Annual Revenue (yrs 1-5 avg)	Capital Cost	Net Present Value (NPV) – 40 years (@5%)	Internal Rate of Return (IRR) – 40 years	Payback Period
Option 1 (Minimum Upgrade)	\$3.5M	\$41.8M	(\$17M)	2%	32 years
Option 2 (Minimum Upgrade w/ Roof)	\$5.4M	\$50.4M	(\$1M)	5%	20 years
Option 3 (Mid-Level Upgrade)	\$9.7M	\$64.8M	\$49M	9%	12 years
Option 4 (High-End Upgrade)	\$14.0M	\$82.4M	\$99M	11%	10 years

Recommended Design

Based on industry feedback and the financial assessment, the recommended Amphitheatre redevelopment scenario is Option 3, a mid-level upgrade, which includes the following design considerations:

- **Increased capacity:** Increasing seated and standing capacity to approximately 9,340 will allow the site to be utilized more frequently and provide financial opportunities for event producers and the PNE.
- **Weather protection and roof:** Providing a covered stage and covered seating will benefit ticket sales and enable an extended operating season for outdoor events.
- **Flexible venue format:** Having a scalable venue design will maximize use of the venue. Stage design and floor plans should be able to accommodate smaller formats in the 2,000-4,000 capacity while also serving events in the 8,000-9,000 capacity range. Rigging points to be considered for full-floor events plus secondary locations for smaller events.
- **Permanent back-of house (BOH) infrastructure:** Building permanent BOH facilities will lower event set-up costs (lowering a key barrier to entry for community and not-for-profit groups), provide modern facilities and amenities for artists and staff, and optimize venue use and financial performance. These amenities include storage, dressing rooms, box offices, production offices, security office, and catering area.
- **Improved front-of house (FOH) infrastructure:** Building improved FOH guest amenities will enhance the guest experience and provide greater financial opportunities for venue users and the PNE. These permanent facilities include washrooms, box offices, food and beverage concession areas, prep kitchens, bar service, and improved accessibility for guests.
- **Improved sound management:** Incorporating innovative sound management design and technology will minimize impact to the surrounding community. A variety of noise mitigation elements to consider include a backstage wall, noise wall at venue perimeters, suspended

noise reduction panels, directional speakers, and continuing current policies for venue users and existing decibel monitoring systems.

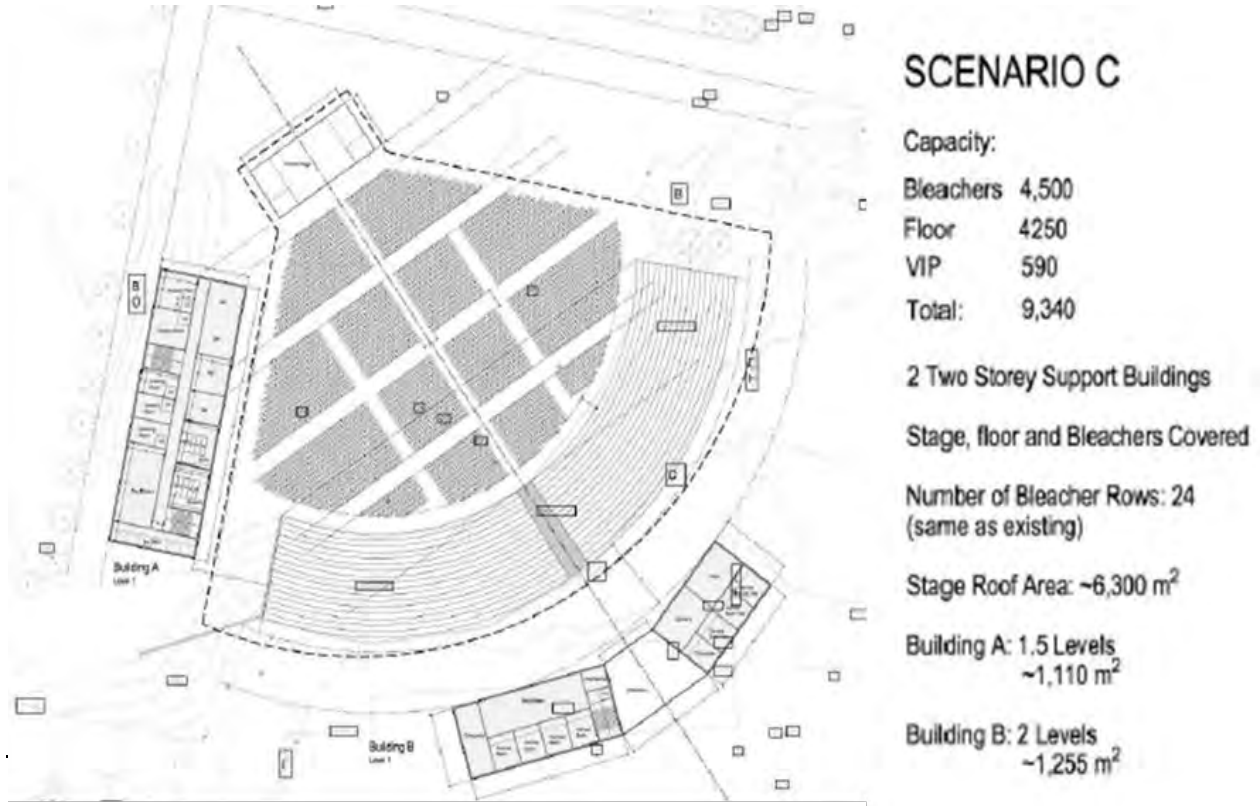
- **Improved utility infrastructure:** Providing sufficient electricity, potable water, grey water disposal, and internet access will be included in the new venue.

Image and footprint from the Business Case Study for the new venue feasibility options are shown in Figures 5 and 6.

Figure 5 - Amphitheatre Renewal Business Case Rendering (potential illustration, not final design)



Figure 6 - Business Case Amphitheatre Site Layout (potential illustration, not final design)



Impacts Mitigation

The Amphitheatre's location in the middle of a public park situated amid a residential neighborhood raises the potential for impacts to the surrounding Hastings-Sunrise community. The project has identified risks and made considerations to minimize negative community impacts.

- **Traffic, Parking and Access:** The increased seating and potential events from the new Amphitheatre will have a negligible impact to on-street parking. A Traffic, Parking and Access study was completed in 2019 and determined that the 2,502 stalls of off-street parking onsite at Hastings Park is sufficient since the data showed many of the trips attending Playland were also attending a concert at the theatre.

The study recommended facilitating future mode shift and further reducing parking demand through dedicated passenger loading areas, carpool-only lots for ride sharing, improved onsite bicycle storage and enhanced pedestrian and bike greenways.

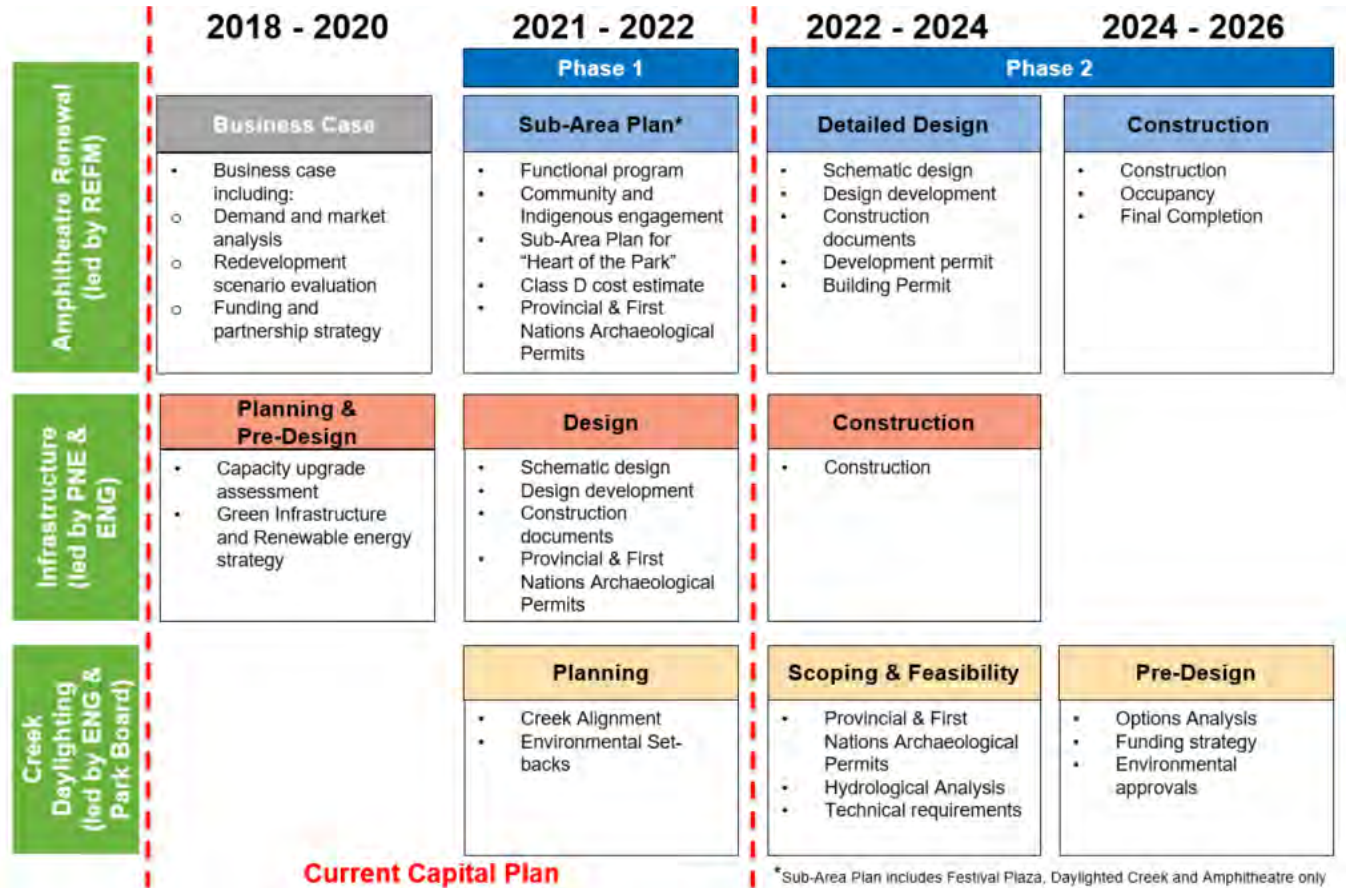
- **Sound Management:** Outdoor event venues have the potential to have sound impact the surrounding community. An updated Amphitheatre has made sound management a top design priority to minimize any sound impact to local residents. A host of sound-mitigation techniques have been identified to direct and mitigate noise from events. These include backstage wall with sound baffling materials, a noise attenuation wall in the northeast

portion of the Amphitheatre footprint, suspended noise reduction panels from the roof and directional speakers to focus sound within the venue.

g) Implementation Schedule

The implementation schedule is a sequenced effort between the Amphitheatre Renewal, Infrastructure Implementation and Daylighted Creek projects that will take place over the course of several years. A high-level schedule for the three projects is shown in Figure 7.

Figure 7 - Heart of the Park Implementation Schedule



2021-2022:

Initial implementation stages will be focused on securing consultant teams for a sub-area plan within the "Heart of the Park" and design of utility infrastructure components required ahead of construction of the Amphitheatre venue.

- i) **"Heart of the Park" sub-area plan and Daylighted Creek:** The sub-area plan will focus on identifying and prioritizing detailed user needs, functions and space requirements of the Amphitheatre. In addition, the sub-area plan will include preliminary technical work required for Amphitheatre delivery related to the nearby future areas of the Daylighted Creek and Festival Plaza. These requirements include identifying the creek alignment and associated environmental setback, developing a watershed strategy and revitalization work program to identify the budget and schedule required to daylight the creek, a traffic

analysis of the Amphitheatre back of house and the potential for the Amphitheatre stage to be accessible for Festival Plaza events. This effort will also include the development of a detailed functional program and space requirements for the Amphitheatre and ensure that planning for adjacent areas is considered as part of the design process.

- ii) **Site-wide infrastructure implementation design:** Utility infrastructure required for the Amphitheatre venue is a schedule dependency and will be designed and constructed ahead of Amphitheatre venue construction. This work will include upgrading utility assets nearing their end-of-life (upgrades to electrical substation, transformers, communication cables, water mains and storm/sanitary sewer pipes) and ensuring the future demand of the Amphitheatre venue is designed and built ahead of Amphitheatre venue construction.

2022-2024:

Once planning and pre-design work is complete for the “Heart of the Park,” detailed design on the Amphitheatre facility will begin. The detailed design phase will include development of appropriate permitting and construction documents. Construction of the Amphitheatre venue is anticipated to begin in late 2024. Construction on the designed utility infrastructure will also be completed during this time. Technical studies and planning for the Daylighted Creek will occur during this phase.

2025-2026:

Construction of the Amphitheatre venue will be the major effort in 2025 with target occupancy anticipated to come in the first half of 2026. Detailed design of the Daylighted Creek will take place once the Amphitheatre venue is operational.

h) Infrastructure

Renewable Energy Strategy

A renewable energy strategy was completed for the “Heart of Park” and Playland to demonstrate innovation and climate leadership, reduce greenhouse gas (GHG) emissions, develop a cost-effective strategy that considers life-cycle costs and show alignment with PNE and City of Vancouver plans and policies. Further studies will be required to expand the renewable energy strategy to the entire site.

A baseline GHG emissions assessment was conducted and revealed that PNE, on average, emits 1,900 tonnes of CO₂e (carbon dioxide equivalent) per year. The study also revealed that natural gas consumption was the source of a vast majority of GHG emissions and pointed to the need to reduce natural gas consumption in buildings if significant GHG reductions are to be achieved.

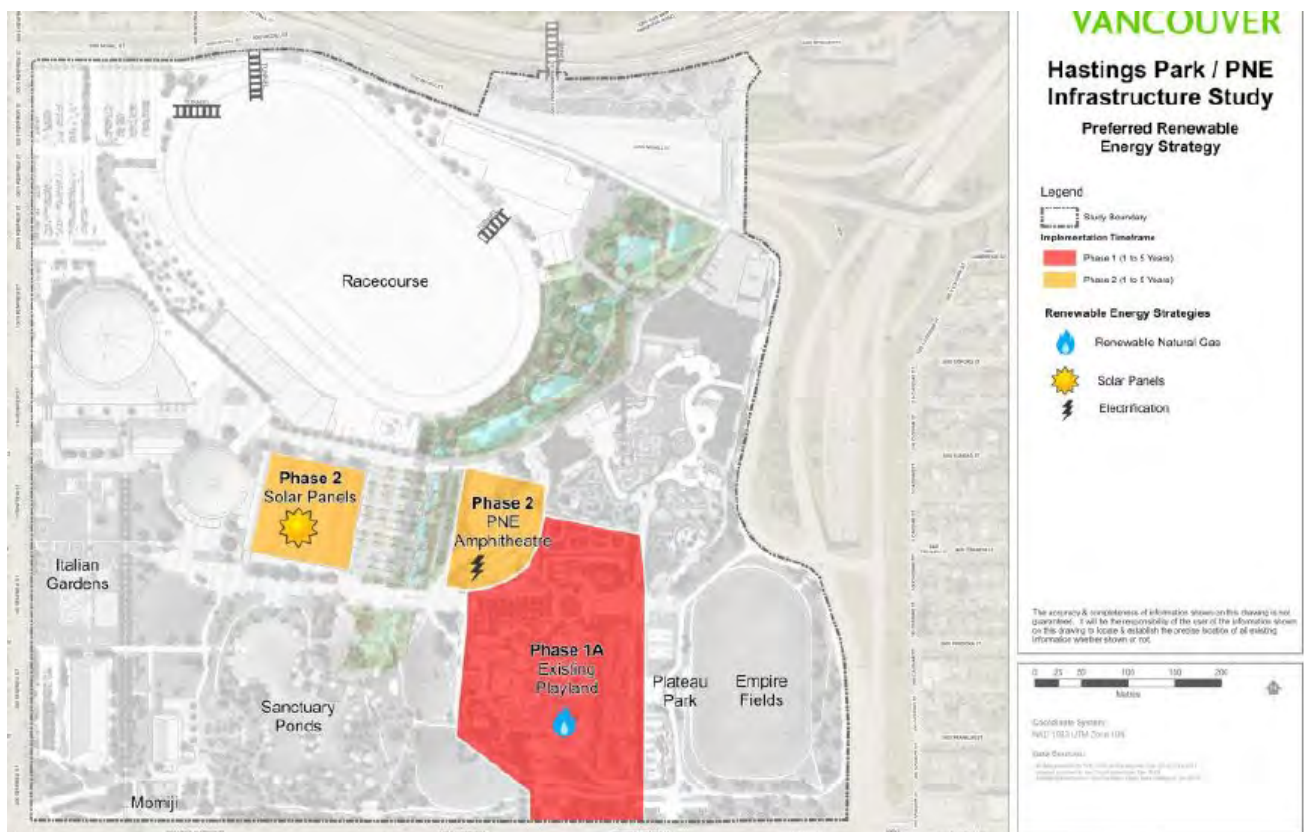
Several renewable options were explored including electricity, renewable natural gas, solar photovoltaic panels, wind biomass, geexchange, district energy and air source heat pumps. A short-list of options were evaluated through a quantitative and qualitative assessment.

The recommended approach is a hybrid option that includes electrification for the updated Amphitheatre venue, installation of solar panels at Hastings Park, and renewable natural gas for existing facilities in the Playland footprint. This is shown in Figure 6.

Pursuing renewable energy options is expected to provide the following benefits:

- **Reduce GHG emissions:** The renewable energy strategy is anticipated to reduce greenhouse gas emissions by 521 tonnes of CO₂e/year.
- **Climate leadership and innovation:** The hybrid approach to reduce GHG will also facilitate broader City of Vancouver climate emergency targets (e.g. uptake of EV charging stations, carbon sequestration via green roofs).
- **Improved infrastructure resiliency:** Electrification of the Amphitheatre will enable site infrastructure systems to absorb disturbance and retain their basic function and structural capacity. Current gas-fired equipment requires both gas and electrical service to be maintained, making it more prone to system outages.
- **Public education opportunities:** Implementing and showcasing solar panels onsite will enable renewable energy education opportunities for guests at Hastings Park.

Figure 8 - Hastings Park Recommended Renewable Energy Strategy



Required Utility Infrastructure Design and Construction

Utility infrastructure components upgrades are required for an updated Amphitheatre venue. These include replacing some site-wide infrastructure assets nearing their end-of-life (substation upgrade, electrical transformers, communication cables, water mains and storm/sewer pipes) and implementing upgrades for water, storm water and sanitary sewer capacity for the Amphitheatre. Utility infrastructure required for the Amphitheatre venue is a schedule dependency and will be designed and constructed in conjunction with any Amphitheatre venue construction.

i) Partnership Models and Project Delivery

Potential partnership models were assessed based on industry benchmarks, market sounding to the private sector and responses from a formal Request for Expression of Interest (RFEOI) for Amphitheatre partnership. The market sounding revealed that there was interest in the private sector for potential partnership opportunities with the Amphitheatre venue. Based on this interest, a formal RFEOI was developed and sent to the market. The RFEOI received responses from four organizations with only a single respondent showing a willingness to provide upfront capital to assist with capital costs of the project.

Based on the responses received, partnership models were evaluated including no partner (publically owned and operated venue), naming rights, booking rights/priority access, venue operations, a public-private partnership where multiple elements of partnership are grouped into a single contract, and a combination of some of elements (e.g booking rights/priority access + venue operations).

The assessment took into consideration the options that would add the most value to the venue while maintaining public benefits at Hastings Park. Considerations included the potential investment from a private sector partner, impact to site operations, and maintaining the integrity of existing site collective agreements.

Following this assessment, the Hastings Park-PNE Board approved the following recommended partnership model that includes pursuing partnership in two key areas:

- **Naming Rights and Sponsorship:** Investment provided for ability to secure naming rights (entire venue or component piece) for a specified term to offset capital costs.
- **Venue Booking Rights/Priority Access:** Investment provided in exchange for a set of defined venue privileges including priority access to venue dates during the operating season. These privileges will not allow exclusive access to the site and will maintain a minimum number of dates for community/non-profit group access.

The PNE will pursue these partnership opportunities to obtain private sector investment to offset the capital costs of the Amphitheatre Renewal project following approval of the next phase of work. Preliminary discussions are ongoing and it is anticipated that partnership opportunities may result in investment up to \$600,000 per year. PNE naming rights and sponsorships would be aligned with existing relevant City policy.

The City's Facilities Planning and Development (REFM) team would lead project management of the design and construction phases of the Amphitheatre Renewal. This team has been successfully delivering multiple complex facilities projects for the city. PNE will leverage the City's existing technical and procurement subject matter experts and follow the City's procurement policies.

The final project delivery strategy would be confirmed during the phase one of the Amphitheatre work, with either design-bid-build or construction management at risk deliveries being considered. Staff will provide updates to Council prior to the construction phase.

j) Stewardship and Maintenance

Multi-Party Operating Policy (MPOP)

Stewardship and maintenance responsibilities at Hastings Park are outlined in the Hastings Park-PNE MPOP. The purpose of the MPOP is define the roles, responsibilities and accountabilities for all operational aspects of Hastings Park and the implementation of the Hastings Park-PNE Master Plan. The policy also outlines the decision-making and accountability framework. The City of Vancouver, the Park Board and the PNE are parties to the MPOP.

The MPOP is currently being updated to account for the proposed development at Hastings Park to provide further clarity on responsibilities between the PNE, Park Board, and City departments.

Amphitheatre Responsibilities

- **Day-to-day operations:** PNE is responsible for staffing day-to-day operations including inspection, preventative / planned maintenance, repairs and cleaning.
- **Long-term asset stewardship:** City of Vancouver (REFM and Engineering) is responsible for maintaining facilities and life-cycle replacement and mandatory upgrades.

k) Playland Redevelopment

The proposed Playland Redevelopment project has been impacted by the recent COVID-19 pandemic and escalating project costs for redevelopment at Hastings Park. A business case was completed for the Playland Redevelopment project and the findings revealed:

- Playland's business case has a lower return profile compared to the Amphitheatre Renewal project.
- Significant capital investment is required with estimated capital costs for Playland exceeding available funding sources
- Playland Redevelopment would require significant reinvestment of future revenues
- Phasing alone cannot deliver a fully expanded Playland within a 10-year timeframe; and
- Market interest in potential partnership is limited.
-

The Hastings Park-PNE Board made the decision in April 2021 to pause the Playland Redevelopment project and revisit the proposed redevelopment in Q1 2022 with a focus on reducing the project scope.

Public/Civic Agency Input

Extensive community engagement has already taken place (see Appendix A) and as the project proceeds towards planning and design, engagement with First Nations rights holders, community and stakeholders is planned.

Implications/Related Issues/Risk

Financial

Summary

Table 3 below shows a summary of the current cost estimates and proposed funding sources for the three projects: Amphitheatre Renewal (\$67M), Infrastructure Implementation (\$4.6M) and Daylighted Creek Planning (\$0.3M). A \$2.2M of savings target is set for the Amphitheatre Renewal project through value engineering during the design phase to reduce the overall budget from \$67M to \$64.8M. The proposed sources of funding are:

- Capital Financing Fund - \$60M
- Hastings Park Reserve - \$9.4M
- Parks DCL - \$0.3M

To reduce the pressure on the Capital Financing Fund and other City funding, PNE staff are actively exploring partnership opportunities for sponsorship, naming rights and booking/access rights in line with the City's Sponsorship and Naming Rights Policy, as well as federal and provincial funding opportunities. Preliminary discussions are underway and an update will be provided to Council later this year.

Table 3 - Current Cost Estimates and Proposed Funding Sources

Program	Sources of Funding			Project Cost Estimates	Funding Required in 2019-2022 Capital Plan
	HP Reserve	CFF	DCL		
Amphitheatre Renewal Project					
Planning and Design	\$4.8M	\$4.6M	-	\$9.4M	\$4.6M
Preliminary Amphitheatre Infrastructure	-	\$1.4M	-	\$1.4M	\$1.4M
Future Construction	-	\$56.2M	-	\$56.2M	-
	\$4.8M	\$62.2M	-	\$67.0M	\$6.0M
<i>Savings Target through Value Engineering*</i>		(\$2.2m)*			
SUB-TOTAL	\$4.8M	\$60.0M	-	\$64.8M	\$6.0M
Infrastructure Implementation Project					
Site-wide Renewal (existing funding)	\$3.5M	-	-	\$3.5M	-
Site-wide Renewal (to be allocated)	\$1.1M	-	-	\$1.1M	\$1.1M
SUB-TOTAL	\$4.6M	-	-	\$4.6M	\$1.1M

Daylighted Creek Planning					
Preliminary design (*detailed design and construction not included)	-	-	\$0.3M	\$0.3M	-
SUB-TOTAL	-	-	\$0.3M	\$0.3M	-
TOTAL	\$9.4M	\$60.0M	\$0.3M	\$69.7M	\$7.1M

Amphitheatre Renewal

As shown in Table 4 below, the current project cost estimates for the recommended mid-level upgrade of the Amphitheatre is \$67M based on the high-level feasibility analysis informing the business case. A \$2.2M of savings target is set for the Amphitheatre renewal project through value engineering during the design phase to reduce the overall budget from \$67M to \$64.8M.

Table 4 - Amphitheatre Renewal Project Cost Estimates

Current Project Cost Estimates (2025\$)	
Hard costs	\$40.4m
Soft costs	\$26.6m
	\$67.0m
Savings Target through Value Engineering*	(\$2.2m)
Total Project Budget:	\$64.8m*

The Amphitheatre renewal business case has considered the projected financial performance based on potential venue calendar of events under various conceptual design scenarios. The recommended mid-level upgrade concept anticipates annual revenue of \$9.7M (average over first 5 years), which is \$8.3M higher than its historical performance. The revenue projections were based on the following assumptions:

- An estimated 49 events would take place outside of the annual Fair during the first year of operation, which is consistent with the level of activity at other major arenas in Canada:
 - 22 community events (charity concerts, family festivals, cultural celebrations, etc);
 - 18 commercial events (concerts, festivals and ticketed events promoted by for-profit companies); and
 - 9 corporate events (gala dinners, conference events, motivations speakers or corporate celebrations with no public ticket sales).
- The new, state-of-the-art entertainment facility would increase the attractiveness and marketing value of the Amphitheatre.
- There would be opportunities for naming sponsorship from an organization wanting to establish a presence in Vancouver, similar to the Rogers Communications sponsorship of the arena that is home to the Vancouver Canucks.

The Amphitheatre renewal project (\$64.8M) will be funded from the Hastings Park Reserve (\$4.8M) and Capital Financing Fund (\$60M) repayable from future revenues. Table 5 below summarizes the financial analysis (NPV, IRR and payback period) of the business case.

Table 5 - Amphitheatre Renewal: NPV, IRR & Payback Analysis

Redevelopment Scenario	Annual Revenue (yrs 1-5 avg)	NPV – 40 years (@5%)	IRR – 40 years	Payback Period
Option 3 (Mid-Level Upgrade)	\$9.7M	\$49M	9%	12 years

Budget Allocation

The next phase of work on Amphitheatre renewal and infrastructure implementation requires \$15.4M of which \$8.3M has been allocated from the Hastings Park Reserve to Hasting Park/PNE Master Plan projects in the current Capital Plan:

- \$3.5M for replacing site-wide infrastructure assets required for the Amphitheatre Renewal project; and
- \$4.8M for planning and design for the Amphitheatre.

For the remaining \$7.1M, staff recommend that:

- \$6.0M to be added to the 2019-2022 Capital Plan for the planning and design work and preliminary project infrastructure upgrades associated with the Amphitheatre renewal project; source of funding to be the Capital Financing Fund repayable through future revenues; and
- \$1.1M from the approved 2019-2022 Capital Plan (Hastings Park Reserve) for implementation of Hastings Park Master Plan for site-wide infrastructure renewal.

COVID-19 Impacts

The COVID-19 pandemic has had a significant impact on the PNE's financial performance. Despite facing a difficult season from the impacts of COVID-19, the PNE is anticipating a return to financial health as provincial health mandates are eased and the COVID-19 vaccination rollout continues to have positive impact. This is in line with the Economic Forecast Council's prediction that B.C.'s real gross domestic product will grow by 4.7% in 2021 and 4.3% in 2022. The \$6 million in funding that is to be paid back to the City is a loan that is affordable for the PNE and represents a great recovery opportunity.

The COVID-19 financial impact to the PNE's financial performance are summarized below:

- The PNE's financial circumstances mirrored the overall event industry as the health mandates caused a significant downturn in demand for large-scale gatherings of any kind.
- Year-to-year revenues decreased by over 75% from almost \$61M in the fiscal year ending in March 2020 to just over \$14M in the fiscal year ending March 2021.

- This downturn in revenue led to a projected loss of \$8.9M before the Canada Emergency Wage Subsidy is considered. This performance differs from performance in recent years which resulted in consistent annual surpluses.
- In 2020, there was a 70% reduction in Playland operating days, all in person events and concerts were cancelled as the PNE business model shifted to focus on drive through events and as a venue for film rentals.
- The summer 2021 events are presently cancelled include Playland opening in June 2021 and a reduced capacity PNE Fair in August with broader industry event activity not returning until late Fall 2021. All events are subject to the guidance from the Provincial Health Officer.
- The PNE's financial performance over the past year initiated a request by the Mayor for \$8M in provincial financial assistance. Discussions are ongoing with the Province on this.

Table 6 highlights the PNE's financial performance over the past four fiscal years.

Table 6 - PNE Financial Performance

	FY2017	FY2018	FY2019	FY2020 (projected)*
Revenue	\$55,546,193	\$55,499,380	\$60,976,282	\$14,578,852
Expenses	\$53,122,727	\$53,586,843	\$59,644,874	\$22,631,300
Annual Surplus	\$2,423,466	\$1,912,537	\$1,331,408	(\$8,052,448)
Accumulated Surplus (end of year)	\$4,369,087	\$6,281,624	\$7,613,032	(\$439,416)

*Canada Emergency Wage Subsidy not included in FY2020 projected actuals

With anticipated occupancy of the redeveloped Amphitheatre targeted for early 2026, it is not anticipated that COVID-19 will have long-term financial impacts on the upgraded Amphitheatre venue.

Human Resources/Labour Relations

The upgraded Amphitheatre venue is anticipated to create additional employment at Hastings Park. It is estimated that the construction of the Amphitheatre will result in approximately 100 jobs during construction.

Existing site-wide collective agreements at Hastings Park will continue to be in place following redevelopment. The additional events at the venue will result in over 40,000 hours of additional annual employment for union employees at the PNE.

Environmental

Renewable Energy Strategy and Implementation

A renewable energy strategy was completed to identify the most appropriate and cost-effective way to achieve the goals of zero emissions at the new Amphitheatre venue. The recommended approach includes electrification for the new Amphitheatre venue, installation of solar panels at Hastings Park, and renewable natural gas for existing facilities in the Playland footprint.

Environmental Assessment:

An environmental assessment was completed to identify any environmental risks present in the “Heart of the Park”. Some levels of contaminants of concern in soil are present at the site at concentrations greater than the applicable CSR Urban Park Land Use standards.

For the proposed Amphitheatre redevelopment area, additional investigation will be completed to delineate the metals and hydrocarbon contamination in the area of environmental concern.

Arborist Report

An arborist report was completed to identify the existing condition of protected trees on and adjacent to the site, summarize the proposed tree retention and removal, and suggest guidelines for protecting retained trees during the construction process. The majority of 347 trees inventoried within the study area were rated to be in moderate overall health and structure. 93 trees had poor health and structure. The recommendation in most cases was that removal and replacement is the most appropriate treatment to ensure longevity of the landscape and public safety.

Archaeological Overview Assessment

In anticipation of future PNE upgrades and to assist with planning, the City engaged Inlailawatash Ltd. Partnership to conduct an Archaeological Overview Assessment (AOA) of the Hastings Park-PNE site in 2019. The AOA was conducted under First Nation permits issued by: Musqueam, Squamish, Tsleil-Waututh and Stó:lō. A preliminary field reconnaissance was also undertaken with involved Nations.

The AOA identified archaeological potential in the immediate vicinity of projected pre-urban (historic) creek locations within the PNE site. For areas of archaeological potential, the AOA recommends that an Archeological Impact Assessment (AIA) be undertaken for developments that may impact subsurface deposits, such as non-engineered fill.

The project team will be working closely with City Archaeologist and the Nations on heritage management aspects as they relate to the site.

Legal

No implications.

CONCLUSION

The upgrades to the “Heart of the Park” with its three interrelated projects is an exciting opportunity with big rewards for our City, region and its people. The Amphitheatre Renewal project presents a unique opportunity to provide increased public engagement and participation in music and arts, and remove barriers of access for culture and community groups. It will fill a gap in the local venue market, drive growth in the commercial and community event industries, and provide an opportunity for the event industry to recover from the COVID-19 downturn.

Implementation of this project will take place over multiple years, but the legacy will be felt for generations. This report seeks Council endorsement for staff to proceed with the planning and design of this next phase as described in this report.

* * * * *

APPENDIX A

Public/Civic Agency Input

A range of updates have been provided to the general public and key stakeholder groups on the Hastings Park-PNE Master Plan. Engagement efforts to date include:

- **PNE Community Advisory Group:** The PNE Community Advisory Group (CAG) have been actively engaged and updates on the Hastings Park-PNE Master Plan have been provided between 2017-2020. Membership from this group is drawn from the local Hastings-Sunrise community and Citywide stakeholders. This group includes 8 community and members who represent a larger interest group. Current membership includes representation from business and economic development; sport and recreation; neighbourhood agencies and associations; culture, events and festivals; park stewardship, sustainability and environmental education; and education institutions. The CAG provides constructive input and feedback to the PNE related to on-site programming, implementation of aspects of the Hastings Park/PNE Master Plan and operational aspects that affect the local community.
- **Arts & Culture Community:** Telephone and in-person interviews with 30 local venue users was conducted in October and November 2018, and included representation from the arts and culture community. Their input provided insight into the needs of the community for a new venue and the infrastructure requirements needed to most effectively stage events at an upgraded venue.
- **PNE Neighborhood Focus Group:** The PNE Neighborhood Focus Group received updates on the Hastings Park-PNE Master Plan and Amphitheatre Renewal project in August 2018 and October 2019.
- **Public Information Sessions:** Three in-person public information sessions were completed at the PNE in February 2020 to provide an update on the Master Plan projects. 89 members of the public attended these sessions.
- **Talk Vancouver Survey:** A Talk Vancouver survey was conducted on behalf of the PNE in February 2020. The survey included responses from 7,979 respondents. Key highlights of the survey include:
 - 96% of respondents agree that the PNE is an important Vancouver and British Columbia institution with 78% strongly agreeing.
 - 78% of respondents found it extremely or very important that the Amphitheatre increase space for year-round festivals and events with 37% believing it is extremely important.
 - 75% of respondents found it extremely or very important that it help to evolve the Vancouver's Music Strategy and give artists a range of places to perform with 35% believing it was extremely important.

- 74% of respondents found it extremely or very important that the Amphitheatre would bring a world-class venue to the east side of Vancouver with 37% believing it was extremely important.
- **PNE Unions:** PNE unions were updated on the project in February and October 2020, and in June 2021.
- **First Nations:** Representatives from Musqueam Indian Band, Squamish Nation, and Tsleil-Waututh Nation were notified of an archeological overview assessment that was completed in 2019. In May 2021, all three Nations were notified via the City's Intergovernmental Relations team, which has shared a referral letter apprising Musqueam, Squamish, and Tsleil-Waututh First Nations of the proposed development of the "Heart of the Park" and inviting them to further dialogue. Engagement with Musqueam Indian Band, Squamish Nation, and Tsleil-Waututh Nation will continue during the next phase of the planning and design process.

From: "Mochrie, Paul" <Paul.Mochrie@vancouver.ca>
To: "Rowley, Cheryl" <Cheryl.Rowley@vancouver.ca>
Date: 7/28/2023 8:49:10 AM
Subject: FW: Amphitheatre

From: Mochrie, Paul
Sent: Wednesday, July 12, 2023 1:54 PM
To: Shelley Frost (sfrost@pne.ca) <sfrost@pne.ca>; Schouls, Michelle <Michelle.Schouls@vancouver.ca>; Pollard, Ben <Ben.Pollard@vancouver.ca>; Amrolia, Armin <Armin.Amrolia@vancouver.ca>; Patrice Impey <Patrice.Impey@vancouver.ca>
Subject: Amphitheatre

Hi all,

Many thanks to you and your teams for all the work to get us to the Council decision this morning. It was very nice to hear the positive tone of the discussion. It is also great to past that milestone and to be in a position to move forward with delivery.

Cheers,
Paul

Paul Mochrie (he/him)
City Manager
City of Vancouver
paul.mochrie@vancouver.ca
604.873.7666



The City of Vancouver acknowledges that it is situated on the unceded traditional territories of the x̱m̱ ḵ y̱ m̱ (Musqueam), S̱ w̱ w̱ ú̱ 7̱ mesh (Squamish), and s̱ ḻ ḻ w̱ ṯ a̱ (Tseil-Waututh) Nations.

From: "Mochrie, Paul" <Paul.Mochrie@vancouver.ca>
To: "Rowley, Cheryl" <Cheryl.Rowley@vancouver.ca>
Date: 7/28/2023 9:02:24 AM
Subject: FW: Combined Package - PNE Public Portion Board Meeting - June 12, 2023.pdf
Attachments: Combined Package - PNE Public Portion Board Meeting - June 12, 2023.pdf

From: Salome Valente <SValente@pne.ca>
Sent: Monday, June 5, 2023 6:35 PM
To: Kirby-Yung, Sarah <Sarah.Kirby-Yung@vancouver.ca>; Impey, Patrice <Patrice.Impey@vancouver.ca>; Rachel Roy <rroy@aqrlaw.ca>; Raj Sihota <rajs@strategies360.ca>; Maury Kask s.22(1) Ty Speer s.22(1); Mochrie, Paul <Paul.Mochrie@vancouver.ca>; David Crawford <DCrawford@pne.ca>; Karen Massicotte <KMassicotte@pne.ca>; Salome Valente <SValente@pne.ca>; Shelley Frost <sfrost@pne.ca>; Stacy Shields <sshields@pne.ca>
Cc: Rojas, Maria <Maria.Rojas@vancouver.ca>; Hall, Tiggy <tiggy.hall@vancouver.ca>; Rowley, Cheryl <Cheryl.Rowley@vancouver.ca>
Subject: [EXT] Combined Package - PNE Public Portion Board Meeting - June 12, 2023.pdf

City of Vancouver security warning: Do not click on links or open attachments unless you were expecting the email and know the content is safe.

Good evening everyone,

Please find attached the package for the public portion of the June 12th Board meeting. The In Camera and Business portions will be sent out in the next day or two.

As a reminder, these meetings will be virtual on Teams

Thank you and please let me know if you have any questions.
Salome

Salome Valente (she/her) | Executive Assistant & Manager, Corporate Administration
PACIFIC NATIONAL EXHIBITION
2901 East Hastings Street | Hastings Park | Vancouver, BC | V5K 5J1
T: 604.251.7702 F: 604.251.7773
www.pne.ca [pne.ca]

We respectfully acknowledge that we work on the unceded traditional and ancestral territories of the Musqueam, Squamish, and Tsleil-Waututh peoples.

PACIFIC NATIONAL EXHIBITION
BOARD OF DIRECTORS MEETING
6:00pm – Monday June 12, 2023
Virtual via Teams
Public Realm Portion

A G E N D A

1. Adoption of Agenda
2. Adoption of Public Portion Minutes
 - 2.1. Board of Directors (December 1, 2022)
3. Staff Reports to the Board of Directors
 - 3.1. 2023 Community Program Update
 - 3.2. Hastings Park Arborist Report and Gardening Update
 - 3.3. HP-PNE Master Plan Amphitheatre Update
 - 3.4. Community Questions
4. Next Board Meeting with Public Realm Portion
 - 4.1. December 7, 2023
5. Adjournment of Public Realm Portion of Meeting

PACIFIC NATIONAL EXHIBITION
BOARD OF DIRECTORS MEETING
THURSDAY, DECEMBER 1, 2022
6:30pm – PNE (Hastings Room) & via Webex
Public Realm Portion

MINUTES

Chair Kirby-Yung called the meeting to order at 6:35pm

Present: Sarah Kirby-Yung, Chair
Donnie Rosa, Vice Chair
Ty Speer, Director
Raj Sihota, Director
Patrice Impey, Treasurer
Paul Mochrie, Director

Shelley Frost, President & CEO
Karen Massicotte, Vice President, Marketing, Sales & Business Development
Salome Valente, Executive Assistant/Corporate Secretary
Jeff Strickland, Vice President, Operations
Stacy Shields, Vice President, People & Culture
David Crawford, Vice President, Finance & Corporate Services

Guest: Thomas Chen, Senior Project Manager,
Courtney Healy, City of Vancouver

Regrets: Rachel Roy, Director
Maury Kask, Director

There being a quorum present and due notice having been given, the meeting was declared to be constituted for the transaction of business.

1. ADOPTION OF AGENDA

MOVED by Director Raj Sihota
SECONDED by Director Ty Speer

Resolved that the agenda for the Public Realm Portion of the Board of Directors meeting for Thursday December 1, 2022 is adopted.

CARRIED UNANIMOUSLY

2. ADOPTION OF MINUTES

MOVED by Director Ty Speer
SECONDED by Director Patrice Impey

Resolved that the minutes for the Public Realm Portion of the Board of Directors meeting from Monday June 13, 2022 are adopted.

CARRIED UNANIMOUSLY

3. STAFF REPORTS TO THE BOARD OF DIRECTORS

3.1 Amphitheatre Redevelopment Update

The Amphitheatre Redevelopment update presentation was provided in the Board of Directors packages for review. This report was delivered by Thomas Chen and Courtney Healey.

There were no speakers for this agenda item and no questions from the Board of Directors.

3.2 PNE Community Open House Summary – Management Recommendations for Future Sound Mitigations

The PNE Community Open House Summary and Management Recommendations for Future Sound Mitigation presentation was provided in the Board of Directors packages for review. This report was delivered by Shelley Frost.

Questions from the Board of Directors were as follows:

Director Ty Speer inquired if anything like this had happened in the past. Shelley Frost replied that there have been times where the sound was loud but didn't recall a time that it ever got this loud. Shelley Frost added that the PNE takes this very seriously and sees it as a sign that it's not a result of ongoing irresponsibility but a point in time that didn't have balance in the calendar and some unprecedented challenges with the promoter and the tour. Director Ty Speer added that he felt that this was a unique and unprecedented situation and not something that would be trend setting.

Director Ty Speer also stated that he agreed with PNE staff with not banning types of genres as there is great risk to the PNE from a brand point of view that can be seen as a discriminatory decision by the PNE as it's not only making a decision about the artist but possibly making a decision on fans that come from a particular sector of the population like the artist.

Director Raj Sihota acknowledged that it was loud within the neighbourhood but that a lot of work had been done over the last few weeks around this, and the communication with the community. Director Raj Sihota added that she also agreed with not banning types of genres and that the plan to work with professional staff that understand sound engineering and can work directly with the varied acts would help.

Director Raj Sihota also noted that the work the staff have done throughout the pandemic in getting everything going again has been extraordinary and that there would have been some issues regardless, as people have not been in the space for a year and half thinking about the music and the neighbourhood. Director Raj Sihota also felt that the staff recommendations and the work that staff have already committed to is a transparent process with the neighbourhood that gives people the opportunities to engage.

Director Patrice Impey reiterated that being a neighbourhood venue and having these relationships with the neighbourhood is critical to the PNE's success and the work that has been done to get back to that place again. Director Patrice Impey inquired on

the PNE's comfort level of being more in control of the sound in the discussions with the sound engineers.

Shelley Frost replied that the conversations with the sound engineers that are working on the Amphitheatre redevelopment have given her 100% confidence that there is a team of leading-edge thoughts and minds working on how to mitigate sound and that they will be very successful in doing that and that the structure and systems that they are putting in place is going to be incredibly effective in mitigating sound.

Director Paul Mochrie shared that he appreciated all the work that Shelley Frost and the PNE team did in responding to the event. Director Paul Mochrie added that as a neighbour of Nat Bailey stadium, he understands the impacts that these types of venues have on immediate neighbours and these types of discussions are critical to have. Director Paul Mochrie was also pleased to see the investments that the PNE has made both in terms of short-term expertise, and the investment that's being made around the amphitheater design with sound mitigation.

Director Paul Mochrie inquired about the short-term solutions that were mentioned, such as additional physical infrastructure sound barriers and when staff would have a sense of knowing if those will be practical or not.

Shelley Frost replied that it is the PNE's intention to try some of these short-term solutions before the amphitheater season opens next summer.

Director Donnie Rosa shared that it was appreciated that staff took ownership and listened to the neighbours as much as they have and found other ways to engage with the community.

Chair Kirby-Yung acknowledged that anytime there is an issue like this, it's deeply concerning because it's important to maintain that relationship that's worked for such a long period of time and to be the neighbor with the neighbors.

Chair Kirby-Yung asked if the recommendations that were presented today will be part of an iterative process where recommendations are tested to see what works and refining and adjusting as needed and reporting back to the Board on the progress.

Shelley Frost replied that on the communications front, it will be an iterative process as staff work with the engineers and find the physical and electronic technology that will help. Shelley Frost added that the PNE is committed to not making the kinds of mistakes that happened in September and would be happy to continue reporting out on the successes and also any challenges that require a new solution.

There were 5 speakers for this agenda item:

Walter Melnyk, community member

Walter Melnyk, confirmed with the Board of Directors that they had received his executive summary and comments from his petition. The Board of Directors acknowledged receiving the items.

Walter Melnyk shared that he had lived in the area for 32 years and had embraced the two weeks of the outdoor Fair concerts and never had an issue. However, starting this past July and continuing into late September there were many concerts that were all extremely loud with a lot of base that hit homes for hours.

Walter Melynk noted that he discovered that the PNE had decided to build a large semi open venue that would potentially host over 60 events a year which is a big jump from two weeks a year. This really concerned Walter Melynk, a former event planner who found that most large outdoor Amphitheatres are located far from major population centres (ie. Gorge in Washington State, Red Rocks in Colorado, etc.) and not in neighbourhoods.

Walter Melynk also shared that he started a petition in which people expressed concern with the months of projected shows, mental health concerns from the chronic noise and decrease in property value. Walter Melynk noted that the Amphitheatre plan includes hosting local groups, but nothing was mentioned about the mix of performances. Walter Melynk felt that once the Amphitheatre is built, there will be tremendous pressure to pay off the massive building costs and therefore the pressure to book all kinds of acts to sell tickets. Walter Melynk also felt that there needs to be an independent noise assessment study done before final funding is completed. Walter Melynk didn't believe that this type of venue would be considered in any other part of Vancouver.

There were no questions from the Board of Directors. Chair Kirby-Yung thanked Walter Melynk for coming this evening and sharing his comments.

Susan Stuart, community member

Susan Stuart shared that she was born and raised and continues to live in Vancouver which is how she became such a fan of the PNE, and to this day continues to attend the Fair multiple times as well as concerts, Fright Nights, Winter Fair, etc. Susan Stuart understood that sound was a significant issue in September, and it was upsetting to some close neighbours but she also heard the CEO take responsibility, apologize and commit that her and her leadership team would do better based on what happened and the feedback they saw. Susan Stuart understood that the neighbors are frustrated, but also believed the staff, when they say that what happened in September was isolated and will be corrected.

Susan Stuart noted that the redevelopment plan that was approved years ago will be great for not only the city's reputation, but also for arts and culture groups, community groups and the music industry who are all faced with not being able to find a suitable temporary venue. The Amphitheatre must be thought of as a city-wide asset with citywide benefits. Susan Stuart believed the PNE can effectively mitigate the sound effects and that even within the sound bylaws, you can still hear noise and this is not just isolated in the PNE neighborhood. Susan Stuart found it odd that some neighbors want to stop a project that is the mitigation they desire. Susan Stuart felt the PNE works hard to be a good neighbor and do the right thing but a small local and vocal group of organizers appear to be working hard to damage the PNE's reputation when this was an isolated and correctable situation. Susan Stuart believed that the recommendations presented tonight show how much the PNE is willing to do for the neighbourhood.

There were no questions from the Board. Chair Kirby-Yung thanked Susan for coming tonight and sharing her comments.

Maria Mussenden, Community Member

Maria Mussenden began by pointing out that the PNE website indicates that there would be 4 speakers per agenda item but that she sees that there are 5 and that is inconsistent with what is on the website. Chair Kirby-Yung thanked Maria for noting that.

Maria Mussenden shared that she loves music and has been to the Hollywood Bowl and amphitheatres in Europe and has been to concerts at the PNE with her custom earplugs and doesn't believe that such a concert at this magnitude should exist so close to a residential area. Maria Mussenden believes Hastings Park belongs to the people of Vancouver and despite the City of Vancouver granting governance to the PNE, she looks to the City of Vancouver and the elected official for authority. Maria Mussenden also mentioned that she had provided some summary notes to the PNE for consideration and had highlighted important sections. Maria Mussenden noted that the impact of providing year-round concerts to the surrounding neighborhoods and the wildlife in the Sanctuary needs to be considered and studied before construction. Maria Mussenden added that most people are not opposed to the August Fair but are very concerned about the 9,340 capacity Amphitheatre. Maria Mussenden also indicated that in 2010 the approved master plan with the much city-wide consultation shows, an Amphitheatre with the capacity of 7,000. but last year the city Vancouver approved Amphitheatre renewal project with the capacity of 9,340, a significant increase of 33.4%. It seems the PNE has deviated from the master plan.

There were no questions from the Board. Chair Kirby-Yung thanked Maria Mussenden for coming tonight sharing her comments.

Darci Swinton, Community Member

Darci Swinton shared that she has lived in the neighbourhood for 40 years and loved the PNE when she first moved here as it was only open for 2 weeks but over the 40 years it's become hard to bear and this is sort of the combination of the worst.

Darci Swinton felt that the PNE doesn't represent the citizens of Hastings Sunrise, and who do they voice their complaints to when the PNE and the City of Vancouver are not listening. Darci Swinton indicated that the community was largely unaware of any consultation process, including herself who was on the PNE Community Advisory Group at the time. Darci Swinton also shared her concerns about how the city of Vancouver will protect the neighborhood from extreme sound level decibels over 70, too many concerts and how the relentless noise will affect her mental health and that of her family, the traffic problems, and the wildlife. Darci Swinton also noted that there's been zero greening of the park since 2000 and would like to know what the plan for that is along with the daylighted stream needing a much bigger footprint and doesn't currently show up on any of the maps. Darci Swinton noted that the preliminary work and the funding for the daylighted stream scheduled until 2026 and why can't the daylight stream be completed before the Amphitheatre at a cost of 300,000. Darci Swinton ended by requesting that Park Board oversight and applied standards be applicable at Hastings Park part as well.

No questions from the Board of Directors. Chair Kirby-Yung thanked Darci Swinton for coming tonight and sharing her comments.

Courtney Komonasky, BIA Board Member and community member

Courtney Komonasky a Board member of the Hastings North Business Improvement Association had a statement to read on behalf of the BIA Board. On behalf of the Board of the Hastings North BIA, I would like to state our support for the PNE and Hastings Park which was reiterated at our board meeting last Tuesday. Patricia Barnes, the executive director of the BIA has been involved in the lengthy and fulsome public consultation over the last 15 years plus. With regard to Hastings park and the PNE as a fair within the park, we believe that the steps outlined by the PNE CEO are a reasonable and respectful response to the community, the issue of sound mitigation, and the continued support of a vibrant neighborhood, the PNE is vital to the continued success of our small business community and we have found that the executive and staff have been increasingly open to community engagement over the last several years. We acknowledge that there were issues in September, but also understand there were several unique circumstances that led to these issues. We believe that the amphitheater development will help mitigate many of these concerns, and therefore, fully support the amphitheater renewal.

Courtney Komonasky also wanted to share her own personal comments as someone who has lived and worked in the neighborhood for many years and is part of the PNE's Community Advisory Committee. Courtney Komonasky believed that the PNE has been a great neighbour and does many things for the neighborhood such as the neighbourhood day at Playland, complimentary tickets to the Summer Fair and Winter Fair. Courtney Komonasky has attended shows at the amphitheater and acknowledges that it was loud in September but not so loud that it prevented her from enjoying her yard. Courtney Komonasky believed that people just forgot that events happened during covid because the area was quiet. Courtney Komonasky personally supported this venture going ahead and agreed with the statement made earlier about not censoring acts coming through, because that will just lead down many negative and horrible roads.

No questions from the Board of Directors. Chair Kirby-Yung thanked Courtney Komonasky for coming tonight and sharing her comments.

Chair Sarah Kirby-Yung shared that the comments from all the speakers were appreciated and as the new chair, is listening very deeply as are the rest of the Board of Directors and the feedback has been taken to heart and does believe that this will be an ongoing process.

3.3 Arborist Report

The Hastings Park Arborist Report and Tree Work was provided in the Board of Directors packages for review. This report was delivered by Jeff Strickland

Questions from the Board of Directors were as follows:

Director Patrice Impey enquired if this type of review is done on a regular basis. Jeff Strickland replied that the Foreperson on the PNE's horticultural team does monthly assessments of the site in which an inspection is done to identify any sort of hazards, any concerns with invasive species and any trees that need attention.

Chair Kirby-Yung inquired if the PNE is looking for a net increase in the number of trees and tree canopies. Jeff Strickland replied that the plan is for at least a net increase and if a tree is moved then planting at least two trees typically to ensure that the tree count is maintained.

There were no speakers for this agenda item.

3.4 Community Questions

There were no community questions submitted for this meeting.

4. NEXT BOARD MEETING

The next Board of Directors meeting was still be finalized but would most likely take place in June 2023

5. ADJOURNMENT OF PUBLIC PORTION OF MEETING

MOVED by Director Ty Speer
SECONDED by Director Paul Mochrie

Resolved that the Public Portion of the Board of Directors meeting be adjourned at 8:01pm

CARRIED UNANIMOUSLY

Community Relations Update



Community Relations Update

2023 Update

- ▶ New & Returning Programs
- ▶ June & December Community Calendar
- ▶ Open Houses



New & Returning Programs



New Programs



Youth Accessibility Program presented by TD



- ▶ Youth Accessibility ticket program for at-risk youth ages 13 – 18
- ▶ Providing access to PNE events & experiences such as PNE Fair & PNE Winter Fair
- ▶ Working with 53 youth-serving organizations
- ▶ In partnership with new partner TD Bank



New Programs

- ▶ Neighbourhood Appreciation Events (free of charge for neighbors)
 - Easter Egg Hunt (April)
 - Music Event (Summer)
 - Halloween event (Oct)
- ▶ Event Ticket Access Program, expanded to include client events
 - E.g. Jurassic World Tickets
 - 74 organizations received tickets to the event on behalf of the PNE



Returning Programs

- ▶ KC's Kids Ticket Donation Program
- ▶ Expanded Fundraising Ticket Donation Program
- ▶ Community Day at Playland
 - Generates \$!0 from every ticket sale for the Community Grant Fund
- ▶ Community Events
 - Terry Fox Run
 - Community Skate Days
- ▶ Neighborhood Ticket Program
 - Neighborhood Party at Playland
 - Neighborhood Fair Ticket Program
 - PNE Fair Access Pass for Neighbors



June – December Community Calendar



June

- ▶ June 14th: Neighbourhood Party at Playland

July

- ▶ July 22nd: Community Day at Playland
- ▶ July 29th/30th: Neighbourhood Ticket Collection for Fair

August

- ▶ August 2nd/3rd/4th: Neighbourhood Ticket Collection for Fair
- ▶ August 19th- Sept 4th: Community Corner at Fair

TBC

- ▶ Neighbourhood Summer Music Event



September

- ▶ September 22nd: Terry Fox Run for local schools
- ▶ September 26th: Community Advisory Group

October

- ▶ Pumpkin Promenade

November

- ▶ November 1: Community Open House
- ▶ Neighbourhood Ticket Collection for Winter Fair
- ▶ November 14th: Community Advisory Group

December

- ▶ Community Skate Day/s



Quarterly Open Houses

PNE Fiscal Year runs April 1 – March 31

Q1: April – June

Q2: July – September

Q3: October – December

Q4: January - March



Q1 Open House - May 16

Agenda

- ▶ Amphitheatre & Launch Coaster update
- ▶ Summary of 2023 events (Amphitheatre & Forum)
- ▶ Community Update (Programs, Events, Initiatives)

A vertical poster for the PNE Community Open House. At the top is the PNE logo, a stylized white flower with eight petals. Below it, the text "PNE COMMUNITY" and "OPEN HOUSE" are written in large, bold, blue letters on a white background. Underneath, in white text on a blue background, it says "COME ALONG TO HEAR PNE UPDATES ON:" followed by "Sound mitigation", "Neighbourhood plans", and "Amphitheatre redevelopment". The date and time are listed as "Tuesday, May 16, 2023" and "6-7:30pm". The location is "PNE Forum, Hastings Park". At the bottom, it says "Questions?" and "Email communityengagement@pne.ca". The background of the poster is a photograph of a park area with a path leading towards a body of water and mountains in the distance.

**PNE COMMUNITY
OPEN HOUSE**

**COME ALONG TO HEAR
PNE UPDATES ON:**
Sound mitigation
Neighbourhood plans
Amphitheatre redevelopment

**Tuesday, May 16, 2023
6-7:30pm
PNE Forum, Hastings Park**

Questions?
Email communityengagement@pne.ca



Q1 Open House - May 16 Outcomes

- ▶ Request for an update on the Daylighted Stream project
 - Status: November 1 Open House to include presentation by COV
- ▶ Request to ask neighbors about what topics they would like to have covered at the open house
 - Status: November 1 Open House will include a call for topics 8 weeks in advance in multiple locations (website, community corner, community newsletter)
- ▶ Request for more information on what can be done about traffic congestion, neighborhood parking and community policing during events
 - Status: PNE to engage with Translink, COV and Community Policing to discuss possible solutions and report back at November Open House
- ▶ Request for more opportunity for 1:1 or smaller group conversations with PNE
 - Status: PNE has diversified the Open House format to include a community corner at the PNE Fair and will schedule key groups and leaders to be present for 1:1 dialogues
 - Will also look at modifying format of quarterly open houses moving forward where appropriate



Q1 Open House - May 16 Outcomes

- ▶ Request to not hold the open house in the Forum
 - Status: the PNE will host the November 1 Open house in the Hastings Room however there may be times when the Forum is used based on space availability and/or anticipated number of people for open house. We will ensure that there are better sound and screen equipment for the open house
- ▶ Feedback received that some community members feel there has not been enough consultation on the amphitheatre redevelopment
 - Status: PNE will include the summary of the amphitheatre redevelopment consultation and update sessions at the next public board meeting and will include an overview in an upcoming community newsletter
- ▶ Request for open house materials to be posted online in advance of the meeting
 - Status: PNE will post the open house presentations and handouts online 5 business days prior to the open house



Q2 Open House: August 19 – September 4

Community Corner at Fair

- ▶ Amphitheatre & Launch Coaster schematic designs & Info
- ▶ Community Groups presenting, such as:
 - Japanese Canadian Hastings Park Interpretive Centre Society
- ▶ Overview on Community initiatives and how to get involved
 - Community Advisory Group
 - Community Grant Fund
 - Youth Council



Q3 Open House: November 1

Hastings Room

- ▶ Public call for topic submissions in advance
- ▶ Parking and traffic control – presented by external spokesperson
- ▶ Daylighting of the Stream – presented by CoV rep

Q4 Open House Date to be Confirmed and Posted in October



Hastings Park Arborist Report and Gardening Update



Hastings Park

Follow-up to Arborist Report August 2022

Status of Work Completed

- ▶ 42 dead trees that were identified across the site as unsafe have all been safely removed.
- ▶ Replanting strategy will follow an architectural report of the Sanctuary currently underway



Hastings Park Sanctuary Projects

- ▶ Both aerators servicing the pond have been replaced
- ▶ Irrigation repaired and water re-established to east grounds
- ▶ Pond stocked by Fisheries in April 2023
- ▶ New pollinator garden being designed for NW corner of Sanctuary



Momiji Gardens

March Snowstorm Impact Update

- ▶ All the fallen trees and stumps from the snowstorms have been safely removed and processed.
- ▶ Debris has been placed temporarily along Dogwood Lane before pieces are relocated to the Sanctuary to naturalize.



Additional Work Completed in Momiji Gardens: All Expansion joints in pond basin were removed and resealed. Improving the water retention approximately 80%.



Hastings Park General

Italian Gardens

- ▶ Repairs made to the expansion joints in the fountain
- ▶ Bedding changes made around the fountain
- ▶ Pressure washing of all concrete, including the playground tables and benches

Other Projects

- ▶ Centre Park: thatching, aerating and re-seeding
- ▶ Coliseum: Exterior painting & hedge trimming
- ▶ Playland: updated 3 ride gardens and new launch coaster landscape in planning



Amphitheatre Redevelopment Update



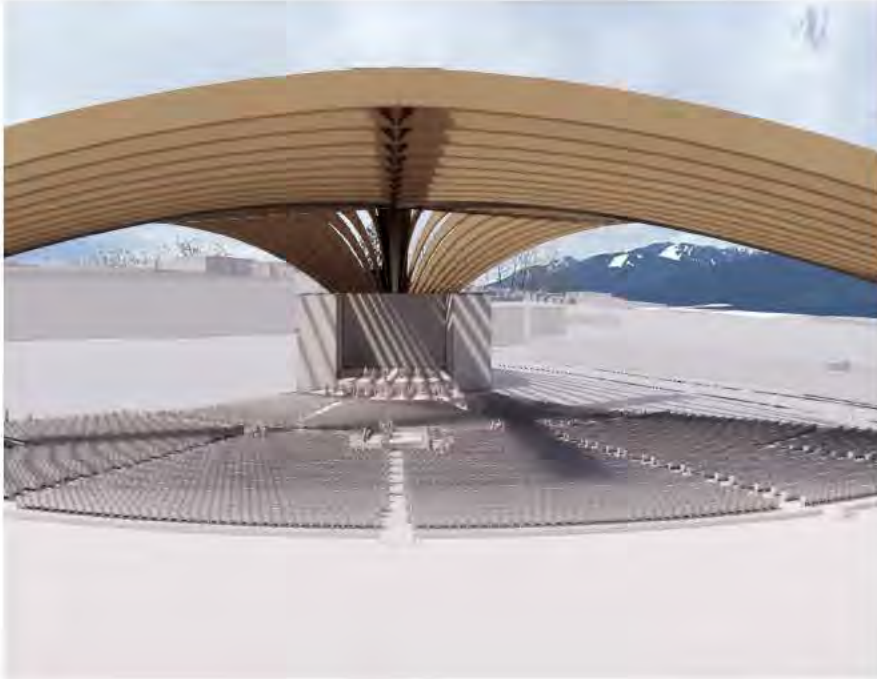
PNE Amphitheatre

Project Update Includes:

- ▶ Build Highlights
- ▶ Timeline Overview
- ▶ Timeline Progress Updates
- ▶ Neighborhood Impact Initiatives
- ▶ Artist Renderings
- ▶ Open Call Update



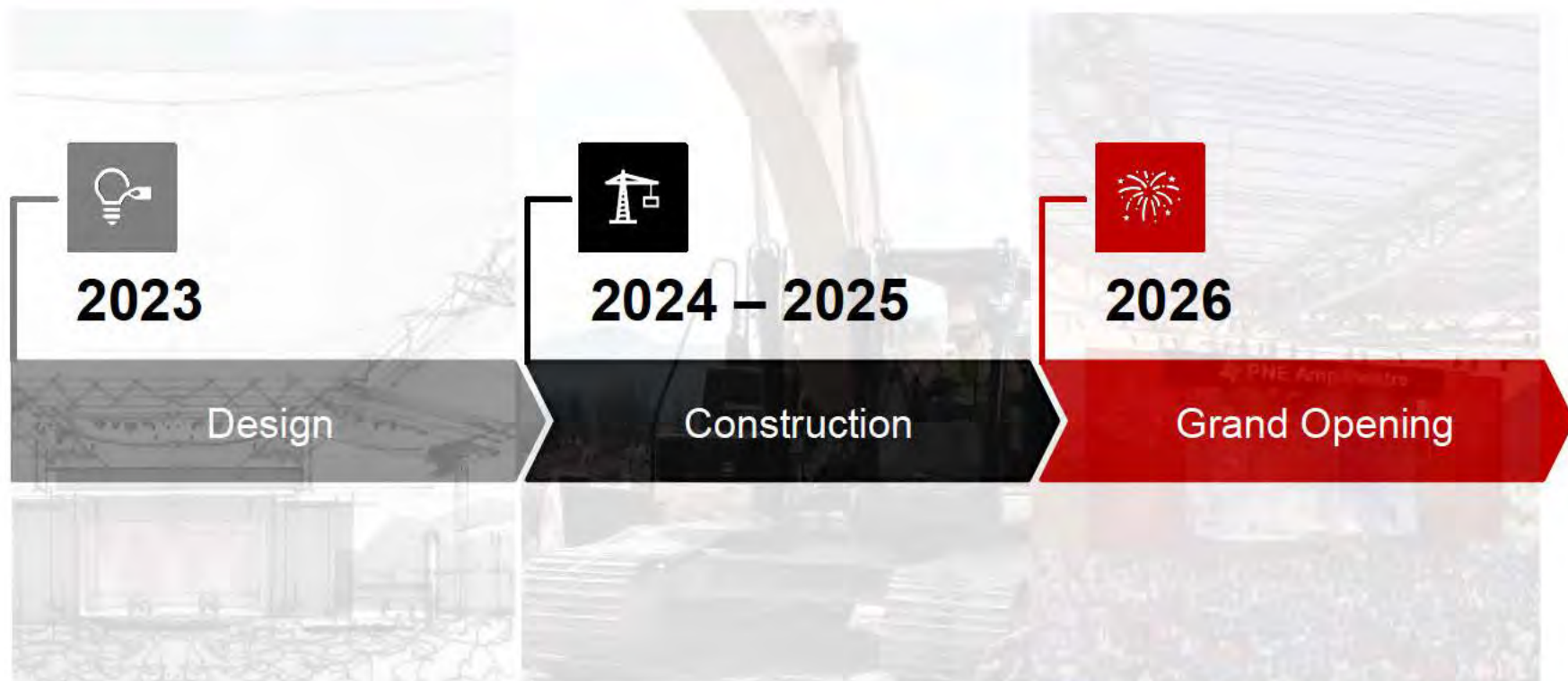
PNE Amphitheatre Build Highlights



- ▶ Iconic, mass timber roof, longest arch span in Canada
- ▶ Flexible venue for world class concert, arts, culture & community performances
- ▶ Acoustic and sound containment (rigid roof and devices)
- ▶ BC design, BC engineering, BC wood
- ▶ Salmon Safe, LEED Certified
- ▶ Rick Hansen Gold Certification Accessibility



Amphitheatre Timeline Overview



PNE Amphitheatre

Timeline Progress Updates

- ▶ Conceptual design completed April 2022 – Dec 2022
- ▶ Schematic design 90% April 2023
- ▶ Construction Manager to be on board summer 2023
- ▶ Aim for construction start summer 2024
- ▶ Aim for completion spring 2026
- ▶ FIFA summer 2026 as potential fan fare venue



Neighborhood Impact Initiatives

Construction and traffic

- ▶ Construction access via Bridgewater
- ▶ Advisory on construction noise and abide City Bylaw
- ▶ Construction guidelines posted at construction site
- ▶ In the Neighborhood website page to include construction timeline and updates

Controlling unwanted sound

- ▶ Rigid structured roof
- ▶ Sound wall
- ▶ Sound panels
- ▶ Cedar hedge and trees
- ▶ House sound system
- ▶ Final inclusions to be confirmed with construction plans







PNE AMPHITHEATRE







PNE AMPHITHEATRE

PNE Amphitheatre Naming Rights

Open Call for Partnerships

- ▶ April 26, open call for naming rights announced
- ▶ Over 25 prospective candidates of interest to date
- ▶ Currently doing prospective candidate orientation sessions
- ▶ July – September we will be hosting discovery sessions and site inspections with prospective candidates
- ▶ October 26, call for naming rights closes



PNE Amphitheatre Open Call

Evaluation Criteria

- ▶ 35% Organizational Alignment
 - alignment to PNE values, sustainability commitments, community focus
- ▶ 35% Corporate Partnership Alignment & Experience
 - alignment on initiatives for developing strong purposeful relationships to create impact for our partners, our guests, our site and our community
- ▶ 30% Investment & Term Interest
 - alignment of candidates proposed investment and term to the overall valuation of the opportunity.



From: "Mochrie, Paul" <Paul.Mochrie@vancouver.ca>
To: "Rowley, Cheryl" <Cheryl.Rowley@vancouver.ca>
Date: 7/28/2023 9:04:02 AM
Subject: FW: [EXT] PNE Board Meeting Package Addition (Briefing note - s.12(3)(b))
Attachments: PNE Board Briefing note - s.12(3)(b)

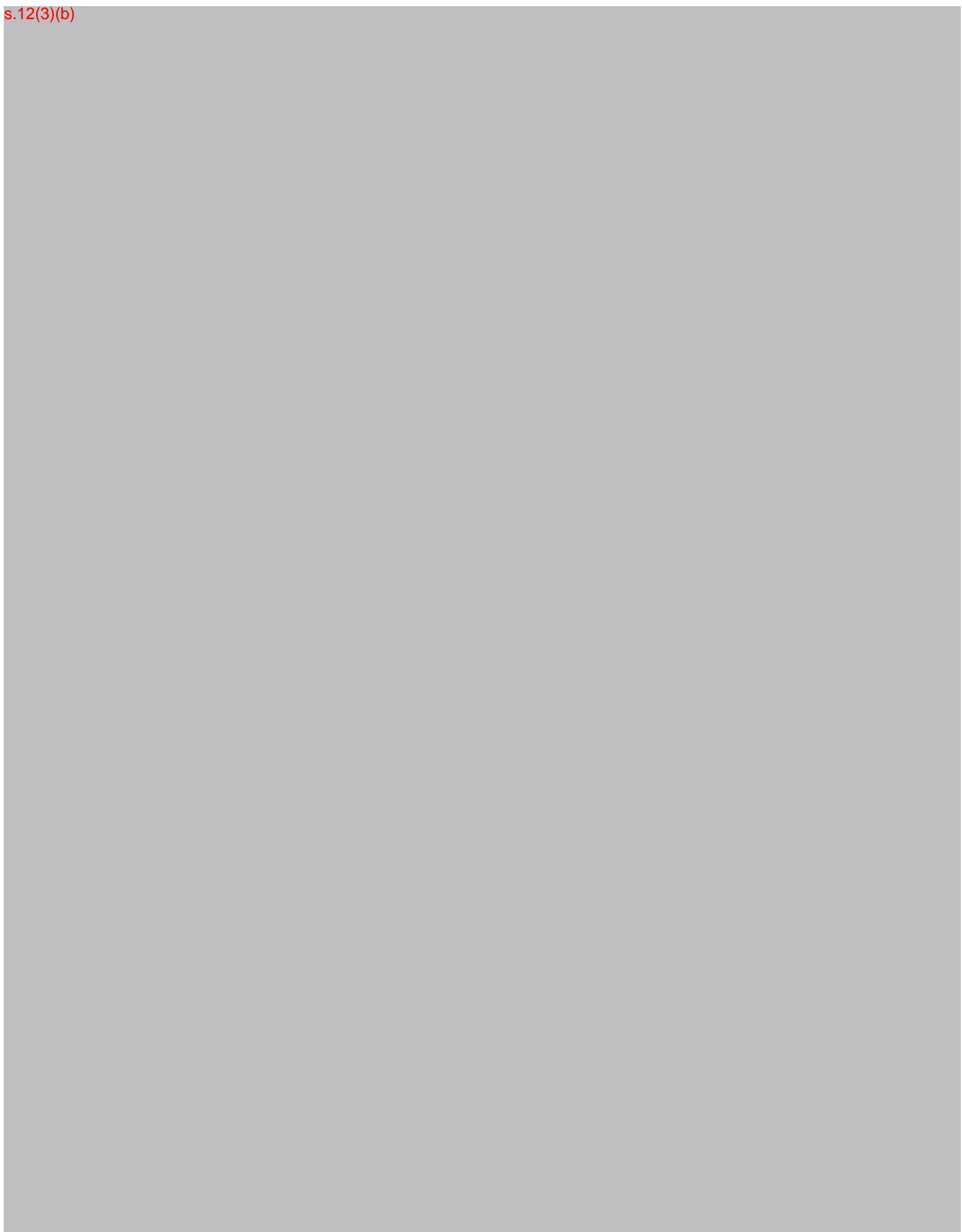
From: Salome Valente <SValente@pne.ca>
Sent: Monday, October 17, 2022 12:05 PM
To: Dominato, Lisa <Lisa.Dominato@vancouver.ca>; Rosa, Donnie <Donnie.Rosa@vancouver.ca>; Mochrie, Paul <Paul.Mochrie@vancouver.ca>; Raj Sihota <rajs@strategies360.ca>; Rachel Roy <rroy@aqrlaw.ca>; Maury Kask <Maury.Kask@pne.ca>; Ty Speer <Ty.Speer@pne.ca>; Impey, Patrice <Patrice.Impey@vancouver.ca>; David Crawford <DCrawford@pne.ca>; Jeff Strickland <JStrickland@pne.ca>; Karen Massicotte <KMassicotte@pne.ca>; Shelley Frost <sfrost@pne.ca>; Stacy Shields <sshields@pne.ca>
Cc: Bradbury, Wanda <Wanda.Bradbury@vancouver.ca>; Rowley, Cheryl <Cheryl.Rowley@vancouver.ca>; Sangalang, Ellen <Ellen.Sangalang@vancouver.ca>; Hall, Tiggy <tiggy.hall@vancouver.ca>; Lara Mickel <LMickel@pne.ca>
Subject: [EXT] PNE Board Meeting Package Addition (Briefing note - s.12(3)(b))

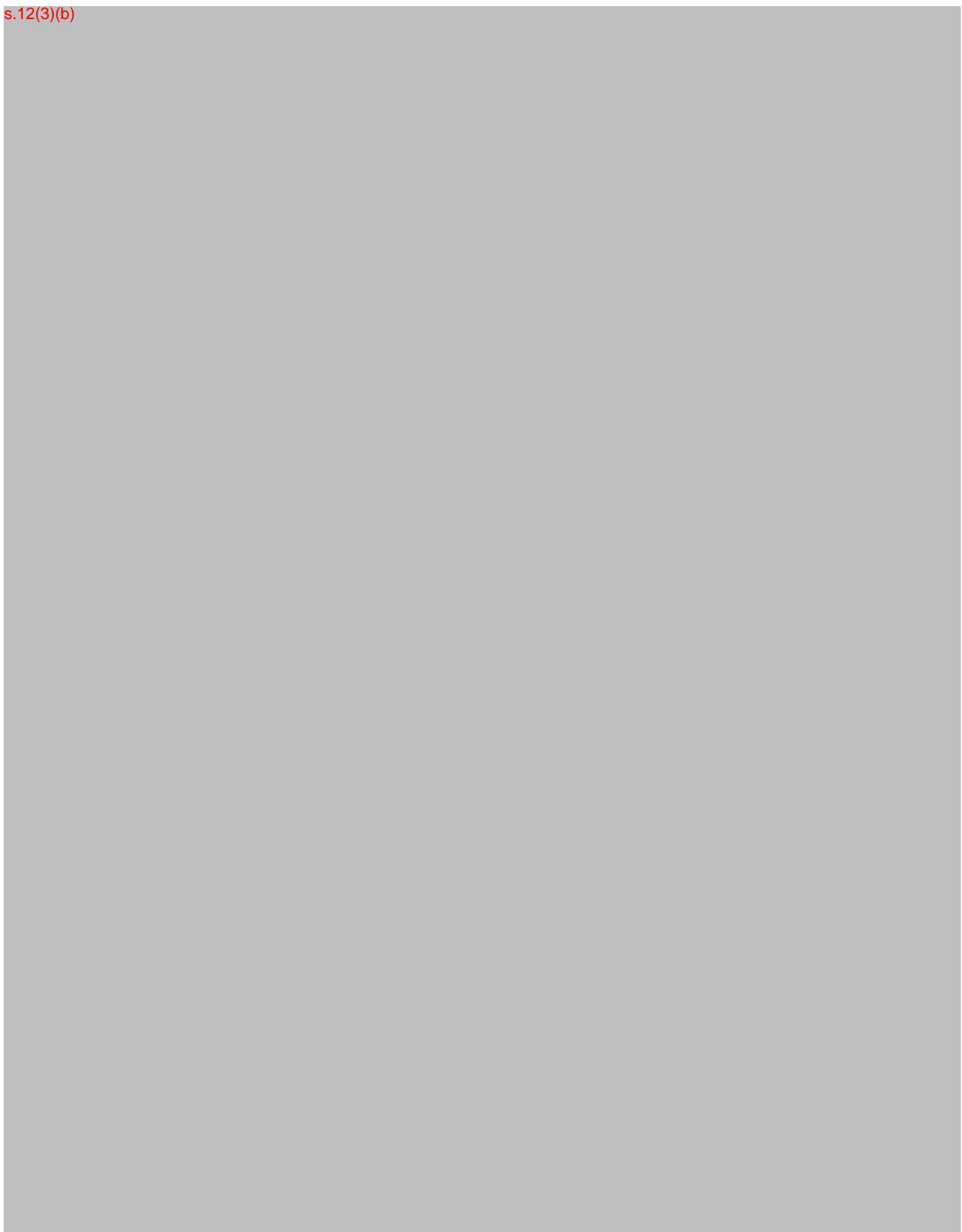
City of Vancouver security warning: Do not click on links or open attachments unless you were expecting the email and know the content is safe.

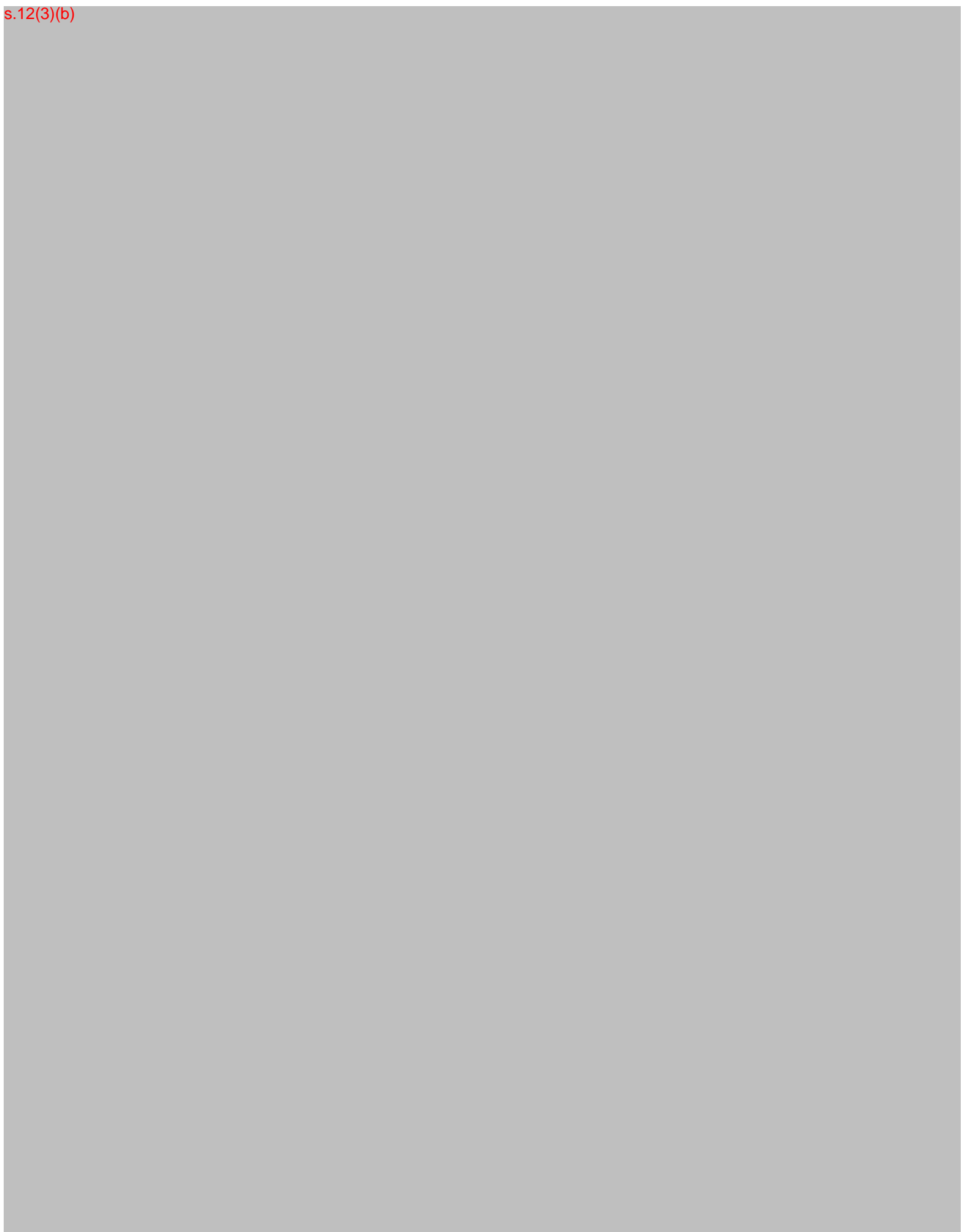
Good afternoon everyone,

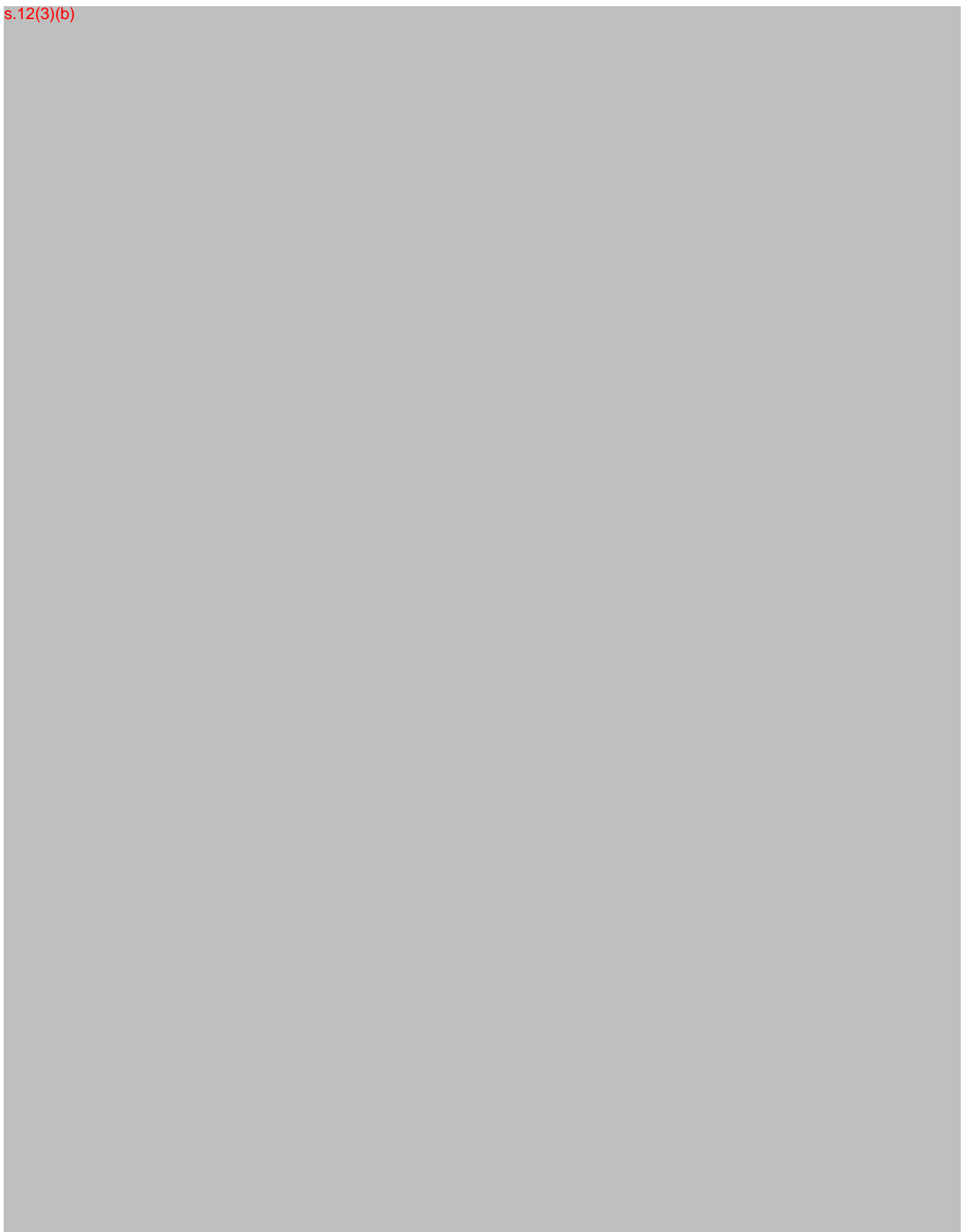
Please find attached the briefing on the s.12(3)(b) that was missing from the In Camera section of the Board meeting package that was sent out on Saturday.

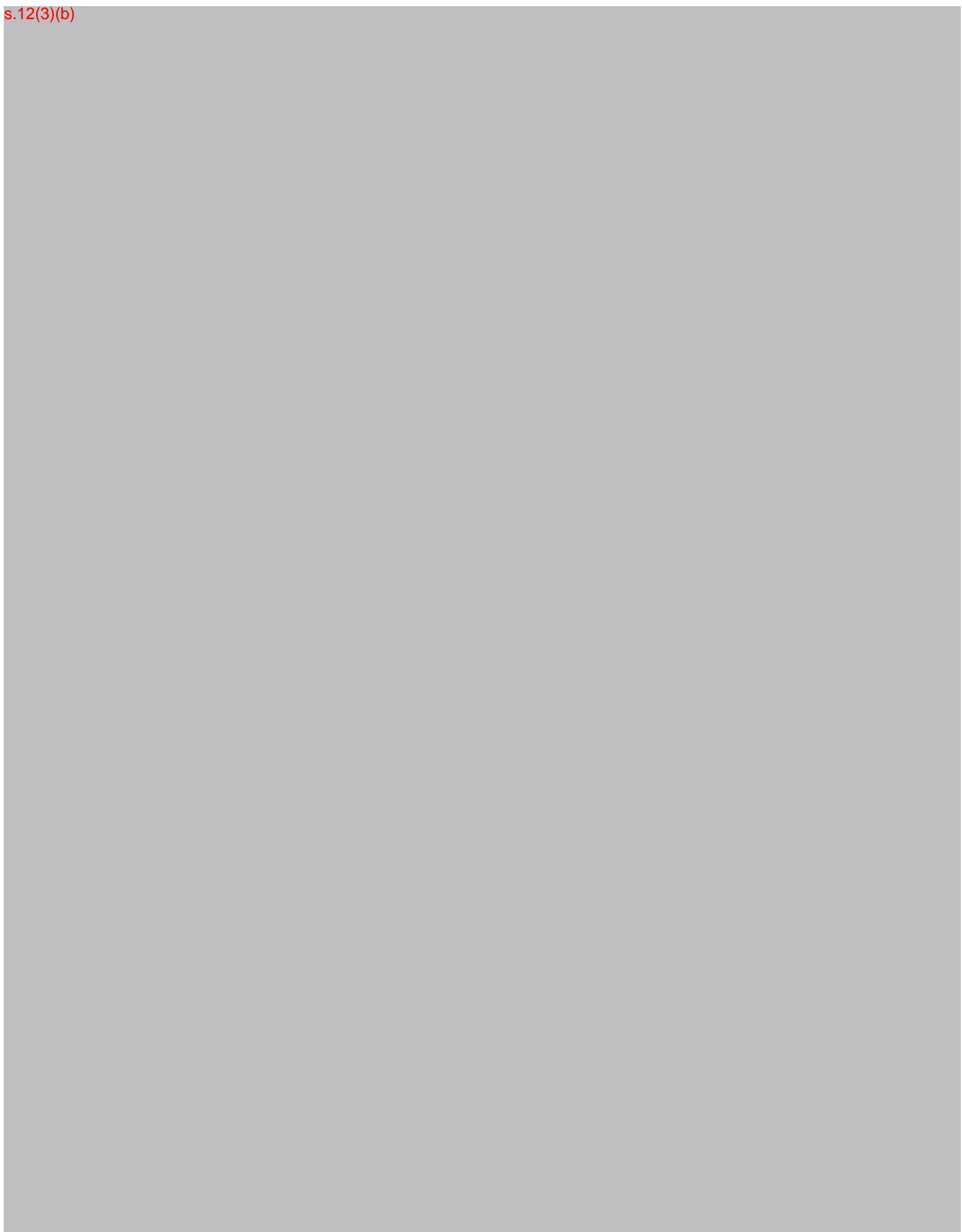
Thank you and please let me know if you have any questions.
Salome

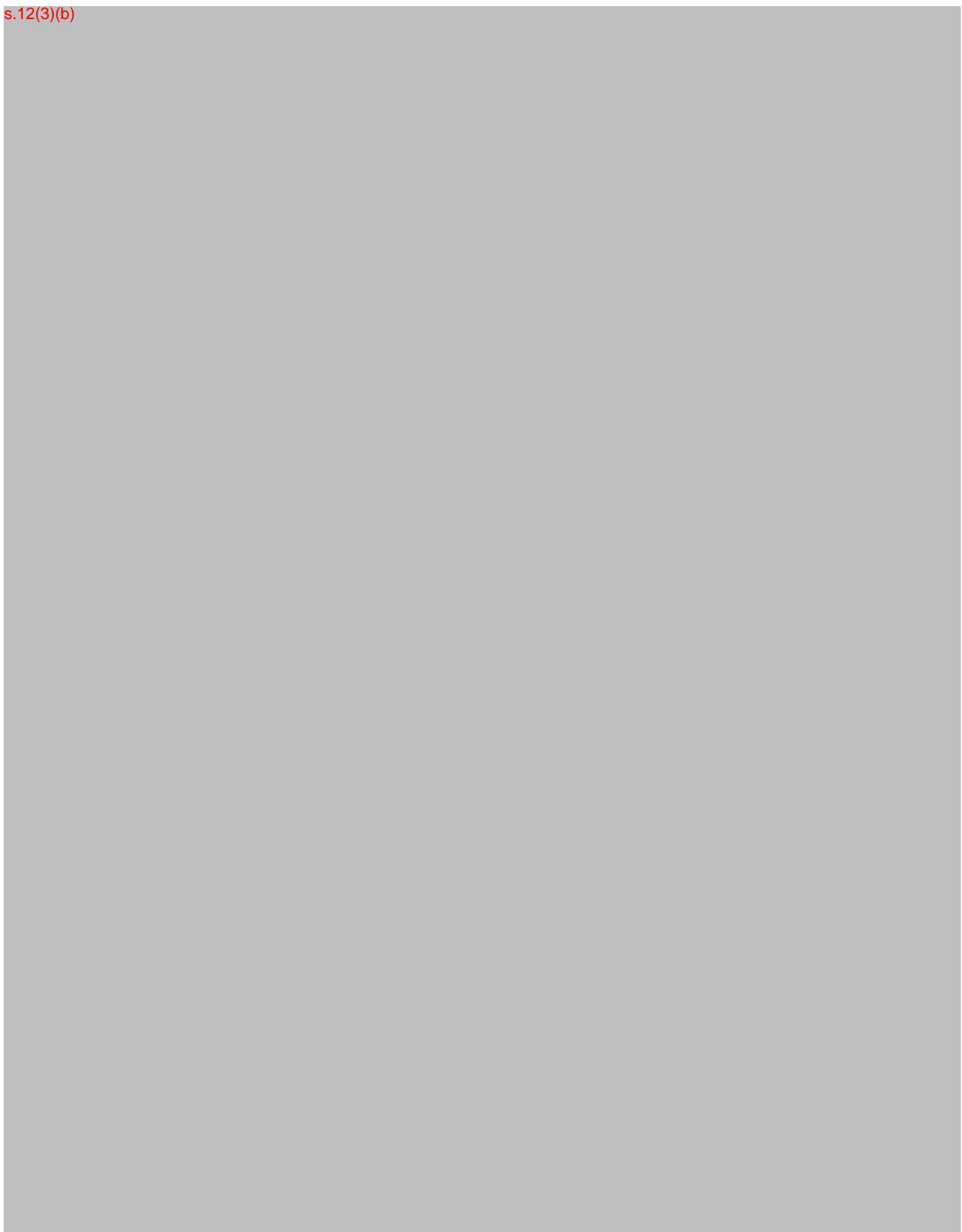


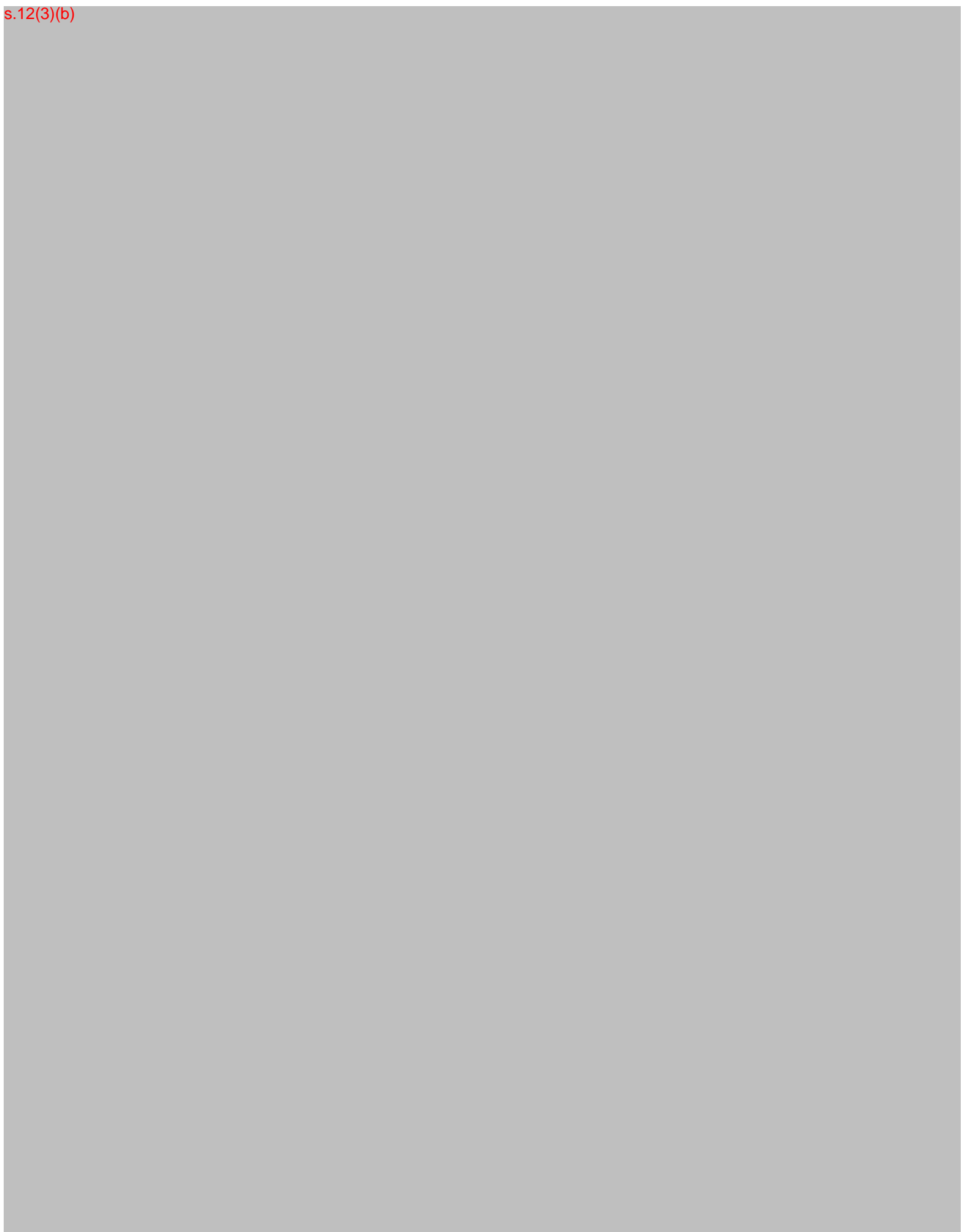












From: "Mochrie, Paul" <Paul.Mochrie@vancouver.ca>
To: "Rowley, Cheryl" <Cheryl.Rowley@vancouver.ca>
Date: 7/28/2023 9:02:50 AM
Subject: FW: HP-PNE Master Plan Program - Steering Committee (March 24th, 2026)

From: Khella, Harry <Harry.Khella@vancouver.ca>
Sent: Wednesday, March 22, 2023 6:07 PM
To: Shelley Frost <sfrost@pne.ca>; Mochrie, Paul <Paul.Mochrie@vancouver.ca>; Impey, Patrice <Patrice.Impey@vancouver.ca>; Amrolia, Armin <Armin.Amrolia@vancouver.ca>; LaClaire, Lon <lon.laclaire@vancouver.ca>; Henselmann, Branislav <Branislav.Henselmann@vancouver.ca>; Rosa, Donnie <Donnie.Rosa@vancouver.ca>
Cc: Duvochel, Eric <Eric.Duvochel@vancouver.ca>; Collens, Michelle <Michelle.Collens@vancouver.ca>; Cheng, Grace <grace.cheng@vancouver.ca>; Geelhoed, Taunya <Taunya.Geelhoed@vancouver.ca>
Subject: RE: HP-PNE Master Plan Program - Steering Committee (March 24th, 2026)

Hi Shelley,

The schedule for a renewed Amphitheatre has always been aggressive with completion previously slated for sometime during 2026. With options to accelerate the schedule being actively deployed by the REFM team, occupancy by Q4 2025/Q1 2026 is very possible but not guaranteed. The schedule equation is also impacted by continuing uncertainty on the Launch Coaster placement, and further dialogue on that with REFM and PNE is planned.

s.13(1)

Thanks,

Harry

From: Shelley Frost <sfrost@pne.ca>
Sent: Wednesday, March 22, 2023 5:47 PM
To: Khella, Harry <Harry.Khella@vancouver.ca>; Mochrie, Paul <Paul.Mochrie@vancouver.ca>; Impey, Patrice <Patrice.Impey@vancouver.ca>; Amrolia, Armin <Armin.Amrolia@vancouver.ca>; LaClaire, Lon <lon.laclaire@vancouver.ca>; Henselmann, Branislav <Branislav.Henselmann@vancouver.ca>; Rosa, Donnie <Donnie.Rosa@vancouver.ca>
Subject: [EXT] Re: HP-PNE Master Plan Program - Steering Committee (March 24th, 2026)

City of Vancouver security warning: Do not click on links or open attachments unless you were expecting the email and know the content is safe.

Harry can you please provide more detail on why 4b is a take away? Timeline for Amph has always been occupancy Q1 2026 and timeline remains unimpacted. s.13(1), s.17(1)
Thanka Shelley

Shelley...from my phone on the go

From: Khella, Harry <Harry.Khella@vancouver.ca>
Sent: Wednesday, March 22, 2023 5:37:04 PM
To: Mochrie, Paul <Paul.Mochrie@vancouver.ca>; Shelley Frost <sfrost@pne.ca>; Impey, Patrice <Patrice.Impey@vancouver.ca>; Amrolia, Armin <Armin.Amrolia@vancouver.ca>; LaClaire, Lon <lon.laclaire@vancouver.ca>
Subject: RE: HP-PNE Master Plan Program - Steering Committee (March 24th, 2026)

<lon.laclair@vancouver.ca>; Henselmann, Branislav <Branislav.Henselmann@vancouver.ca>; Rosa, Donnie <Donnie.Rosa@vancouver.ca>

Subject: HP-PNE Master Plan Program - Steering Committee (March 24th, 2026)

Hi All,

In lieu of Friday's HP-PNE Master Plan Steering Committee meeting, please find attached an update on the project. Key headlines to note are as follows:

- 1) Several program challenges and risks impacting all three projects (Amphitheatre Renewal, Infrastructure Implementation and Daylighted Creek) resolved.
- 2) Updated Amphitheatre Renewal project schedule shows occupancy by Q4 2025/Q1 2026 possible:
 - a) Several options to accelerate project schedule to be advanced.
 - b) Team reviewing if scope and design changes to the Amphitheatre impact business case revenue projections and loan payback.
- 3) PNE have reviewed Launch Coaster space options and propose moving it north east ward. However, space conflicts between Amphitheatre and Launch Coaster remain:
 - a) Further dialogue underway with PNE and REFM to understand impacts and risk mitigation.
 - b) REFM requires confirmation that Amphitheatre design will not change to meet project schedule.
- 4) s.13(1), s.17(1)

I will reschedule the Steering Committee meeting. Please let me know if you have any questions.

Thanks,

Harry

Harry Khella
Manager, Strategic Business Advisory
Business Planning and Project Support
City of Vancouver
T: 604 829 2087
E: harry.khella@vancouver.ca

WARNING: This e-mail transmission and any documents, files or previous e-mails attached to it, may contain confidential and/or proprietary information. If you are not the intended recipient or the person responsible for delivering it to the intended recipient, you are hereby notified that any disclosure, copying, distribution or use of any of the information contained in or attached to this transmission is STRICTLY PROHIBITED. If you have received this transmission in error, please immediately notify the sender by telephone at 604.829.2087 and destroy the original transmission and its attachments without reading them.

From: "Mochrie, Paul" <Paul.Mochrie@vancouver.ca>
To: "Rowley, Cheryl" <Cheryl.Rowley@vancouver.ca>
Date: 7/28/2023 9:04:03 AM
Subject: FW: HP-PNE Master Plan Program - Update
Attachments: HP-PNE Master Plan Program - Directors Forum 2023-02-27 - FINAL.pdf

From: Khella, Harry <Harry.Khella@vancouver.ca>
Sent: Wednesday, March 1, 2023 11:41 AM
To: Mochrie, Paul <Paul.Mochrie@vancouver.ca>; Impey, Patrice <Patrice.Impey@vancouver.ca>; LaClaire, Lon <lon.laclaire@vancouver.ca>; Amrolia, Armin <Armin.Amrolia@vancouver.ca>; Rosa, Donnie <Donnie.Rosa@vancouver.ca>
Cc: Duvochel, Eric <Eric.Duvochel@vancouver.ca>
Subject: HP-PNE Master Plan Program - Update

Hi All,

I understand the PNE Board meeting is scheduled for tomorrow and an update will be provided on the Amphitheatre upgrade project. With that in mind, I wanted to provide some further info on the current key challenges and risks that are emerging on the HP-PNE Master Plan file for reference:

- 1) There are significant space conflicts with the Amphitheatre and Launch Rollercoaster footprint. These were recently identified and as such various options and design implications are now being assessed before these are considered at SC.
- 2) s.13(1), s.17(1)
- 3) Other emerging challenges on the file include a lack of dependency identification between projects, land use conflicts and funding availabilities.

The program governance model has been resurrected so that there is a CoV approach to considering these issues. The attached deck was shared at this week's HP-PNE Master Plan Director's Forum update, with slide 16 onwards providing further info. SC is scheduled for March 24th.

Please let me know if you need anything further.

Thanks,

Harry

Harry Khella
Manager, Strategic Business Advisory
Business Planning and Project Support
City of Vancouver
T: 604 829 2087
E: harry.khella@vancouver.ca

WARNING: This e-mail transmission and any documents, files or previous e-mails attached to it, may contain confidential and/or proprietary information. If you are not the intended recipient or the person responsible for delivering it to the intended recipient, you are hereby notified that any disclosure, copying, distribution or use of any of the information contained in or attached to this transmission is STRICTLY PROHIBITED. If you have received this transmission in error, please immediately notify the sender by telephone at 604.829.2087 and destroy the original transmission and its attachments without reading them.



HP-PNE Master Plan: Project Update

Director's Forum: Feb 27th, 2023



Meeting Summary

1) Meeting Objective:

- To provide an update on the status of the three approved projects under the HP-PNE Master Plan Program

2) Meeting Agenda:

- Program recap
- Current state review:
 - Key challenges and risks
 - Amphitheatre Renewal
 - Infrastructure
 - Daylighting Creek
- Reset project governance
- Next steps and discussion

3) Decisions Required:

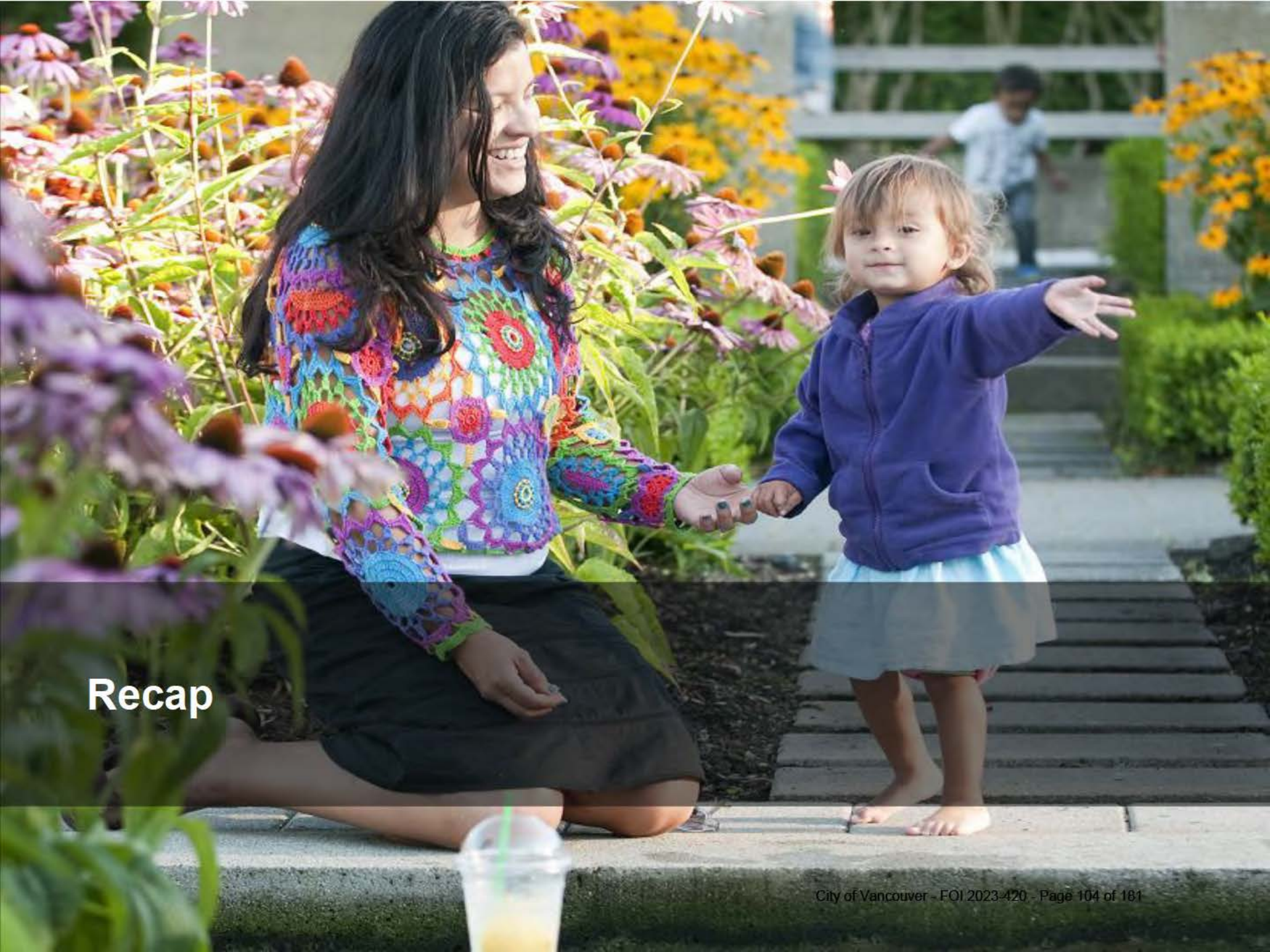
- Approve reset project governance structure

1) Key Challenges and Risks:

- a) Detailed and integrated schedule
- b) Program approach to First Nations engagement
- c) Land use conflict

2) Governance:



- a) Request to resurrect program governance framework for decision making and risk escalation



Recap

HP-PNE | Site Overview



-  Hastings Park Boundary
-  Operated by Great Canadian Casinos with lease to COV
-  E-Comm 911
-  Area operated by Hastings Community Association
-  Area operated by Park Board
-  Area operated by PNE

Council Direction and Decisions

2010

City Council
adopts the
Hastings
Park/PNE
Master Plan

2013

City Council
approves
updated
governance
structure

2016

City Council
approves in
principle the
Playland
Redevelopment
plan

2021

City Council
approves
Amphitheatre
Renewal project
(and associated
project funding)

Heart of the Park | Site Context

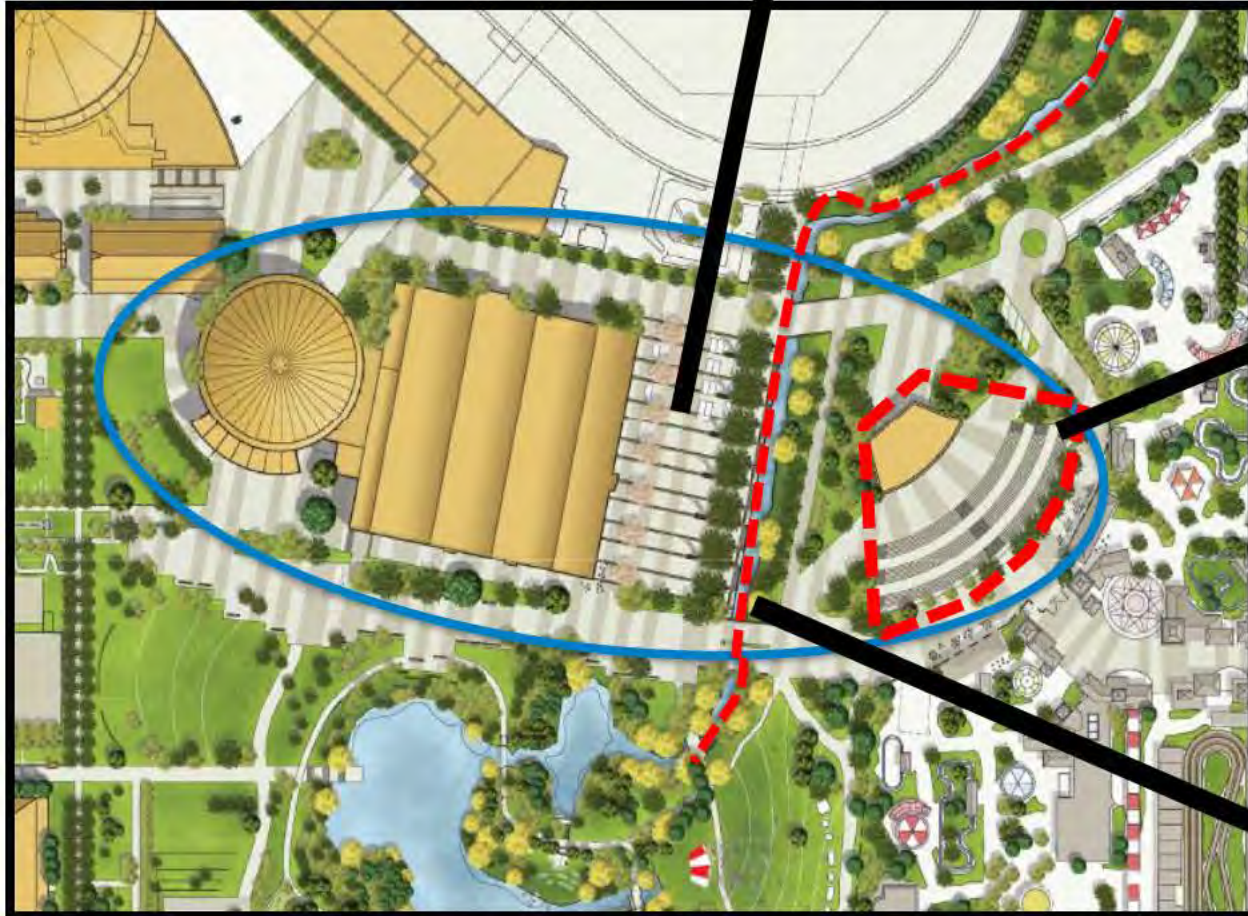


Heart of the Park | Overview

Festival Plaza

Amphitheatre

Daylighting Creek



Heart of the Park | Projects

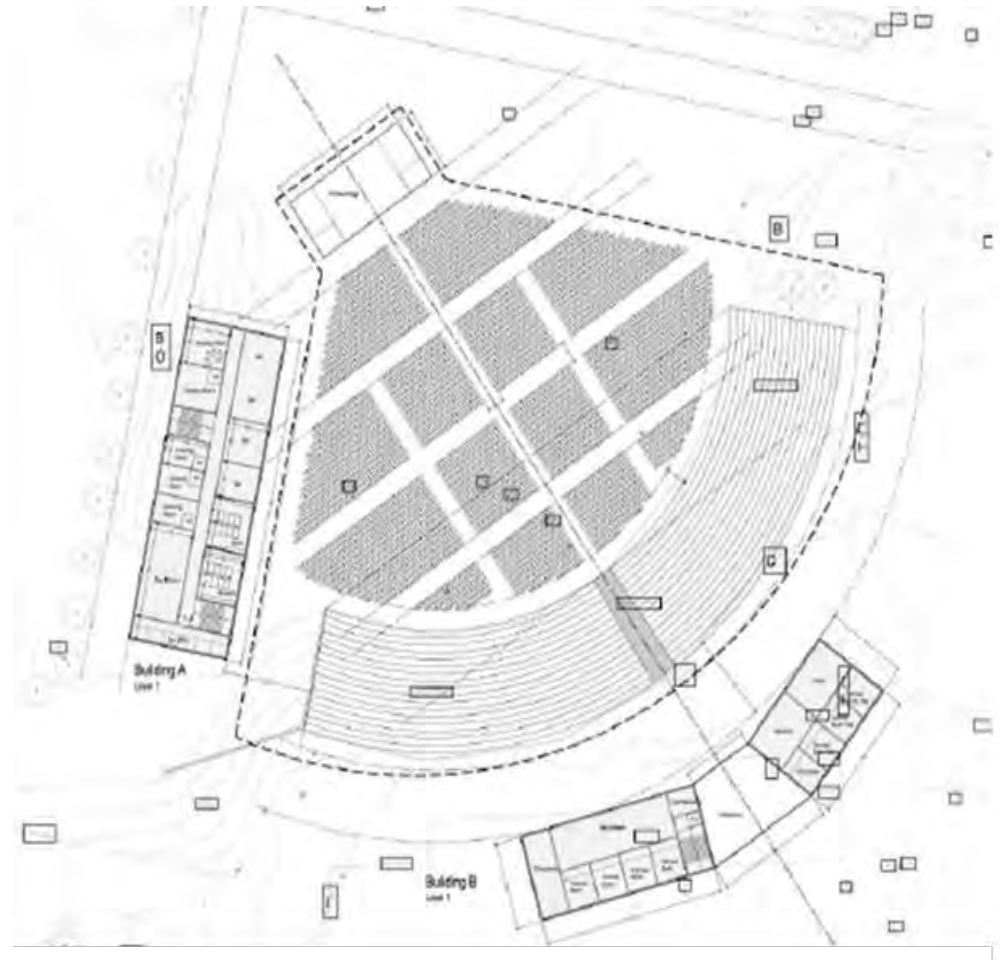
Amphitheatre Renewal

- Renewal of existing entertainment and live events space
- Biggest impact project in the 'Heart of the Park'

Amphitheatre Renewal

Design Objectives:

- Increased capacity from 7000 to 9,340
- Covered stage, floor and bleachers
- Two two-story buildings with permanent back-of-house infrastructure and improved guest amenities including seating, food and beverage, ticketing, public washrooms, accessibility, wifi
- Capacity for 590 in flex-space /suites



Heart of the Park | Projects

Amphitheatre Renewal

- Renewal of existing entertainment and live events space
- Biggest impact project in the 'Heart of the Park'

Daylighting Creek

- Creation of an aquatic and terrestrial wetland with a strong focus on habitat, water, and connectivity with Burrard Inlet
- Scoping study initiated to determine form and function of daylighting, concurrent with the Amphitheatre Renewal design.

Festival Plaza

- Potential future project of an urban plaza providing open space and amenities for year-round programming

Infrastructure

- Infrastructure assessments completed, including capacity review and renewable energy strategy
- Green Infrastructure and renewable energy strategy recommends electrification, RNG and solar panels
- End of life assets include substation, electrical transformers, comms cables, water mains and storm/sewer pipes

Heart of the Park | Outline Schedule

2018 - 2020

2021 - 2022

2022 - 2024

2024 - 2026

**Amphitheatre Renewal
(led by REFM)**

Business Case

- Business case including:
 - Demand and market analysis
 - Redevelopment scenario evaluation
 - Funding and partnership strategy

Phase 1

Sub-Area Plan*

- Functional program
- Community and Indigenous engagement
- Sub-Area Plan for "Heart of the Park"
- Class D cost estimate
- Provincial & First Nations Archaeological Permits

Phase 2

Detailed Design

- Schematic design
- Design development
- Construction documents
- Development permit
- Building Permit
- Provincial & First Nations Archaeological Permits

Construction

- Construction
- Occupancy
- Final Completion

**Infrastructure
(led by PNE & ENG)**

Planning & Pre-Design

- Capacity upgrade assessment
- Green Infrastructure and Renewable energy strategy

Schematic Design

- Schematic design
- RFP

Detailed Design & Construction

- Detailed design development
- Construction documents
- Provincial & First Nations Archaeological Permits
- Construction

**Creek Daylighting
(led by ENG & Park Board)**

Planning

- Creek Alignment
- Environmental Set-backs

Scoping & Feasibility

- Hydrological Analysis
- Technical requirements
- Environmental Set-backs
- Creek Alignment

Pre-Design

- Options Analysis
- Funding strategy
- Environmental approvals

Funding | Overview

- Funding Sources:
 - Hastings Park Reserve – funding for site-wide end of life infrastructure upgrades
 - Capital Financing Fund – repayable loan to finance Amphitheatre renewal
- Partnerships for sponsorship, naming rights and booking/access rights
- Federal and provincial funding opportunities

Project Budget & Funding Sources - \$69.7M

\$69.7M Project estimate:

\$64.8M Amphitheatre Renewal			
\$10.8M Planning & design and infrastructure		\$4.8M already approved from HP Reserve	
		\$6.0M required funding from CFF	} \$60M CFF limit
\$54.0M Future construction*			
\$4.6M Site Wide Infrastructure Renewals			
\$3.5M Site wide renewals		\$3.5M already approved from HP Reserve	
\$1.1M Site wide renewals (additional)		\$1.1M required funding from HP Reserve	
\$0.3M Daylighted Creek Planning			
\$0.3 Preliminary design		\$0.3M already approved from Parks DCL	

* Includes \$2.2M targeted reduction through value engineering



Current State

Key Challenges and Risks

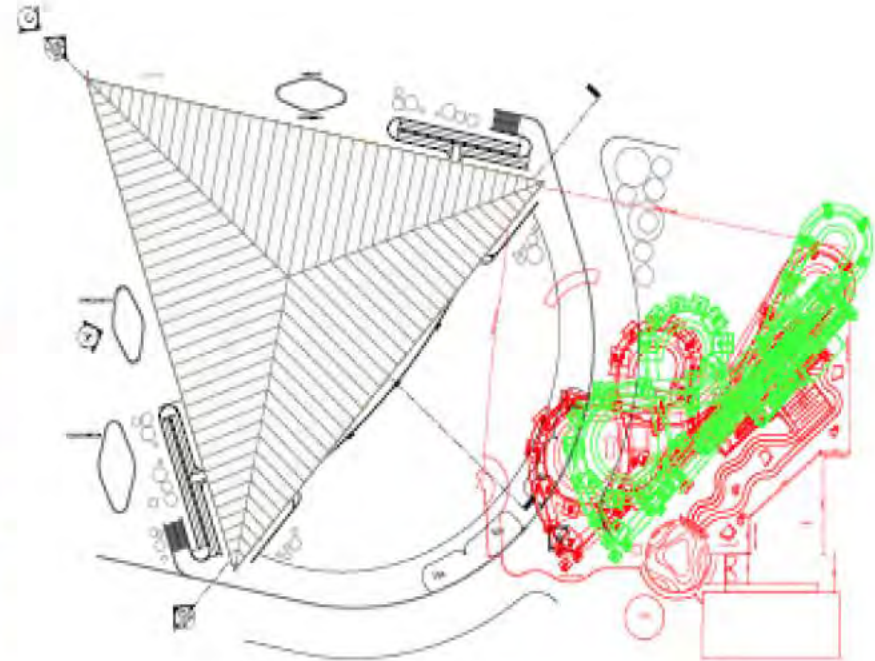
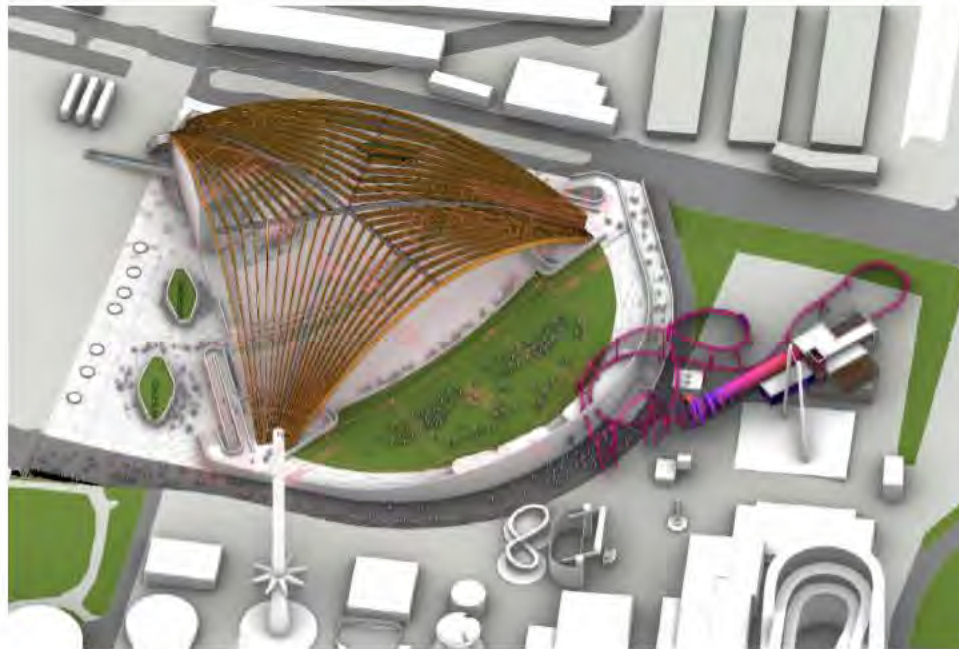
<p style="text-align: center;">Program Wide</p> <ul style="list-style-type: none">• Decision making and risk escalation governance model required• Detailed schedule required showing schedule dependencies and interplay between all three projects• Coordinated approach across all three projects for engagement with First Nations	<p style="text-align: center;">Amphitheatre Renewal</p> <ul style="list-style-type: none">• New PNE Launch Rollercoaster conflicts with the Amphitheatre footprint• New coaster has impacts to Festival Plaza, daylighting creek and Amphitheatre design vision, thus impacting original approved business case outcomes• Updated Amphitheatre is a potential 2026 FIFA Fan Fest zone
<p style="text-align: center;">Infrastructure</p> <ul style="list-style-type: none">• Procurement delays for issuance of RFPs for (i) Water and Sanitary Sewers Design and (ii) Electrical Design• \$3.5m allocated for infrastructure may not fully cover design and construction costs for Amphitheatre infrastructure• Infrastructure and Amphitheatre design to run in parallel to identify tie ins and coordinate construction schedules	<p style="text-align: center;">Daylighting Creek</p> <ul style="list-style-type: none">• Space required for an Open Channel AND a pipe for high flow bypass. Existing upstream sewer infrastructure is not compatible with daylighted creek.• Incompatible land uses next to creek corridor. Allocations may cause untenable constraints for the project• Ongoing project funding for design and construction yet to be clarified

Amphitheatre Renewal | Overview

<h2>Summary</h2>	<h2>Current State</h2>
<h3>Launch Rollercoaster</h3> <ul style="list-style-type: none">• Nov 2022, PNE approved the build of \$9m coaster at northern end of Playland at the site of decommissioned Corkscrew Coaster• Zamperla contracted to design and build the attraction• Completion for Summer 2024	<h3>Impacts</h3> <ul style="list-style-type: none">• Phase 1 progress:<ul style="list-style-type: none">○ Revery Architecture selected as prime consultant for planning, design and construction○ Engagement and functional complete○ Preliminary schematic design complete○ Class D construction estimate complete (revised Nov 2022)○ Design development underway based on revised schematic design which has removed concessions, secondary VIP suites, technical sound equipment and reduction of washrooms by half to 88○ Awaiting feedback from First Nations (contacted May 2021 and Dec 2022).○ Cultural Advisor engaged as part of the project team• Land use conflicts exist between Amphitheatre and Launch Coaster designs• Options analysis underway.• Recommendation to be assessed by Steering Committee before being presented to PNE Board for decision <p>City of Vancouver - FOI 2023-420 - Page 117 of 181</p>

Amphitheatre Renewal

Amphitheatre / Launch Coaster Conflict:



Proposed options to be appraised to resolve conflict:

- 1) Rotate Coaster 180 degrees
- 2) Reduce Amphitheatre seating
- 3) Shift Amphitheatre West

Background

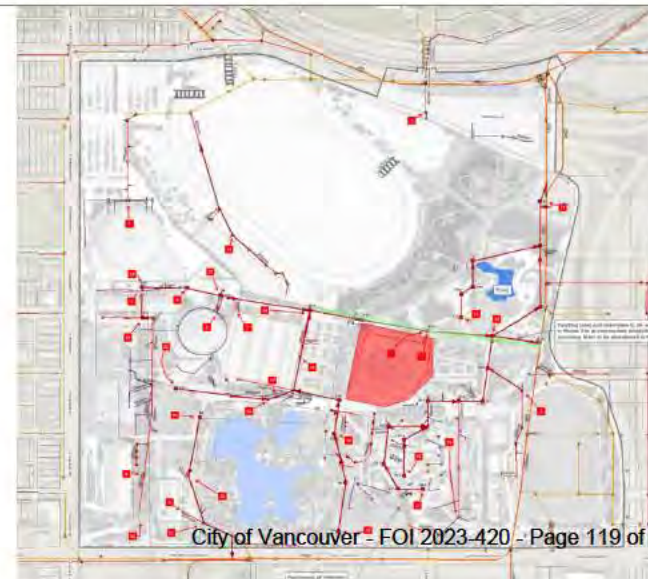
- Infrastructure Master Plan (IMP) and updates completed between 2016 and 2019
- Some infrastructure upgrades required to service the Amphitheatre (Phase 2 of the IMP) and other required for asset management

In Scope

- Garden Substation Upgrade
- Water, Sanitary Sewer and Electrical upgrades for Amphitheatre
- Engineering led work (separate contracts for infrastructure upgrades design, electrical and civils work), but close coordination with REFM

Out of Scope

- Other site wide infrastructure upgrades identified as end of life
- Scoping/ pre-requisite list created at time of Council Report needs to be refreshed as cost escalation has impacted what can be delivered with available funding



<p style="text-align: center;">Background</p> <ul style="list-style-type: none"> • Infrastructure Master Plan (IMP) and updates completed between 2016 and 2019 • Some infrastructure upgrades required to service the Amphitheatre (Phase 2 of the IMP) and other required for asset management 	<p style="text-align: center;">In Scope</p> <ul style="list-style-type: none"> • Garden Substation Upgrade • Water, Sanitary Sewer and Electrical upgrades for Amphitheatre • Engineering led work (separate contracts for infrastructure upgrades design, electrical and civils work), but close coordination with REFM
<p style="text-align: center;">Out of Scope</p> <ul style="list-style-type: none"> • Other site wide infrastructure upgrades identified as end of life • Scoping/ pre-requisite list created at time of Council Report needs to be refreshed as cost escalation has impacted what can be delivered with available funding 	<p style="text-align: center;">Current State</p> <ul style="list-style-type: none"> • RFP (Water and Sanitary Sewers Design) <ul style="list-style-type: none"> ○ Storm water management plans via daylight creek/piping ○ Coordination with Metro Vancouver on the sanitary tie-in to their system ○ First Nations permitting for geotechnical work ○ Design work to be completed by end of 2023 to align with Amphitheatre construction • RFP (Electrical Design) <ul style="list-style-type: none"> ○ SOW development underway with REFM electrical team ○ Design work to be completed by end of 2023 to align with Amphitheatre construction

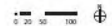
Daylighting Creek | Overview

Background

- Master Plan (2011): a key initiative for heart of the park
- Provides ecological, drainage and transportation connections.
- Infrastructure Master Plan (2016) provided guidance and principles
- \$300k Parks DCL funding for initial phase



- Daylighted Stream
- Sanctuary and Habitat Connection



Daylighting Creek | Overview

<p style="text-align: center;">Background</p> <ul style="list-style-type: none">• Master Plan (2011): a key initiative for heart of the park• Provides ecological, drainage and transportation connections.• Infrastructure Master Plan (2016) provided guidance and principles• \$300k Parks DCL funding for initial phase	<p style="text-align: center;">Current State</p> <ul style="list-style-type: none">• Part of a larger watershed initiatives in ENG (HWP, RCS)• Co led project between ENG and PB• RFP (Creek Daylighting Study)<ul style="list-style-type: none">○ Issued, closing early April 2023. Study to conclude May 2024○ RFP objectives include:<ul style="list-style-type: none">- Identify environmental baseline- Determine creek hydraulic, ecological and recreational objectives- Develop concepts to safely convey flows to Burrard Inlet- Vet concepts with a series of staff workshops
<p style="text-align: center;">ENG Objectives</p> <ul style="list-style-type: none">• Improve stormwater management (volume detention, wetland, creek & GRI)• Convey clean stormwater to Burrard Inlet• Improve Water quality (CSO Mitigation)• Alignments with Healthy Waters Plan, Rain City Strategy, Van Plan	<p style="text-align: center;">Park Board Objectives</p> <ul style="list-style-type: none">• Increase habitat with riparian zone• Improve connectivity to New Brighton Park• Restore ecological connectivity• Alignments with Van Play, Urban Forest Strategy, Biodiversity Strategy, City Bird Strategy <p style="text-align: right; font-size: small;">City of Vancouver - FOI 2023-420 - Page 122 of 181</p>



Project Governance

Governance Framework (1/2)

STEERING COMMITTEE: TERMS OF REFERENCE

MANDATE:

To provide strategic leadership, direction, guidance and address any cross-cutting issues for the execution of approved HP-PNE Master Plan projects.

KEY RESPONSIBILITIES:

- To oversee a single and aligned governance model relating to the HP-PNE Master Plan and provide staff with high level strategic guidance and direction.
- To provide oversight of project timelines, provide strategic direction for risks that have been escalated, provide financial oversight, approve project deliverables and ensure alignment with CoV objectives.
- To review and approve any recommendations escalated by the Working Group and /or to the HP-PNE Board of Directors and Council.
- To update the City Manager, obtain assurance from City stakeholders on project deliverables and act as the stage gate before updates proceed to Council.
- To ensure work is assigned appropriately amongst City departments.

MEETING CYCLE:

- Once every 8 weeks/ or quarterly.

VANCOUVER CITY COUNCIL

CITY MANAGER

HP-PNE BOARD OF DIRECTORS

CEO, HP-PNE

HP-PNE MASTER PLAN STEERING COMMITTEE

CHAIRS (Deciders): **Paul Mochrie** City Manager
Shelley Frost President and CEO, PNE

CoV MEMBERSHIP: **Patrice Impy** GM, FRS
Armin Amrolia Deputy City Manager, GM REFM
Lon LaClaire GM, ENG Services
Donnie Rosa GM, Park Board
Branislav Henselmann MD Cultural Services, ACCS

STAFFED BY: **Thomas Chen** Director, Masterplan Development
Harry Khella Manager, BPPS

* Other staff as and when required.

HP-PNE MASTER PLAN DIRECTORS FORUM

CoV MEMBERSHIP: **Grace Cheng** Director, LTFS&P, FRS
(Accountable) **Michelle Schouls** Director, FP&D, REFM
(Accountable) **Jimmy Zammar** Director, UW,S&D, ENG
(Accountable) **Karima Mulji** Director, P&DS, ENG
Sandra Korpan Associate Director, FP&D, REFM
Michelle Revesz Senior Branch Head, ISDP, ENG
Ian Stewart Manager, Parks Development, PB

HP-PNE MEMBERSHIP: **Rob Crema** Director, Capital Planning
Paul Burgess Director, Playland

PROJECT LEADS: **Jeremy Woolf** Project Manager, REFM
(All leads Responsible) **Chris O'Donnell** Senior Engineer, ISDP, ENG
Megan Pate Senior Branch Head, P&DS, ENG
Max Scruton Civil Engineer, PD, PB

STAFFED BY: **Thomas Chen** Director, Masterplan Development
Harry Khella Manager, BPPS

PNE BOARD OF DIRECTORS: TERMS OF REFERENCE

MANDATE:

PNE Board of Directors are appointed by City Council on the basis of their combined skills and experience required to ensure appropriate oversight of the diverse activities and facilities at the Hastings Park site. City Council delegate to this Board of Directors the authority to govern Hastings Park and the PNE including the implementation of the Master Plan

MEETING CYCLE (2023):

(Mar 2nd, Apr 6th, May 5th, Jun 12th, Jul 6th, Oct 26th, Dec 7th)

DIRECTORS GROUP: TERMS OF REFERENCE

MANDATE:

To oversee, coordinate and align key aspects of all deliverables for the Amphitheatre Renewal, Infrastructure Implementation and Daylighted Creek initiatives.

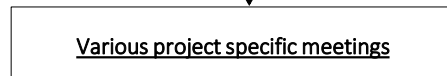
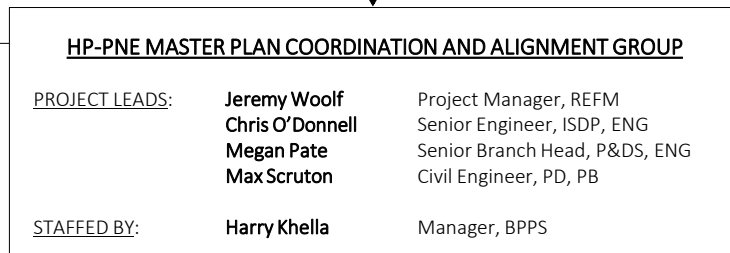
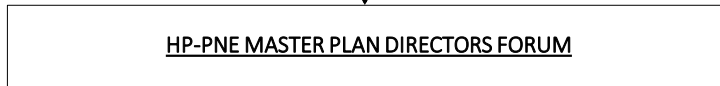
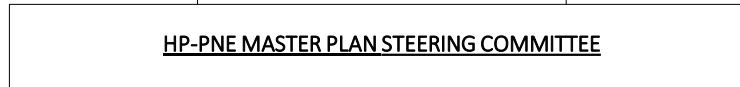
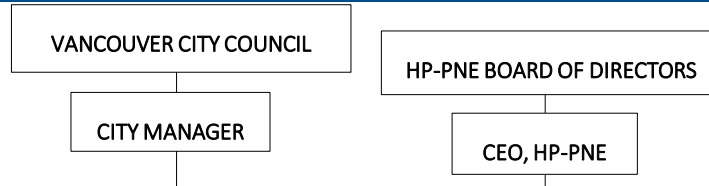
KEY RESPONSIBILITIES:

- To ensure there is a single and aligned forum to provide project staff with operational and tactical advise, guidance and direction.
- To review and approve project deliverables, oversee project timelines, risks and financials through all stages of a project's lifecycle and ensure alignment with City, departmental and HP-PNE objectives.
- To act as the stage gate before updates proceed to the Steering Committee.
- To escalate strategic risks, issues and recommendations to the Steering Committee.

MEETING CYCLE:

- 2 weeks prior to Steering Committee (every 8 weeks) and as needed for issues management.

Governance Framework (2/2)



**COORDINATION & ALIGNMENT GROUP:
TERMS OF REFERENCE**

MANDATE:

To coordinate and align the Amphitheatre Renewal, Infrastructure Implementation and Daylighted Creek initiatives. This includes schedule, risks and dependencies.

KEY RESPONSIBILITIES:

- To provide operational coordination for the three projects approved in the HP-PNE Master Plan Program.
- To review project deliverables, oversee project timelines, risks and financials through all stages of a project's lifecycle and ensure alignment with City, departmental and HP-PNE objectives.

MEETING CYCLE:

- Every month and 2 weeks prior to the Directors Forum.

Decision Making Framework

DARCI Roles		Amphitheatre Renewal	Utilities/Infrastructure	Daylighted Creek
DECIDER	Holds the ultimate power	PNE Board (SC)	PNE Board (SC)	PNE Board (SC)
ACCOUNTABLE	Person fully accountable for making the project happen	Michelle Schouls	Karima Mulji	Jimmy Zammar & Ian Stewart
RESPONSIBLE	Those responsible for doing the work on the project	Jeremy Woolf	Megan Pate	Chris O'Donnell & Max Scruton
CONSULTED	Those for whom input will be solicited	ENG, PB, FRS, PNE	PB, REFM, FRS, PNE	ENG (P&DS), PB, REFM, FRS, PNE
INFORMED	Those to be kept apprised of relevant development	SC and DF*	SC and DF*	SC and DF*

*Steering Committee & Directors Forum



Next Steps



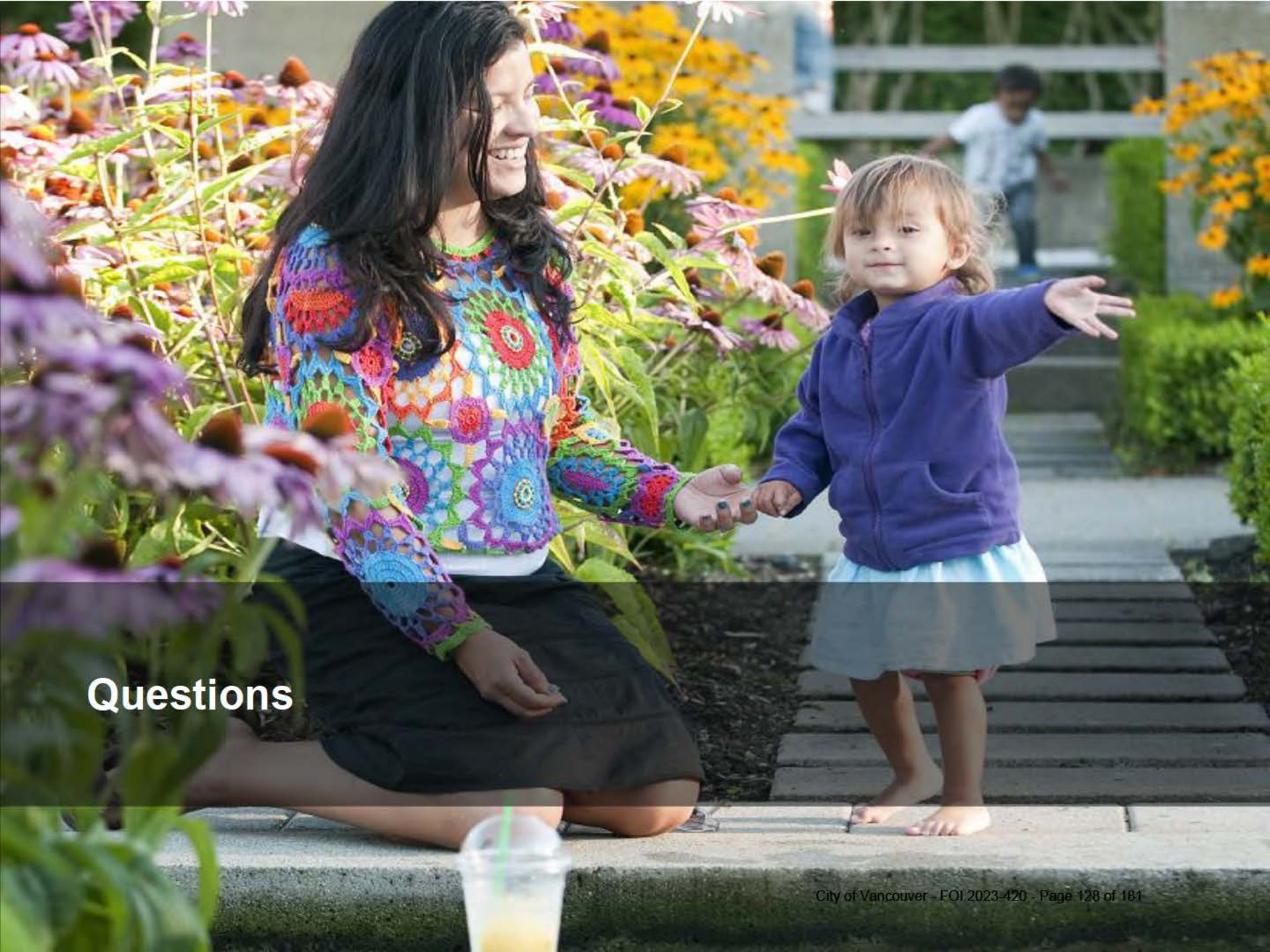
Next Steps

Decisions Required:

- Approve reset project governance structure

Next Steps:

- BPPS to work with project leads to resolve challenges and risks identified.
- BPPS to schedule another Directors Forum in March to review options to resolve land use conflict.
- PNE Board update (March 02nd).
- HP-PNE Master Plan Steering Committee update (March 24th).



Questions



Appendix

From: ["Mochrie, Paul" <Paul.Mochrie@vancouver.ca>](mailto:Paul.Mochrie@vancouver.ca)
To: ["Rowley, Cheryl" <Cheryl.Rowley@vancouver.ca>](mailto:Cheryl.Rowley@vancouver.ca)
Date: 7/28/2023 8:48:49 AM
Subject: FW: Pleased to Announce...

From: Mochrie, Paul
Sent: Wednesday, July 12, 2023 5:02 PM
To: Rachel Roy <rroy@aqrlaw.ca>; Shelley Frost <sfrost@pne.ca>; Amrolia, Armin <Armin.Amrolia@vancouver.ca>; Kirby-Yung, Sarah <Sarah.Kirby-Yung@vancouver.ca>; Maury Kask <[s.22\(1\)](mailto:s.22(1)@vancouver.ca)>; Impey, Patrice <Patrice.Impey@vancouver.ca>; Raj Sihota <rajs@strategies360.ca>; Ty Speer <[s.22\(1\)](mailto:s.22(1)@vancouver.ca)>
Cc: PNE Executive Management Committee <ExecutiveManagement@pne.ca>
Subject: RE: Pleased to Announce...

Thanks for the update, Shelley. Great news that Ming will be joining the team.
Paul

From: Shelley Frost <sfrost@pne.ca>
Sent: Wednesday, July 12, 2023 2:33 PM
To: Armin Amrolia, Deputy City Manager <Armin.Amrolia@vancouver.ca>; Councillor Sarah Kirby Yung <sarah.kirby-yung@vancouver.ca>; Maury Kask <[s.22\(1\)](mailto:s.22(1)@vancouver.ca)>; Patrice Impey (City of Vancouver) <patrice.impey@vancouver.ca>; Paul Mochrie (<paul.mochrie@vancouver.ca> <paul.mochrie@vancouver.ca>); Raj Sihota <rajs@strategies360.ca>; Rachel Roy <rroy@aqrlaw.ca>; Ty Speer <[s.22\(1\)](mailto:s.22(1)@vancouver.ca)>
Cc: PNE Executive Management Committee <ExecutiveManagement@pne.ca>
Subject: Pleased to Announce...

Good afternoon all (and welcome Armin Amrolia to the Board)

I am very excited to share 2 pieces of news

1. Today we appeared at Council to get approval for the \$104m change in financing structure for the PNE Amphitheatre project. This passed unanimously. I really want to thank Ben Pollard (BPPS), Michelle Schouls (REFM), Sandra Korpan (REFM), Grace Cheng and David Uyesugi (FINANCE) and the PNE team for pushing to make this happen. And to the PNE Board for passing the motion June 26th allowing us to advance this to Council.
2. I'd also like to share that we have now successfully hired our new VP of Facilities, Maintenance & Master Plan Projects. Please join me in welcoming Ming Tian, who will be joining the executive leadership team on August 14. This will be announced publicly later today.

Ming brings extensive leadership experience in the areas of infrastructure development, multi year capital planning, facility asset management, energy management, sustainability and health and safety management. He holds a Masters Degree in Mechanical Engineering making him a very strong asset to the PNE leadership and an ideal fit for this role as we continue to develop and grow.

His experience includes the building of more than 30 new, iconic buildings, revamping a significant number of existing buildings and lands, and building out facility asset management functions in large organizations with millions of square feet in real estate and billions in asset value.

Most recently, Ming served as Senior Director of Infrastructure and Capital Projects at B.C. Pavilion Corporation (Convention Centre/BC Place), where he provided leadership in the areas of master planning, capital planning and project delivery, real

estate development, asset management, health and safety, energy management, and sustainability.

Prior to B.C. Pavilion Corporation, Ming spent more than a decade working with both the Calgary and Foothills School Divisions in Alberta. He prepared and managed a budget in excess of \$600 million, managed 36 major capital projects and oversaw operations across 23 facilities on multi-site campuses with both new and aged facilities. He has experience leading large, unionized facilities teams and represented the School Board in union negotiations.

In addition to his professional experience, Ming remains a Professional Engineer (P. Eng), as well as a certified Project Management Professional (PMP), Certified Facility Manager (CFM), and a certified Facility Management Professional (FMP) with the International Facility Management Association. He is LEED certified professional and holds a LEAN Management certificate. Ming also has a long history of teaching courses and speaking at conferences within the facilities industry and LEAN Six Sigma circles.

Ming emphasises the importance of inspiring and motivating his teams in order to achieve business success, so you can expect him to take a collaborative team approach to his work across facilities, maintenance and master plan projects.

We are thrilled to have Ming joining the PNE team and we are confident his expertise will be a strong addition to the organization's growth forward. Please be sure to extend a warm welcome to Ming once he joins us in mid August. His office will be located in the PNE Facilities & Maintenance building.

Many thanks,
Shelley

Shelley Frost (she/her)
President and CEO

T: 604-252-3628 | **M:** 604-505-6937
2901 Hastings St. E | Hastings Park | Vancouver, BC V5K 5J1



We respectfully acknowledge that we work on the unceded traditional and ancestral territories of the x m k y m (Musqueam), S wxwú7mesh (Squamish), and Selilwitulh (Tseil-Waututh) Nations.

CAUTION: This email came from an external source. Only open attachments or links that you are expecting from a known sender.

From: "Mochrie, Paul" <Paul.Mochrie@vancouver.ca>
To: "Rowley, Cheryl" <Cheryl.Rowley@vancouver.ca>
Date: 7/28/2023 9:02:53 AM
Subject: FW: PNE 2021 Annual report - Year ending March 31 2022
Attachments: PNE Annual Report 2021_Year ending March 31 2022.pdf

From: Shelley Frost <sfrost@pne.ca>
Sent: Friday, March 24, 2023 10:03 AM
To: Kirby-Yung, Sarah <Sarah.Kirby-Yung@vancouver.ca>; Rosa, Donnie <Donnie.Rosa@vancouver.ca>; Maury Kask <Maury.Kask@vancouver.ca>; Impey, Patrice <Patrice.Impey@vancouver.ca>; Mochrie, Paul <Paul.Mochrie@vancouver.ca>; Raj Sihota <rajs@strategies360.ca>; rroy@aqrlaw.ca; Ty Speer <Ty.Speer@vancouver.ca>
Cc: PNE Executive Management Committee <ExecutiveManagement@pne.ca>
Subject: [EXT] PNE 2021 Annual report - Year ending March 31 2022

City of Vancouver security warning: Do not click on links or open attachments unless you were expecting the email and know the content is safe.

Good Morning,

For your information and records, please find attached the PNE annual report for year ending March 31 2022. Hard copies are available in small quantities. It was a solid story of COVID recovery and financial performance with final net surplus of \$4.37M.

Please note that this is not describing the most recent 2022 Fair, Playland season etc which is part of the current 2022 year ending March 31, 2023

Comms has started work on the 2022 Annual report so that once we close this current year on March 31st and the BOD approves the audited financials in July, the 2022 annual report will be released in late July 2023.

Sarah/Paul - suggesting we share with new Council.

Thanks

Shelley Frost (she/her) | President and CEO
PACIFIC NATIONAL EXHIBITION
2901 East Hastings Street | Hastings Park | Vancouver, BC | V5K 5J1
T: 604.252.3628 C: 604.505.6937

We respectfully acknowledge that we work and play on the unceded traditional and ancestral territories of the x m k y m (Musqueam), S w w w i 7 mesh (Squamish) and s l i l w t a (Tseil-Waututh) Nations



DELIVERING
Memorable
EXPERIENCES

ANNUAL REPORT 2021-22



CONTENTS

5 Letter from the PNE President and Chief Executive Officer and the Chair of the PNE Board	24 PNE Prize Home
7 Who We Are	26 WinterLights
7 Snapshot of Fiscal 2021	27 Year-Round Events
8 Activity Streams	30 Cultivate Community and Social Good
9 Governance	30 Economic Impact
10 Delivering Memorable Experiences	30 PNE Partnerships
10 Inspire and Empower Our People	31 Giving Back
10 <i>Safety, Collaboration, Innovation and Inspired Leadership</i>	32 Accessibility
10 <i>Workforce</i>	33 Care of the Park
10 <i>Training and Recruitment</i>	33 Capital Expenditures and Maintenance Improvements
10 <i>Staff Recognition and Service Longevity</i>	33 Looking to the Future
13 Optimize Technology and Process	36 Report of Management's Responsibility for Financial Statements
13 Technology Improvements	37 Corporate Governance
14 Execute Master Plan	39 Financial Statements
14 Approval of PNE Amphitheatre	41 Independent Auditors' Report
14 Daylighting of Hastings Creek	44 Statement of Financial Position
15 Infrastructure Upgrades	45 Statement of Operations
15 Playland	46 Statement of Changes in Net Debt
16 Elevating Our Business Results	47 Statement of Cash Flows
16 Playland Regular Season	48 Notes to Financial Statements
19 Fright Nights/Hallowed Eves	
20 PNE Fair	



TERRITORIAL ACKNOWLEDGEMENT

The PNE acknowledges that we are fortunate to work, play and provide memorable experiences for British Columbians from the unceded territories of the x̱m̱əθḵw̱əy̱əm (Musqueam), Sḵw̱x̱ w̱ú7mesh (Squamish) and sə̱lilwətəl (Tsleil-Waututh) Nations. We thank them for having cared for these lands and waters and look forward to working with them in partnership as we continue to build this great city together.



CONCESSION STANDS AT THE PNE FAIR

CENTRE STAGE AT FESTIVAL PARK



MAINLINE AT THE PNE FAIR



SUPPORT FOR THE PNE



BC GOVERNMENT PRESS CONFERENCE AT THE PNE FAIR



COOLING STATION AT THE PNE FAIR

LETTER FROM THE PNE PRESIDENT AND CHIEF EXECUTIVE OFFICER AND THE CHAIR OF THE PNE BOARD

As we started our 2021 fiscal year, the province was emerging from pandemic restrictions, but the road map was not yet clear and we were prepared for an uncertain and challenging 2021. The previous year, however, taught us that our PNE team is capable of great innovation, resilience and creativity, so we were confident we could effectively manage through the year ahead. Ultimately, despite the shifting landscape, it was an incredibly strong year, with many successes to share.

We entered the year centred on achieving the priorities set out in the pillars of our five-year strategic plan. These pillars keep us focused on elevating our people, technologies, business results and community impact, as well as moving the Hastings Park-PNE Master Plan forward. There was no doubt that another pandemic year would challenge our team, but these pillars provide a shared path forward as we work through recovery to the future.

On April 8, a controlled lifting of restrictions allowed us to start rebuilding our events portfolio. The provincial government heard the voices of our battered tourism and hospitality sector and responded with the Major Anchor Attractions Program (MAAP), under which the PNE qualified for its first COVID relief funding and Playland received \$1 million in operational funding support. Our deepest gratitude goes to the Ministry of Tourism, Arts, Culture and Sport and to then-Minister Melanie Mark for acting to support our province's anchor attractions. Later that summer, Minister Mark also announced the Fairs, Festivals and Events Recovery Fund (FFERF); under that program, the PNE qualified for an additional \$500,000 in operational funding to support the 2021 PNE Fair, Fright Nights and WinterLights events. We appreciate the Province's recognition of tourism sector challenges and their quick action to address them.

Playland amusement park reopened for the season in June and the PNE Fair reopened in August as an in-person event, albeit with a reduced footprint and scope. Our team eagerly and successfully welcomed over 400,000 guests safely back to the site through these combined operations. Family shows, concerts,

cultural events, and consumer and tradeshow recovered slowly, but by the end of 2021, our team was fully back to work and the PNE had generated \$41 million (65% of our 2019 revenues) through events and activities on-site. As much of the sector continued to struggle with recovery, the PNE team can be very proud of safely and successfully bringing large events back to life in BC.

In June, the PNE went to City Council with a bold plan to redevelop the PNE Amphitheatre, and received unanimous approval to move this \$65 million project forward. Not only will this be a key step in moving the Hastings Park-PNE Master Plan forward – revitalizing the site and securing financial growth for the PNE – it will also support and reinvigorate the post-COVID recovery of the arts and culture sector and the music industry. We thank the Vancouver City Council for recognizing the importance of this project.

In the fall of 2021, the federal government launched the Major Festivals and Events Support Initiative (MFESI), a fund to set up major Canadian festivals for post-pandemic economic recovery and growth. The PNE was successful in securing a \$10 million grant through this fund to support major capital investments in equipment, technology and improved infrastructure. These investments will set a strong foundation for future growth and economic recovery at the PNE, and we are grateful to the team at Pacific Economic Development Canada (PacifiCan) for their support.

In February 2022, at the end of the fiscal year, we had a significant fire on-site. We are grateful that no one was injured and that the fire was contained to the technical services yard, and we thank the Vancouver Fire Rescue Services for their quick response. Despite this setback, the PNE ended the year in a strong position, ready to build events back and grow in 2022.

Our deepest thanks goes to our management team, our union teams and our Board of Directors for their ongoing commitment, dedication and leadership of the PNE. Our future is bright.


 Shelley Frost
 President and
 Chief Executive Officer


 Lisa Dominato
 Chair, Hastings Park
 Board of Directors



LANY AT THE PACIFIC COLISEUM



ROLLA SKATE CLUB AT ROLLERLAND



METRO VANCOUVER EXHIBIT



BLUE'S DANCE PARTY AT BCAA TOONCITY



ICED MINI DONUTS



FVDED AT THE PNE AMPHITHEATRE

WHO WE ARE

The Pacific National Exhibition (PNE) has been the heart and steward of Hastings Park for 111 years. Since our inception in 1910, our organization has created annual events on our site, beginning as an annual industry and agriculture exhibition, and has since developed into an innovative non-profit organization dedicated to building social connections, inspiring joy and delivering memorable experiences 365 days a year to a multi-faceted demographic. The PNE is proud to administer the maintenance and development of Hastings Park, a year-round destination that showcases the diversity of Vancouver and the surrounding Metro Vancouver communities to local, regional, national and international guests. We continue to provide year-round access to public spaces, and bring people together through inclusive, accessible events that respond to diverse and dynamic community interests. Each year, we welcome over 2.5 million guests who enjoy our green spaces, Playland Amusement Park, year-round family shows, sporting events, concerts, cultural activities, exhibits, consumer shows and the annual summer PNE Fair.

Snapshot of Fiscal 2021

Looking back at our 2021 fiscal year, the PNE was faced with many disruptions to our business, including a full shutdown of the event industry, cancellations of our year-round programming and a three-alarm fire in our maintenance yard in February. This left the organization focused on innovation, experimentation, and a determined spirit to move through the current global challenges and into an era of recovery and revitalization.

This recovery was a result of the resilience of the organization. Playland opened in June after the provincial "circuit breaker"¹ shutdown. We worked closely with the Provincial Health Officer (PHO) to develop best practices that allowed the PNE to open the annual Fair as a scaled-down in-person event.

The PNE worked with our industry stakeholders to advocate for provincial funding for the events, attractions and hospitality industry. In 2021, Playland received a \$1 million grant – the maximum allowable – through BC's Major Anchor Attractions Program and a \$500,000 grant through the BC Fairs, Festivals and Events Recovery Fund. The PNE is grateful to former Premier John Horgan and the Hon. Melanie Mark, then-Minister of Tourism, Arts, Culture and Sport, for hearing the needs of the industry and for providing a balancing contribution.

Federally, the Major Festivals and Events Support Initiative (MFESI), a two-year \$200 million national fund to help

major Canadian festivals survive and adapt to the pandemic, was launched. This fund helps position the industry for post-pandemic economic recovery and growth. The PNE was successful in securing a \$10 million grant through this fund to set the foundation for future success through major capital investments in equipment, technology and innovation. We thank PacificCan for making this fund available to us. The PNE and the fairs and festivals industry continue to aggressively advocate for federal funding to support large-scale event companies with significant campuses and overhead that were disproportionately affected financially during the pandemic.

The PNE is grateful to the civic, provincial and federal leaders who heard industry voices for this hard-hit sector. Since April 2020, the PNE has continued to advocate, with support from City Council, provincial MLAs and federal MPs, and from union partners (CUPE, IATSE) who helped amplify our voice. We thank our stakeholders for their support, and the provincial and federal governments for the grants funding received to date.

2021 has been a year of positive recovery, with lessons learned that have been taken forward, and resilience from our management team who – despite changing restrictions from pandemic-related issues – remained focused on what we could do, rather than on what we could not do. This year closed with a small surplus, before federal funding; the funding provides us with the ability to rebuild and to focus on the future of the PNE.

¹ To learn more about the extended 2021 BC Provincial Health Circuit Breaker, visit: www.globalnews.ca/news/7769782/bc-covid-19-restrictions-update-april-19-2021/

ACTIVITY STREAMS

The PNE is a statutory non-profit organization wholly owned by the City of Vancouver. The organization is governed by our Board of Directors. (See Corporate Governance on page 37) The PNE remains operationally financially self-sufficient, making substantial financial recovery in 2021 despite the ongoing pandemic. Revenue generated in our various activity streams throughout our fiscal year provides the funds to independently operate and maintain the infrastructure and programming at Hastings Park. The PNE and the City of Vancouver continue to support annual capital investments into site facilities and infrastructure.

Our purpose is to bring joy and build social connections by delivering memorable face-to-face experiences for all ages, interests, ethnicities and income levels. PNE operations include five activity streams broken into two categories: revenue-generating, which includes the PNE Fair, Playland Amusement Park, and year-round events; and non-revenue, which encompasses facility maintenance and park care, and corporate and community support.

Our 111-year-old PNE Fair remains the largest revenue-generating stream for the PNE and, in 2021, we were able to shift back to an in-person Fair. Although it operated in a reduced capacity, the PNE welcomed over 239,000 guests from across the province to experience a reimagined Fair – complete with interesting food, live shows, and rides and exhibits. The 2021 event garnered total revenues of \$21.83 million and a net contribution of \$8.93 million. This activity stream includes the PNE Prize Home Lottery, which continued to perform exceptionally well during the pandemic.

The PNE's second activity stream is Playland Amusement Park. Due to the PHO "circuit breaker" lockdown in spring 2021, opening was slightly delayed and special in-park opportunities, including Science Days and school year-end parties, were cancelled. Although delayed one month, Playland opened the gates for its 92nd year with capacity limits, date entry and safety protocols around communicable disease in June. Playland completed the season at the end of October with an outdoor-only Halloween program, reimagined as Hallowed Eves, that provided a taste of our traditional Fright Nights experience but without our renowned haunted houses. In 2021, Playland's reduced calendar allowed for 69 operating days² and over 159,000 guests, with revenues of \$9.05 million and a net contribution of \$4.77 million.

Year-round events are a significant contributor to our financial outlook as our third revenue-generating activity stream. This stream is concentrated on the use of all on-site facilities

used to host concerts, family shows, trade and consumer shows, sporting events, festivals, and cultural and community events. While business planning originally included the reintroduction of many of these returning groups, the continued restrictions postponed most major events that involved large group gatherings throughout the 2021 fiscal year.

Our site remains a popular choice for the film industry. We welcomed 12 productions ranging from music videos to TV series to feature films, with 882 shoot days. Due to the ongoing restrictions, our calendar saw significant postponements of major concerts, including André Rieu, Rage Against the Machine, Playboi Carti and Dooms Night. However, the PNE team was able to secure successful indoor and outdoor concerts following PHO protocols, including LANY, alt-J & Portugal. The Man, Bonobo, Aminé and FVDED, along with one family show in March 2022 – Monster Jam. In 2021, the PNE generated \$7.03 million and provided a net contribution of \$1.8 million through these activities.

The PNE year-round team also remains committed to supporting local programs. We subsidize community programming within several venues. This year, we maintained our support of Vancouver minor hockey leagues through our community ice program in the Agrodome from September to April; CircusWest remains our long-term tenant in the Garden Auditorium, offering children, teens and adults an opportunity to explore circus arts in an encouraging, non-competitive environment; and in January 2022, Rolla Skate Club became a long-term tenant in Rollerland, offering open and inclusive roller skate programming for people of all ages and abilities. Our venues and outdoor spaces are popular with local community groups and businesses, including the Vancouver Farmers Market, the Japanese Canadian Hastings Park Committee, Hastings Park Conservancy, and the Lower Mainland Christmas Bureau. All revenues generated in 2021 through the Fair, Playland and year-round activity streams are used to help subsidize community initiatives and to support the organization's fourth and fifth activity streams, which include the organization's overhead (insurance, utilities, technology infrastructure, etc.).

Our fourth and fifth activity streams represent our stewardship of Hastings Park. The PNE is responsible for the facility maintenance and care of the Pacific Coliseum, Forum, Agrodome, Rollerland, Livestock Building and Garden Auditorium. Our horticultural teams ensure that public park spaces remain in their naturally intended states. We meticulously care for the outdoor spaces so our guests and the local community can enjoy the Sanctuary, Italian Gardens, Momiji Garden and Centre Grounds. We collaborate with the City of Vancouver Park Board staff throughout the year, and their

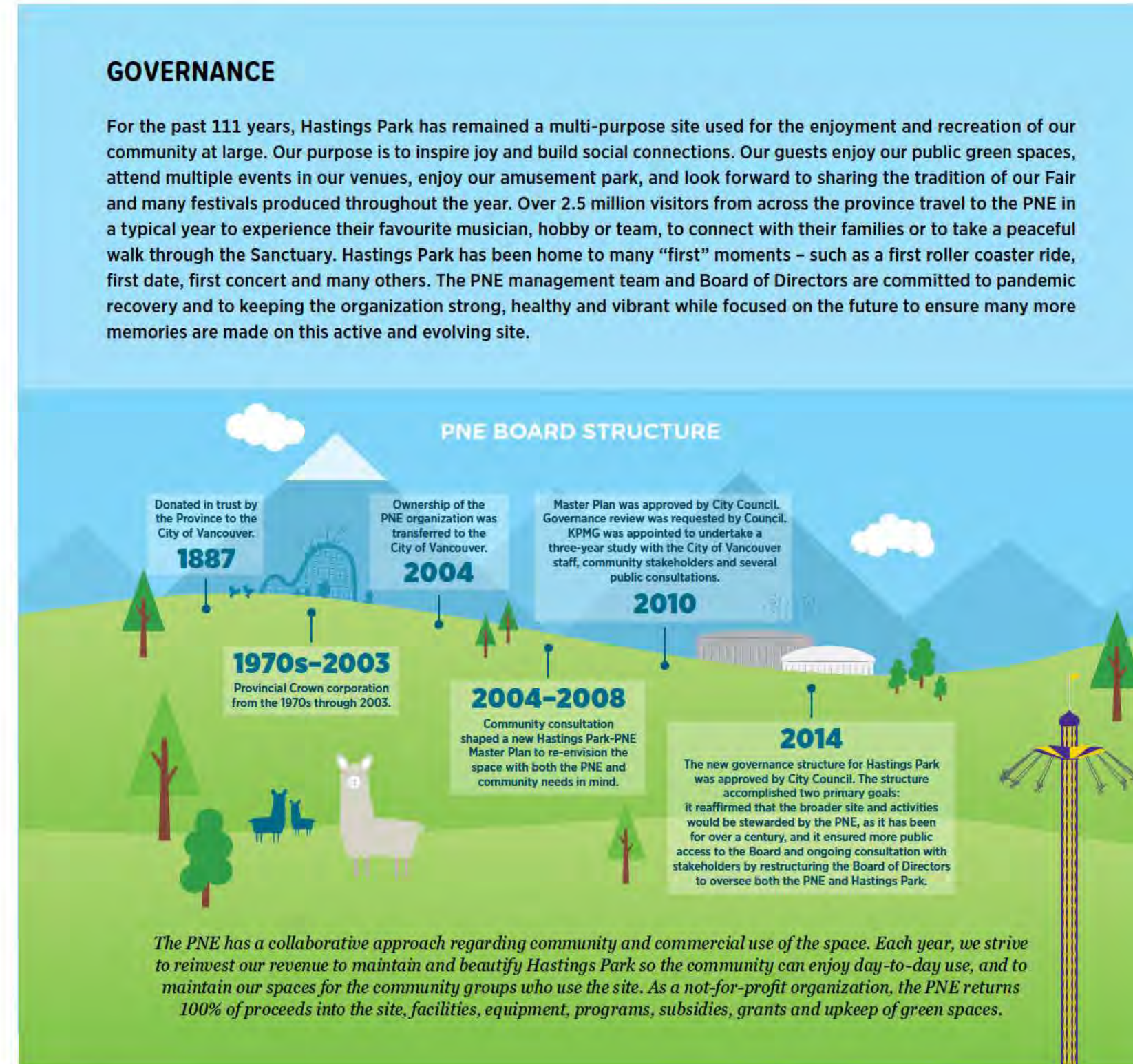
valuable input is reflected throughout the grounds. Management of these areas is an annual budgeted PNE expense.

The PNE is committed to open dialogue with our community partners – including the Hastings BIA, Community Advisory Group (CAG), Hastings Community Policing

Association, Kiwassa House and other neighbourhood groups – and in 2020, we did so by holding several virtual Community Advisory Group meetings. Due to the pandemic, we postponed many of our other regular annual community programs and initiatives.

GOVERNANCE

For the past 111 years, Hastings Park has remained a multi-purpose site used for the enjoyment and recreation of our community at large. Our purpose is to inspire joy and build social connections. Our guests enjoy our public green spaces, attend multiple events in our venues, enjoy our amusement park, and look forward to sharing the tradition of our Fair and many festivals produced throughout the year. Over 2.5 million visitors from across the province travel to the PNE in a typical year to experience their favourite musician, hobby or team, to connect with their families or to take a peaceful walk through the Sanctuary. Hastings Park has been home to many "first" moments – such as a first roller coaster ride, first date, first concert and many others. The PNE management team and Board of Directors are committed to pandemic recovery and to keeping the organization strong, healthy and vibrant while focused on the future to ensure many more memories are made on this active and evolving site.



² Combined regular Playland season and Hallowed Eves event.

DELIVERING MEMORABLE EXPERIENCES

INSPIRE & EMPOWER OUR PEOPLE

Our people remain the most important pillar to our organization – they are the conduit to delivering our mission. We empower our team members by investing in the workplace culture and by training all staff.

Safety, Collaboration, Innovation and Inspired Leadership

The PNE's Core Values of Excellence, Enthusiasm and Evolution were showcased in February 2022 with the inaugural SafeConnect Conference in the Pacific Coliseum. SafeConnect was borne out of an ongoing need for safety training among the PNE and Playland staff responsible for ride installation, safety, maintenance and inspection. This five-day conference, which welcomed participants from across Canada, is recognized for its education through AIMS International, the amusement industry's leading provider of safety education, delivering superior curriculum and connecting safety professionals around the world. SafeConnect, the first Canadian amusement park safety conference of its kind, will be an annual event at the PNE. This program sets the foundation for peer-to-peer training and career development pathways.

Workforce

In addition to the full complement of industry professionals who make up our executive, management and union year-round staff of 311, the PNE continues to be the largest employer of youth in British Columbia. With fewer events and lower attendance capacities in Playland and at the PNE Fair in 2021, we required fewer staff and employed 707 seasonal and part-time staff compared to the pre-COVID thousands, with over 72% under the age of 21. The PNE is committed to providing much-needed first jobs, training and support to build essential skills for the next generation of workers and leaders. We have developed processes to provide access to a wide range of low-barrier-to-entry roles for those entering or re-entering the workforce. This opportunity allows employees to increase their essential work experience.

The PNE is fully unionized, with four unions – CUPE, IATSE, IUOE and IBEW – operating on-site, with a range of highly skilled roles in the trades. The PNE contributes \$200 million into the local economy each year and employed over 4,000 staff annually pre-COVID.

Training and Recruitment

The PNE is the largest employer of youth in BC. For the 2021 annual Fair, the PNE hired approximately 665 staff. While this is significantly less than most years due to COVID restrictions, the PNE was proud to provide these opportunities. For many, this is their first job, so these new hires have minimal work experience; therefore, we understand the importance of introducing them to safety in the workplace. With the changing environment precipitated by the ongoing pandemic, the People and Culture Team adapted and moved all recruitment online. Group interviews were held virtually, and the onboarding process for new hires was predominantly held in a virtual environment. These streamlined processes reduced the hiring time required in 2021.

Staff Recognition and Service Longevity

In 2021, PNE employees were recognized through a variety of rewards programs. Our Spotlight program ran year-round, allowing managers to shine a spotlight on their outstanding year-round, seasonal and Fair employees. This program featured two methods of recognizing staff: a Spotlight card (a preloaded gift card) and a Spotlight ballot card. Both the Spotlight gift card and the Spotlight ballot card allowed managers to provide employees with a handwritten note to recognize their accomplishments and hard work. The Spotlight gift card, which was used for on-the-spot employee recognition, included a gift card for various popular retailers; the Spotlight ballot card entered exceptional employees into a grand prize draw. Throughout the month of October, the PNE launched an additional rewards program called Gifts for Shifts for seasonal employees working Hallowed Eves, our October Playland event.

Year-Round Event Staff Spotlight Program

At the numerous events that took place in the last half of 2021, over 300 staff members were recognized for exemplifying one of the PNE's Core Values of Excellence, Enthusiasm or Evolution and were awarded a Spotlight gift card that acknowledged they went above and beyond.



PNE PRIZE HOME DISPLAY



SPOTLIGHT AWARD CARD



PNE STAFF AT THE PNE FAIR



WINTERLIGHTS TREATS



BCAA CHILD SAFETY STICKERS



MINISTER MELANIE MARK AT THE PNE FAIR

Playland and Hallowed Eves Spotlight Program

Throughout the months of June and July, managers had the opportunity to develop a department-specific Spotlight program for their seasonal staff. Each department manager created a recognition program that aligned with the goals of their department; the manager then received an allotment of \$25 gift cards to award to their team members. In June and July, we were able to award more than 40 Playland employees. During the PNE Fair in August and September, our Spotlight program, with both Spotlight gift cards and Spotlight ballot cards, was featured.

Throughout the operation of Hallowed Eves in October, more than 50 employees were awarded with Spotlight gift cards and more than 200 draw entries were made into the

Gifts for Shifts recognition program. Gifts for Shifts was a ballot program designed to encourage employees to increase the number of attended shifts after our Playland peak season, and weekly Gift for Shift winners each received a grand prize package featuring a variety of prizes valued at over \$300.

Fair Spotlight Program

During the 2021 Fair, managers were able to recognize more than 500 of our new and existing employees with Spotlight gift cards, and more than 300 employees with Spotlight ballot cards. All Fair staff who received a Spotlight ballot card were entered into a draw to win a \$50 Visa gift card. During the 17-day run of the Fair, we celebrated 10 Visa gift card winners for the hard work that goes into our largest event.



FOOD AND BEVERAGE STAFF AT PLAYLAND

OPTIMIZE TECHNOLOGY AND PROCESS

The PNE maintains a focus on the growth and innovation of our systems to support our business growth and to provide our team with the tools needed to make strategic, data-driven decisions and build revenue for our organization.

Technology Improvements

Technology improvements continue to be a focus on our 111-year-old site as we improve systems and infrastructure that create efficiencies and cost savings throughout Hastings Park. Capital investments included improvements to each of our buildings, such as new all-electric high-efficiency heat/cool (HVAC) rooftop units at the administration building, a new brine line header for the ice in the Agrodome, and new equipment for our Facilities and Maintenance team.

A new point-of-sale system was selected for our food and beverage operations, with phased implementation that began in Q1 2022. New software, terminals and payment modules

were implemented, and internal technology and processes were updated to improve our client management systems.

Our Facility Sales Team implemented new Event Management software, which allows the team to streamline processes, manage event details and measure event data in ways not previously possible.

We expanded our IT Team to seven, built a server room on our premises and were able to discontinue our third-party data hosting.

These investments in technology have allowed the PNE to focus on future growth.



FOOD AND BEVERAGE STAFF AT THE PNE AMPHITHEATRE

EXECUTE MASTER PLAN

The PNE is at the centre of stewardship in the execution of our ongoing Master Plan redevelopment that will lead the transition of Hastings Park into a world-class site. 2021 has seen strong advancements in this plan.

Approval of PNE Amphitheatre

In spring 2021, the Hastings Park-PNE Master Plan Project Team completed the business case updates, project costs, funding details and implementation strategy for the redevelopment of the PNE Amphitheatre. With scope, budget and schedule firmly in place, the project team presented the following final recommendations to Vancouver City Council:

1. THAT Council approve in principle the Amphitheatre Renewal project as outlined in the council report.
2. THAT Council direct staff to proceed to the planning and design phase of the Amphitheatre Renewal project, and provide Council an update prior to construction.

The Vancouver City Council approved these recommendations for a \$67 million Amphitheatre redevelopment in June 2021.

Once the Amphitheatre Redevelopment had been approved, the next phase required the City of Vancouver Facilities Planning and Development team in Real Estate and Facilities Management (REFM) and the Hastings Park-PNE Master Plan project management team to develop a consultant scope of work for an initial request for proposal (RFP) for the project. The purpose of this RFP is to secure an architect-led professional consulting team for the planning, design and construction of the renewal project.

This RFP contains two phases:

Phase 1 is the Sub-Area Plan and Functional Program, which clearly defines the criteria and scope of work. This will include conducting targeted engagement activities, planning and programming for the three interrelated parts of the redevelopment: Amphitheatre, the Plaza and the daylighting of Hastings Creek. This is done to identify design objectives, site infrastructure requirements and constraints, traffic and access to the site, and potential expandability.

Phase 2 is the Amphitheatre Design and Delivery. This phase is to realize the objectives defined in Phase 1 activities. This includes all stages of design and construction of an open-air Amphitheatre with front-of-house and back-of-house support structures as well as all site modifications. Phase 2 design is anticipated to be complete and building permits submitted by Q3 2023, with construction projected to begin in fall 2024 and

“The business case is strong with full payback of city-fronted capital, but what can’t be quantified are the priceless experiences and memories that will be created for new generations of music lovers.”
— Councillor Sarah Kirby-Yung

completion estimated in 2026. It is noted that efforts are being made to reduce this timeline.

This RFP was posted in Q3 2021, with a vendor expected to be named in Q2 2022.

Daylighting of Hastings Creek

The Hastings Creek Stream, which is currently culverted between the Sanctuary at the southwest side of the park, runs underground to New Brighton Park and Burrard Inlet. City Council identified the Hastings Watershed and the related Hastings Creek Stream Restoration as a priority in its initiatives for the current capital plan.

A critical component of advancing the Hastings Creek Daylighting Study has been to determine where the water entering Hastings Creek will come from, and how much water could eventually be redirected into Hastings Park. The Vancouver Park Board and the Sewer and Design Branch (SDB) of Engineering Services have been working collaboratively to undertake the following:

- To clarify SDB’s schedule for sewer replacements, separations and upgrades in the Hastings Sunrise catchment adjacent to Hastings Park, which will be the primary source of water for the future Hastings Creek
- To identify the potential upstream areas within the catchment that either currently, or within the next few years, will have separated rainwater runoff that could be redirected into Hastings Creek
- To determine the maximum potential water volume that could eventually be redirected into Hastings Creek, and ultimately into Burrard Inlet

Hastings Park as a place...



With this information in hand, the Park Board and Engineering Services are now developing the specific scope of work and consultant team requirements for the Hastings Creek Daylighting Study RFP.

Infrastructure Upgrades

Infrastructure upgrades required to replace aging assets and to provide capacity at the site have been identified, and funding for the design work to support this was approved at Vancouver City Council in June 2021. Some of the infrastructure work is site-wide and some of it is required prior to the construction for the Amphitheatre Renewal project.

The specific scope of work requirements for the electrical design upgrades has been developed by the PNE and REFM.

The scope of work requirements for the water, storm and sewer design for the Hastings Park site is under development by Engineering Services.

The procurement approach for the design works (water, storm, sewer and electrical) is being examined. An RFP will be posted for market consideration in early 2023.

As these projects move forward through the various phases of development, the Hastings Park-PNE Master Plan Project continues to take a holistic approach to the development, as no piece can be done without site-wide effects.

Playland

In April 2021, a review of the Playland Redevelopment business case showed that the current economic climate and significant funding shortfalls presented risks in the current plan. Staff recommended to the Steering Committee that the project be paused in favour of prioritizing the Amphitheatre renewal, and for Playland redevelopment to be revisited after the long-term financial effects of COVID on the PNE are better understood.

In the interim, the PNE presented a five-year Playland ride investment strategy to the PNE Board of Directors on October 27, 2021. This strategy was approved, ensuring Playland would continue to see investment in attractions even if the official redevelopment plan is paused.

ELEVATING OUR BUSINESS RESULTS

Business results in one business stream mean impact and opportunity in another. The PNE takes a strategic approach to maximizing our revenue-generating activity streams (the Fair, Playland and year-round events), focused on delivering a balance of driving revenue and on making the guest experience a key factor in business planning and decision-making. Positive results in these business streams impact the park, our community initiatives, and our commitment to providing a place to connect and thrive, which is at the core of our brand.

Playland Regular Season

Playland Amusement Park – 92 years old in 2021 – is home to Vancouver’s most thrilling rides. Playland’s current complement offers 32 rides and attractions, 20 games, and 16 food and beverage outlets, including FunDunkers mini-donuts, Triple O’s, Pizza Pizza and BeaverTails – all in a fun, safe and unique setting.

Playland is also known for its iconic Wooden Roller Coaster. The popular ride first opened to the public in 1958 and has won numerous awards and designations, including Coaster Classic and Coaster Landmark from the American Coaster Enthusiasts (ACE). The Coaster, as it is known to enthusiasts, is currently undergoing a major refurbishment project with an expected reopening in 2022, which includes replacement of 1,200 lengths of structural-grade Douglas fir lumber and the addition of lap belts in the 16-passenger train. The ride is the only one in Canada to earn an ACE designation and was the first outside of the U.S. The first recipient was named in 2002 and since then, just over 40 rides have earned an ACE Roller Coaster Landmark plaque.

Looking at the Playland year in review, we managed our capacities flexibly according to COVID-19 regulations and restrictions. This was controlled by date- and time-specific ticketing through TicketLeader, with the opening pushed back by the provincial “circuit breaker” to June 11, 2021. Due to an extraordinary heat dome through July and August, and to meet

demand and manage capacities, we added evening sessions from 6 p.m. to 11 p.m. on Fridays and Saturdays. Playland rethemed Pacific Adventure Golf into Sweet Escape Mini Golf, giving the space new colour and excitement, and introduced a selfie-friendly walkthrough of Adventures in Happyland, which was loosely inspired by *Alice in Wonderland*. Rides were reopened, including Hellelevator, Drop Zone, Super Slide and Climbing Wall.

In 2021, Playland was open for 69 regular season operating days from June through September (including the PNE Fair that took place from August 20 to September 5). During the regular season, we welcomed 134,094 guests, a significant increase from the capacity-restricted 2020 season, although still down from Playland’s pre-COVID normal. (See Figure 1 for a seven-year attendance history.) Playland generated total revenues of \$9.05 million in 2021 and provided a net contribution of \$4.77 million. (See Figures 2 and 3 for a seven-year history.)

According to guests, the top reasons for attending Playland are: the rides, it’s the fun thing to do, the kids wanted to come, and good weather. These reasons have not changed from before the pandemic. We know that people are looking for a safe way to have fun with friends and family, and Playland delivers: 88% of guests said that they agree that they felt safe at Playland. (Source: surveys sent to visitors via email after their visit.)



SWEET ESCAPE MINI GOLF



ADVENTURES IN HAPPYLAND EXHIBIT



MUSIC EXPRESS RIDE

The PNE recognizes the need for Playland to offer affordability and accessibility for our community and we have several programs in place to support this. In 2021, for the first time, BCAA offered its members 30% off Playland passes through its website. Special rates are offered to groups of 10+ and 50+ with significant savings on both Thrill and Fun passes. In addition to the standard birthday party program in place, we introduced a Best Birthday Ever Package with expanded offerings, including a personalized host for four hours, special line access for select rides, meal service and gifts.

Playland continues to partner with Easter Seals Canada through the Access 2 card program. This award-winning program, which is a collaborative partnership between Easter Seals and over 500 movie theatres, cultural attractions, entertainment venues and recreation facilities across Canada, is designed for people of all ages who have a permanent disability and who require the assistance of a support person. The program improves social inclusion and provides access to entertainment, cultural and recreation opportunities and experiences without any added financial burden.

Playland looks forward to heightened growth in the coming years as we progress further with the Playland Redevelopment Plan. This plan, which will help the PNE meet the objectives

of being an affordable, accessible park, will see Playland morph into a 22-acre theme park with a stronger family feel, additional features to enjoy, and significantly more greening and park space.

For more information on the Playland's Redevelopment Plan as part of the Hastings Park-PNE Master Plan, please visit www.vancouver.ca/files/cov/HastingsParkPNE-doco-MasterPlan.pdf



Figure 1 | PLAYLAND ATTENDANCE



Figure 2 | PLAYLAND TOTAL REVENUES (in millions)



Figure 3 | PLAYLAND NET CONTRIBUTION (in millions)



Fright Nights Held for 2021 Season – Hallowed Eves Open Throughout October 2021

Note: Fright Nights/Hallowed Eves revenue is separated out here for reference, but is included in the Playland total noted on Page 18.

Limitations on indoor venues continued to haunt the planning of our traditional and much-anticipated Fright Nights, which typically features many indoor haunted houses. Building on the 2020 walk-thru design of Slayland, Hallowed Eves opened on October 8 for 15 nights, offering increased live entertainment, including sideshow stunts, contortionists, fire breathers, 18 rides, and special opportunities like Bloodshed Family Dinner and the Haunted Mansion Family Portrait, which utilized the exteriors of some of our most famous haunted houses. Hallowed Eves had a reduced scare factor and welcomed ages 8+. Hallowed Eves followed all safety protocols used during the regular Playland season, including the vaccine passport policy developed by the PHO.

Hallowed Eves successfully scared 25,265 guests in 2021, an increase of almost 10,000 guests over 2020. (See Figure 4 for a seven-year history.) Hallowed Eves achieved revenues of

\$1.71 million in 2021 (see Figure 5 for a seven-year history) and \$1.05 million in net income towards the Playland activity stream (see Figure 6 for a seven-year history). The PNE is focused on the reintroduction of our traditional Fright Nights haunted houses in 2022 with a heightened scare experience.



Figure 4 | FRIGHT NIGHTS/HALLOWED EVES ATTENDANCE

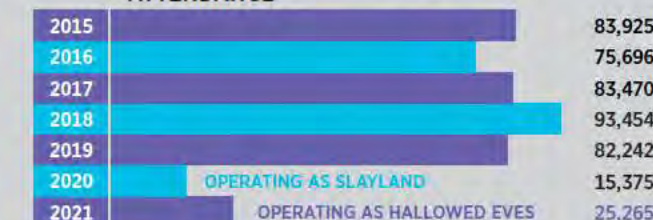
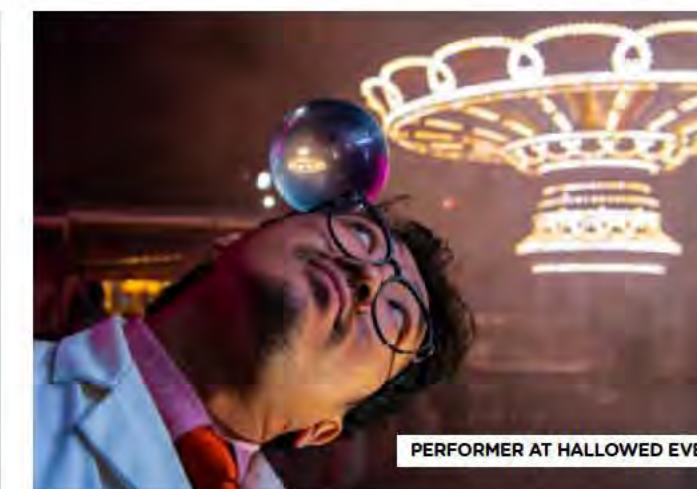


Figure 5 | FRIGHT NIGHTS/HALLOWED EVES TOTAL REVENUES (in millions)



Figure 6 | FRIGHT NIGHTS/HALLOWED EVES NET CONTRIBUTION (in millions)



PNE Fair

An In-Person PNE Fair Opens

On August 21, 2021, the PNE Fair opened for the 111th year, with a reduced footprint and great weather. The reduced footprint meant that all indoor spaces remained closed, except the Livestock Barns which were able to remain open due to their high ceilings, large doorways, and the flow of movement meaning people weren't gathering. The ongoing restrictions also forced a pause on the always-popular Summer Night Concerts. The agricultural program and Marketplace shared the space within the Livestock Barns, with each taking half the space. The program concentrated on ensuring that the most popular elements of the PNE Fair were on-site, including SuperDogs (moved to the Amphitheatre), ToonCity (moved to near Playland), 35 of everyone's favourite food trucks and 60 market vendors, many of whom reported their best year of sales. We welcomed approximately one-third of our average attendance, with more than 239,000 happy guests. (See Figure 7 for a seven-year history.) The reimagined 2021 PNE Fair provided 15 days of fun, excitement and educational experiences through new exhibits, including Metro Vancouver Regional District's Together We Are Stronger, TransLink's ReConnect, the return of the Challenger Map (see Challenger Map story on page 22) and engaging agriculture programming, along with the ability to connect with family and friends to enjoy favourite Fair foods, rides and games. The 2021 Fair provided strong total revenue of \$21.83 million, and the highest net contribution on record at \$8.93 million, in part due to the reduced requirements for large crowds. (See Figures 8 and 9 for a seven-year history.)

“To see the support of so many people who love the PNE Fair and who made a special point to purchase a ticket to support this organization and the thousands of employees, as well as the extended PNE family of exhibitors and concessionaires, was incredibly gratifying.”
— PNE President and CEO Shelley Frost

Fair Programming Highlights

The Fair welcomed back the West Coast Lumberjack show, featuring all the favourite activities beloved by Fair guests, including fast-action chopping, high-speed chainsaws, log rolling and axe throwing. BCAA's ToonCity welcomed kids of all ages to dance at Blue's Dance Party, to become a pirate at Bones & Scully: 'Tis Fun to Be a Pirate, and to enjoy Family Flicks on the big screen. The Revel District welcomed guests to enjoy BC's best cover bands on the Coca-Cola Stage. Roaming entertainment throughout the park included the PNE Pep Band, a mariachi band and Comedy Corner. Guests learned how to cook on the Safeway Cooking stage, featuring professional chefs as well as families sharing their favourite recipes.

Metro Vancouver Regional District introduced their Together We Are Stronger exhibit, showcasing their work with various initiatives and departments within the region, including beautification of green spaces, recycling and waste diversion, drinkable water, and infrastructure maintenance and redevelopment. The attraction welcomed elected officials from across the region each day to talk with our guests.



TRANSLINK EXHIBIT



COTTON CANDY AT THE PNE FAIR



METRO VANCOUVER EXHIBIT



BCAA SAFETY SIGNAGE



SAFEWAY COOKING STAGE

2021 RESTRICTIONS IMPACT THE PNE FAIR

Planning for our annual PNE Fair begins months in advance of official announcements, and the 2021 Fair was no different. With the unknowns of ongoing restrictions and the introduction of the provincial “circuit breaker” in early spring, with guidance from the PHO, the Fairs and Festivals Operations team began planning various scenarios for a small, in-person and mostly outdoor event. This was considered to be the safest and most fiscally responsible option. Then, on May 3, the PHO announced it would not allow any large-scale events until fall 2021. With that, the PNE released a media advisory on May 5 announcing the cancellation of the 2021 PNE Fair. (www.pne.ca/files/uploads/2021/05/Release-2021-PNE-Fair-Canceled.pdf)

Just three weeks later, on May 25, the province reversed its decision and introduced BC's Restart - A Plan to Bring Us Back Together. BC's Restart was introduced as a four-phased approach to opening the province and, under Phase 3 in July, fairs and festivals were once again allowed to operate. With this announcement, the planning teams activated the most feasible scenario from the planning sessions and on June 30, the PNE issued a Media Advisory: “2021 PNE Fair set for safe, exciting in-person return”. www.pne.ca/files/uploads/2021/06/Release-2021PNEFairannouncement.pdf

Under the phased restart plan, the requirement for masks in outdoor spaces was removed; however, on August 24, the PHO announced that mandatory mask policies would be reinstated beginning August 25. The PNE complied with and enforced the change on-site.



WEST COAST LOGGING SHOW

TransLink created ReConnect in Agrodome Plaza as part of an engagement strategy for transportation planning in Metro Vancouver for the next 30 years. The attraction displayed historical, current and future-forward public transit vehicles and an award-winning technology-forward presentation with 3D modelling. The exhibit was utilized the second week of the Fair by the Hon. Rob Fleming as the provincial government announced their Kids Ride Free initiative. TransLink also provided a way to save at the PNE with TransLink Tuesdays – offering two-for-one admission for guests on both Tuesdays of the Fair.

With support from CN Rail, we welcomed a fully restored section of the Challenger Relief Map back to its original home at the PNE. The full map is over 6,000 square feet – the size of two tennis courts. The map is a monumental, hand-built, 80-foot-by-76-foot topographic map of the province. Created by George Challenger and his family, it accurately features all of BC's mountains, lakes, rivers and valleys in exact-scaled topographical detail. The map was the anchor attraction of the British Columbia Pavilion at the PNE from 1954 to 1997, where it was viewed by millions of visitors. Guinness World Records cites the Challenger Map as the largest of its kind in the world. The Challenger Relief Map Foundation's goal is to



raise funds to fully restore the entire map, and to incorporate digital technology to enhance the once-static map for future generations. At the close of the 2021 Fair, the map moved to the Vancouver Convention Centre and then to the BC Sports Hall of Fame for display and will be moved back to the PNE in 2022.

The PNE has an ongoing commitment to arts and culture and the City of Vancouver's Creative City Strategy; we show this commitment supporting local performers such as ABRA Cadabra, the Dr. Strangelove band, and comedic entertainment like Mike Wood and Sharon Mahoney. The beloved SuperDogs, which have been a part of PNE Fair tradition for over four decades, continue to entertain and amaze our guests with three shows daily in a reimagined outdoor show in the Amphitheatre. And, at the end of every day, the Amphitheatre came to life with a captivating finale: Electric Fire.

Agriculture remains at the heart of who we are. Educating the urban public is a high priority as we continue to tell the story of growing, shopping and eating local. We are grateful to our industry partners, as their support allows the ongoing expansion of our agriculture programming. The PNE believes in the need for education around healthy food and food security. The PNE Fair offers a fantastic opportunity to showcase agriculture to our urban guests, educating them about food production while making it engaging and fun.

Although the 2021 footprint for agriculture programming was smaller and was housed in the west half of the Livestock Barns, it included a full complement of live animals and active participation from our partners, including the BC Cattlemen's Association, the BC Egg Marketing Board, Poultry in Motion, the BC Dairy Association, and the BC Ministry of Agriculture and Food. A scaled-down Farm Country was on display and remains extremely popular for our guests. Farm Country is also home to Kidz Discovery Farm, our interactive and educational exhibit for children. Each year we welcome over 25,000 children through this exhibit.

The PNE continues to support BC 4-H and hosted a virtual 4-H auction that allowed their members to sell their projects to support future ventures and education in agriculture production. The livestock auction raised over \$30,000 for 4-H members in a year where 4-H was severely impacted by the pandemic.

Figure 7 | FAIR ATTENDANCE



Figure 8 | FAIR TOTAL REVENUES (in millions)



Figure 9 | FAIR NET CONTRIBUTION (in millions)



FOR THE LOVE OF DRAG AT THE PNE FAIR

PNE Prize Home

The PNE Prize Home – still BC’s most affordable home lottery – celebrated its 87th year in 2021. Traditionally, the PNE purchases land in a vacation-centric community like the Okanagan, along the Sea to Sky corridor or on the Sunshine Coast, and then works with a builder to design and build a modular home for that land. Each year, we build and display that home on-site at Hastings Park for guests to tour all summer before awarding it to the winner and moving it to its final location. This year, after extensive research with our ticket purchasers, we chose instead to purchase a home in the Lower Mainland – specifically, in South Surrey on the White Rock boundary. The grand prize this year was a gorgeous 3,644-square-foot modern West Coast design 4-bedroom, 4.5-bath home. This was a significant shift in purchase strategy, as the already constructed home in Surrey would not be on display at the PNE Fair. To offset the absence of the home for tours in Hastings Park, the home was opened for 10 preview days in June and July, augmented by a professionally designed presentation centre on show during the PNE Fair.

The stunning home in McNally Creek, designed with the aesthetics of its natural location near the ocean in mind, is once again energy-efficient, featuring an upgraded heat pump and furnace system for heating and cooling at its best.

The 2021 home was designed and built by Distrikt Homes. One of the largest houses built for our Lottery, the home featured open-concept living space, an upstairs flex space popular due

to the increased need for work-from-home space, a home gym, and a rear covered outdoor space with a hot tub and gazebo supplied by Coast Spas Lifestyles. Lane Home Furnishings provided stylish and comfortable indoor furniture. In addition to the home, lottery prizes included five Chevrolet vehicles, one Harley-Davidson motorcycle, 10 cash prizes of \$10,000, and early-bird prizes featuring West Coast travel and cash. The lottery ran from May 1 to September 11, 2021. Ticket packages were available for \$30, \$50 and \$120, ensuring that the lottery remained affordable for all. The outcome was fantastic, with over 733,000 prize home tickets sold and entered into the draw at odds of 1/788,000. The 2021 program garnered \$8.52 million in total revenue generated. (See Figure 10 for a seven-year history.)

Overall, the PNE Prize Home Lottery gave away over \$2.29 million in cash and prizes, and we are proud to report record-breaking ticket sales. With a strong push, the team took 1,069 calls and generated over \$881,260 in sales on the final day – our largest grossing sales day to date. In addition, the 50/50 jackpot totalled \$1,738,330; the winner was awarded a cash prize of \$869,165.

The revenues from the lottery continue to support a variety of PNE community initiatives, as well as the Fair’s agricultural activities and many other non-revenue-producing multicultural and family programs that take place during the PNE Fair and on-site throughout the year.



PNE PRIZE HOME DISPLAY



PNE PRIZE HOME EXTERIOR

Figure 10 | PRIZE LOTTERY TOTAL REVENUES (in millions)

2015	\$5.45
2016	\$4.10
2017	\$5.88
2018	\$5.71
2019	\$6.19
2020	\$6.04
2021	\$8.52



2021 PNE PRIZE HOME GRAND PRIZE WINNERS

WinterLights

The PNE rounded out the fair and festival event calendar with the second annual WinterLights drive-thru, welcoming 15,875 vehicles (over 47,000 people) through our gates across 21 operating nights. The 30-minute experience, which featured an expanded footprint from 2020, included increased accessibility for the community. TransLink Community Shuttles throughout the night allowed for those without access to a car to experience the event by walking or taking transit to Hastings Park and riding the Reindeer Shuttle on select nights.

The event featured a series of themed zones, including Santa Street, Winter Creatures, Festive Forest and the new Snowglobe Village – all providing the sights and sounds of Christmas, with a special FM broadcast of holiday music in the comfort of viewers' vehicles. The event supported small businesses through the inclusion of seven favourite food trucks, and was a welcome stop on the cross-Canada Coca-Cola Holiday Truck tour.

Although the event sustained multiple heavy snowfalls beginning December 17 through to the new year, positive reviews were expressed regarding accessibility for people in the young, aging and mobility-challenged demographics.



SANTA AT WINTERLIGHTS

Year-Round Events

Year-round events encompass all uses of the site and venues, outside of our Playland and PNE Fair business activity. In a normal year, the PNE is proud to welcome more than 2.5 million people to Hastings Park; a significant number of these guests attend several events throughout the year. Concerts, sporting events, cultural and family shows, film shoots, trade and consumer shows, festivals and community events typically utilize our indoor venues and outdoor spaces throughout the year – this accounts for approximately 25% of the PNE's annual revenues. This is a focused area of growth for the PNE as we come out of the pandemic, and 2021 was important for year-round events, as promoters and planners begin to reserve space for the coming months and years. In 2021, our year-round events contributed \$7.03 million in revenues to the PNE. This portfolio saw a net contribution of \$1.81 million. (See Figures 11 and 12 for a seven-year revenue history.)

The PNE maintains a positive reputation as the steward of diverse venues and spaces throughout Hastings Park. We are also proud to support Vancouver's Creative City Strategy, which provides a showcase for local, national and international events and performers, and we found unique and creative ways to work

with the PHO to provide this even in a pandemic. Through this, we bring people together to enjoy performances and to build social connections, and we deliver memorable experiences 365 days a year to a multi-faceted demographic.

From a music industry perspective, the continuing restrictions on large-scale gatherings in indoor spaces limited the opportunities. Many shows were forced to cancel or postpone to later dates; however, we were able to present a limited number of music events. The Pacific Coliseum hosted LANY in November, and alt-J and Portugal. The Man in March. In the Forum, Bonobo and Aminé both performed. Immediately following the 2021 Fair, FVDED featured multiple DJs in our Amphitheatre. Culturally speaking, the live music business is anxious to get back to normal in the coming years, and our calendar is expected to fill up as restrictions continue to lift.

The priority of the PNE Sales, Operations and Ticketing teams is to consistently work with promoters and event organizers to elevate the guest experience on every level, to keep guests safe, and to always evolve and anticipate needs and changes in the market. We actively focus on building relationships with these clients as we look at future growth.



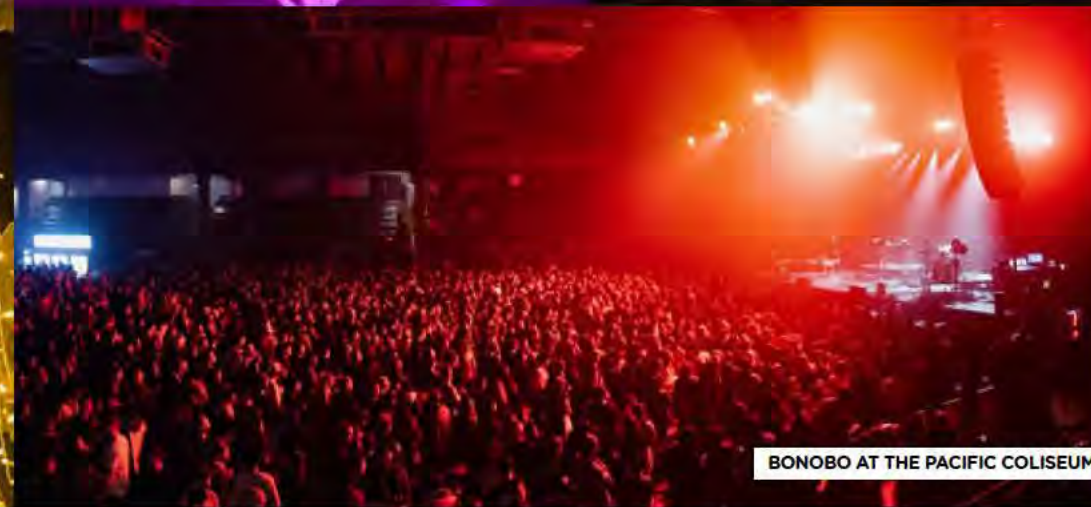
LIGHT TUNNEL AT WINTERLIGHTS



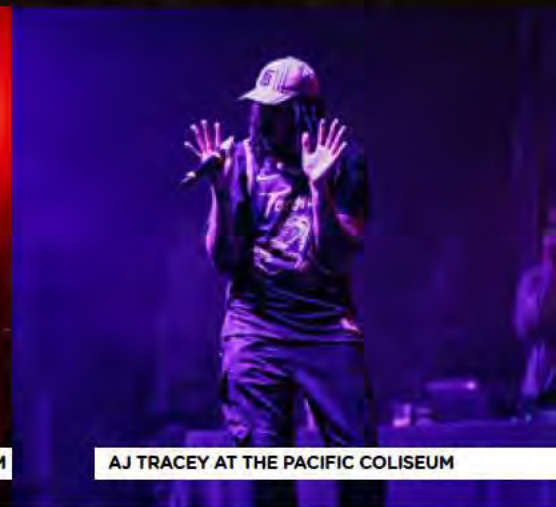
CHERRY GLAZERR AT THE PACIFIC COLISEUM



LANY AT THE PACIFIC COLISEUM



BONOBO AT THE PACIFIC COLISEUM



AJ TRACEY AT THE PACIFIC COLISEUM

Film

British Columbia maintains its status as North America's third-largest film hub, and 2021 remained a premier destination for the creation of film and television content. Due to BC's versatile location, expert talent, competitive dollar and provincial tax incentives, the industry contributes \$3.4 billion to BC's annual economic impact and employs over 25,000 people. Approximately 40% of productions made in Canada are made in BC. (www.vancouvereconomic.com/film-television)

The grounds and buildings on-site at Hastings Park are extremely valuable locations for the local film industry, providing them with a variety of set options for commercials, TV series and features over the years. Film was one of the first industries to resume operations during the pandemic and our site, while slower to recover with live events, saw strong activity with film partners. 2021 saw 408 film days booked. As our site offers the ability to film a variety of locations without having to move crew, sets and trucks, there are often various locations used during a production.

- The Livestock Building was rented long-term for construction shops to support two TV series and one feature film
- Playland Amusement Park provided unique spaces for *Nancy Drew*, *Batwoman* and season 8 of *The Flash*; additionally, it was used for a Lael music video shoot
- The Pacific Coliseum housed shoots for *Project Basketball*, and the Forum was used for a Vans commercial shoot and the TV series *Resident Alien*
- The Amphitheatre was active in the off season, with *Turner & Hooch*, *Psych 3: This Is Gus* and *The Baby-Sitters Club* filming, and *Superman & Lois* and *Easter Sunday* using the space for stunt rehearsals

The industry continues a big push toward environmental responsibilities, and the PNE works closely with all productions on-site to address food waste, green technology and clean power, and to constantly find ways to be more responsible and mindful.

Trade and Consumer Shows

While trade and consumer shows were hard hit during the pandemic due to gathering restrictions, these shows are more important than ever. We are pleased to continue being the venue of choice for a growing number of local and regional shows. In the 2021 fiscal year, we were home to the Canadian Institute of Heating & Plumbing CIPHEX West Trade Show, the Vancouver Gift Expo (our first tradeshow post-pandemic restrictions), Knit City, Winter Extreme Ski & Board Swap, the Vancouver Comic & Toy Show and the Gem & Mineral Show. We expect the return of many of our annual shows in 2022.

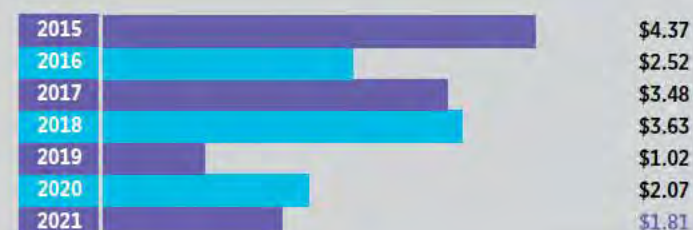
Family Shows

Each year, the PNE is host to some of BC's largest and most successful family productions at the Pacific Coliseum. While Disney on Ice was cancelled in 2021 due to the pandemic, we did see the return of the Harlem Globetrotters in January 2022 and Monster Jam in March 2022. Building on the PNE's renowned drive-thru model, the DOXA Documentary Film Festival drive-in screenings were held in May in the Amphitheatre.

Figure 11 | FACILITY SALES TOTAL REVENUES (in millions)



Figure 12 | FACILITY SALES NET CONTRIBUTION (in millions)



AMINÉ CONCERT

Sporting Events

The Pacific National Exhibition partners with Sports Hosting Vancouver (SHV) to bring world-class sporting events to the City of Vancouver. We continue to partner with SHV, municipal and provincial partners to build future opportunities for sports hosting in years to come.

Although sporting events have been limited, in February, the BC School Sport Wrestling Provincial Championships were held in the Pacific Coliseum. The B.C. Provincial Cheerleading Championships, Varsity Spirit Canada, Feel the Power West Cheerleading Competition, The Vancouver Basketball Foundation's summer basketball camps, Escape Velocity Bike Race, and Pedalheads were also on-site at Hastings Park.

TicketLeader

TicketLeader is a full-service ticketing provider owned and operated by the PNE. TicketLeader successfully allowed all events at the PNE to manage COVID capacity limits and timed entry to ensure gatherings met the requirements of the Provincial Health Office guidelines. In addition to ticketing all events at the PNE, because of the system's flexibility and capabilities, we saw growth in providing ticketing for off-site events including Agrifair.

Group Sales

The PNE Group Sales department is the leading Group Sales operation for events throughout this region. The strength of this program was initially built around three primary markets: Playland Amusement Park, the annual PNE Fair and Fright Nights at Playland.

Over the years, the program has expanded to include providing sales support for promoters hosting events at the PNE venues, such as Harlem Globetrotters and Monster Jam – this year, once again, all suites for Monster Jam sold out. Typically, Group Sales also manages booking VIP suites for concerts and family shows in the Pacific Coliseum, including the Evolution Lounge and box seats, which offers hospitality for larger groups in the PNE Amphitheatre. PNE Group Sales Services is a huge asset that continues to support the growth of the PNE Year-Round Business Stream.

We worked with off-site clients such as the Da Vinci Experience and Cirque du Soleil Alegria to provide them with group sales services. This allows us to offer a diverse range of experiences to our group sales clients and provides local group sales services to promoters who are not based in this market.



HARLEM GLOBETROTTERS

CULTIVATE COMMUNITY AND SOCIAL GOOD

Economic Impact

The PNE contributes significant economic impact in several ways, including tourism, employment and support for local business. We generate more than \$200 million in economic impact in the region and drive nearly 200,000 tourism visits to the Lower Mainland. We are the largest employer of youth in BC, responsible for 4,300 direct jobs and 9,500 direct and indirect jobs. Many of these positions are low-barrier entry-level jobs to highly skilled trades, making the PNE the largest employer of youth in BC, and a first employer of a high percentage of new Canadians.

Through the Hastings Park-PNE Master Plan and the Playland Redevelopment Plan, we look forward to expanding Vancouver's tourism content by providing an accessible, world-class attractions with enhanced public amenities for regional residents and tourists to enjoy.

The Hastings Sunrise community is a vibrant local business community, and many small businesses depend on the activity of events on-site at Hastings Park to bring traffic to their local restaurants, shops and services. We were proud to bring events back in 2021 to help support this thriving business community, as many expressed that their ability to survive was significantly challenged during COVID without the vibrancy of events held at the PNE.

PNE Partnerships

The Corporate Partnerships team continues to focus on our multi-year strategic plan, developed to enhance increasing awareness around PNE activities, values and initiatives, with both short-term and long-term objectives aimed at building our partnership opportunities. This is achieved by developing stronger relationships with marketing agencies and brands that allow the PNE to build meaningful partnerships, creating impact and purpose to meet the needs of both partners. This sets us apart from the competition, as we carefully craft unique programs that add value to our guest experience. The Partnerships team has focused on why partners look to our events to showcase their social or business objectives.

We are grateful to our key partners who continue to see our aligned objectives throughout the ongoing pandemic. The PNE proudly partners with some of BC's and Canada's most beloved brands like BCAA, Safeway, Metro Vancouver Regional District and TransLink, who all align with the PNE's shared values. Our key food and beverage partners held strong in our partnership through the past two years, and we thank Coca-Cola, Labatt, Red Bull, Parallel 49 and Arterra for seeing the long-term value of partnership with us.

Our ability to build one-of-a-kind opportunities for our partners gives us the edge in securing investments to build

brand awareness of our combined brands, develop new programs that improve guest experience, and provide recognition for our expertise in creating special moments across the site, no matter the event. It is exciting to know that the industry realizes that the PNE is just a little bit different than other spaces competing for investment dollars. Our experience working together to achieve partners' objectives and key performance indicators shows solid success year over year. This success is the leverage our partners look for.

Giving Back

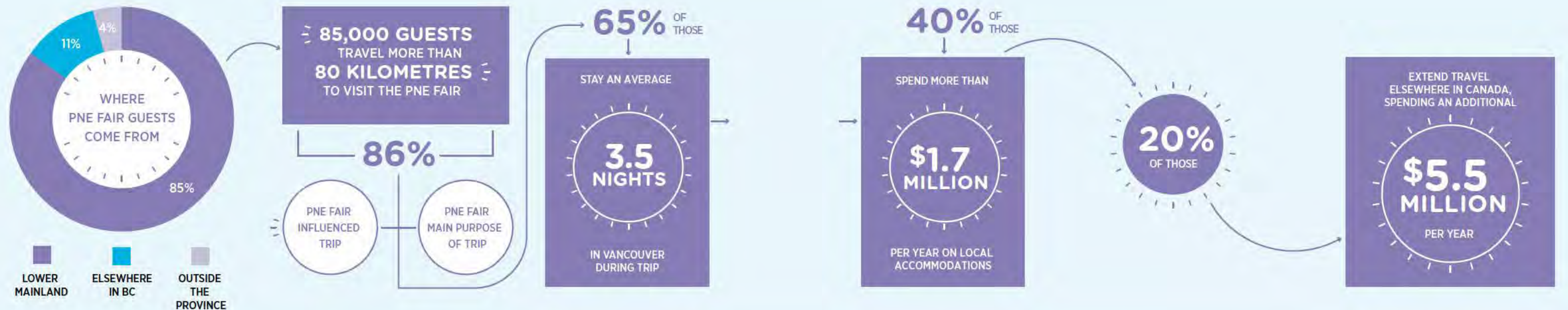
The PNE is a non-profit organization dedicated to maintaining Hastings Park; we typically utilize our profits to generously give back to local organizations and community groups. With the pause on all events, the PNE suspended all ticket programs and community grants. The ticket donations will be reinstated in 2022 and the community grant program will be reinstated in 2023, along with new fundraising initiatives for non-profit organizations, community groups and charities.

Throughout the pandemic, we maintained our engagement with the Community Advisory Group, covering such topics as the future of public art at Hastings Park, the increased graffiti and vandalism challenges on the site, and engagement on the Hastings Park-PNE Redevelopment Plans.

Throughout the pandemic, we maintained our engagement with the Community Advisory Group, covering such topics as



TYPICAL ANNUAL ECONOMIC IMPACT OF THE PACIFIC NATIONAL EXHIBITION



the future of public art at Hastings Park, the increased graffiti and vandalism challenges on the site, and engagement on the Hastings Park-PNE Redevelopment Plans.

With reduced resources, the PNE Neighbourhood Focus Group and the PNE Youth Council were put on hold until 2023, when they both will return in a revitalized format. We are dedicated to creating positive impact in our local community, and when our site is active once again, we will continue to work closely with the local community to mitigate impacts from events, to help build community and to support local community initiatives.

Our partnership with the Vancouver Farmers Market Society continued to thrive throughout the fall and winter of 2020/2021. This initiative brings fresh, local products to the community every Sunday from November to April. This year's market included heightened safety protocols and a reduced number of vendors, but maintained its focus on selling local produce, baked goods, meats, fish, jams, spirits and crafts. The PNE continues to subsidize this program's operational costs, including garbage/recycling/compost bins, waste pickup, power and heat, pre- and post-event site cleaning, and promotion of the farmers market.

Throughout the year, CircusWest, a PNE-subsidized community partner hosting youth development programs related to performance and the circus arts, expanded their operation to include additional space by utilizing a large tent east of the Garden Auditorium in the adjacent parking lot. This enabled them to comply with social distancing requirements while maintaining training and education operations for their participants. The PNE is committed to supporting organizations like CircusWest that promote active play in communities.

The PNE continued to operate our Community Ice program in the Agrodome through 2021. Although no recreational groups were permitted, due to public health restrictions, we were able to provide ice time to four minor hockey league-style groups (approximately 15 teams), and one figure skating group with 20 skaters. The PNE implemented safety protocols to ensure

the safety of all ice users, including 15-minute breaks between user groups to clean the facility, an outdoor dressing area to put on skates, closing all change rooms, having spectators wait outdoors, providing distinct entry and exit paths through different doors to maintain physical distancing, and instituting rules for players to come dressed and ready to play.

Each year, the Sanctuary at the southwest side of Hastings Park is stocked by the Freshwater Fisheries Society of BC (FFSBC) with rainbow trout during the spring and fall. In 2021, although no formal programs for learning to fish were provided, the area remained open for the local community to fish and the space was actively used. This habitat continues to be closely monitored to ensure that the more than 125 species currently sharing the Sanctuary space are not negatively impacted.

Hastings Park remains an anchor destination in Vancouver, and we strive to continue to bring joy and build social connections with the community we live and work within. The PNE looks forward to welcoming back all opportunities for public use of Hastings Park as we anticipate the strong return to live events in 2022.

Accessibility

Playland offers the Ride Accessibility Program through our participation in the Easter Seals Canada Access 2 program. Guests who may find access difficult, or who cannot stand for long periods of time in ride lines because of a physical disability or a learning/emotional impairment, can utilize this program throughout the season by presenting an Access 2 card at Guest Services. Additionally, at all PNE events, we offer, first aid, access for guide and service dogs, a child find program, accessible parking, and accessible and gender-neutral washroom facilities to enhance the guest experience on-site.

The PNE participates in the Vancouver Police Department (VPD) Safe Place program. The program is led by the VPD and is designed to assist members of the LGBTQ2+ community in situations when targeted by bullying or harassment and,

in some cases, when they are the victims of crime. The PNE offers a safe place for LGBTQ2+ community members to call the police and safely wait.

Care of the Park

A priority focus in 2021 was returning the park, cultural gardens, and amenities to their 2019 levels. Our gardening team introduced weekly walk-through audits with our leadership team to identify key areas of focus and investment.

In 2021 we began the renewal of the PNE Waste Diversion strategy and expanded our focus to include a back-of-house audit on how we haul, sort and dispose of all operational waste. This audit, which will be completed in 2022, will support our zero-waste initiatives and support the improvement of our already strong diversion rates of 78%.

With approval of the Playland five-year ride strategy in 2021, the PNE began site preparation for a new ride to be launched in 2022. As a result of our intentional focus on diversion, we successfully diverted over 128,500 kilograms of metal from the landfills during this project.

The February 2022 fire in our maintenance yard had a devastating impact on our facilities and site maintenance teams. The team quickly rallied and rebuilt their resources to ensure they were ready for the 2022 spring season cleanup.

Capital Expenditures and Maintenance Improvements

The PNE and City of Vancouver continued to invest in upgrades and maintenance of the facilities in Hastings Park through 2021.

The Administration Building in the southwest of Hastings Park received a new roof in 2021 and electrification upgrades were made to the building. New, all-electric, high-efficiency heat/cool rooftop units were installed to replace old natural gas heating units.

In the Agrodome, a new roof was installed above the concourse, and a new brine line header was installed for the ice hockey floor. New interior paint provided a much-needed facelift in the north Forum as well as in the south end of the Livestock Barns. We also invested in much-needed new maintenance equipment. As a result of the need to replace equipment after the fire on-site, we were able to reassess the teams' needs and invest in newer capital assets that would improve their efficiency and effectiveness.

As a result of the \$10 million grant from the federal Major Festivals and Events Support Initiative (MFESI), the PNE was able this year to initiate new investments in energy-efficient equipment, site vehicles, technology and other energy-efficiency projects. We look forward to sharing more about the projects when they are complete in 2022.

Looking to the Future

2021 has been a year of Resiliency, Recovery and Innovation. Although there is still a long road ahead, the PNE is proud to see a remarkable bounce-back in our revenues, and we have made decisions and investments that will set us on a long-term path to recovery in a timeline shorter than originally anticipated. There are still unknowns, but the organization is led by a strong executive team who have been laser-focused on mitigating losses, developing achievable targets, delivering master plan development, keeping a strong voice of advocacy in the industry, and continuing to lead the design of experiences for our community with a focus on our mission, vision and values. The PNE continues to deliver memorable experiences 365 days a year with Excellence, Enthusiasm and Evolution.



METRO VANCOUVER EXHIBIT



PNE PEP BAND



WEST COAST LUMBERJACK SHOW



TRANSLINK EXHIBIT



PETTING FARM



CONCERT CROWD



WEST COAST LUMBERJACK SHOW



THE CHALLENGER MAP



METRO VANCOUVER EXHIBIT



TRANSLINK EXHIBIT



BUG WHIRLED RIDE



SELFIES AT THE PNE FAIR



MARKETPLACE AT THE PNE FAIR



PLAYLAND AT NIGHT



SNO CONES AT THE PNE FAIR



FVDED AT THE PNE AMPHITHEATRE



MARIACHI BAND AT THE PNE FAIR



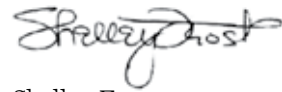
BCAA TOONCITY AT THE PNE FAIR



FARM COUNTRY DISPLAY

REPORT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The *Pacific National Exhibition Incorporation Act* of 1973, later amended by the 2003 *PNE Enabling and Validating Act*, requires the PNE to table an Annual Report containing information about the organization's performance. PNE management prepares the following financial statements and related information and is responsible for their integrity. As in all cases, the statements include amounts based on management's estimates and judgments. We believe that these statements fairly represent the PNE's current financial position. Management is also responsible for the accuracy and completeness of the information presented in the PNE's Annual Report. To fulfill this responsibility, management maintains financial and management control systems and practices that provide reasonable assurance the information is accurate and complete. PNE officials who have provided the information contained in the 2021 Annual Report have verified its completeness and accuracy. Our independent auditors, KPMG LLP, have audited the financial statements in accordance with Canadian Public Sector Accounting Standards and formed an independent opinion on the financial statements prepared by management.



Shelley Frost
President and Chief Executive Officer



David Crawford
Vice President, Finance and Corporate Services

CORPORATE GOVERNANCE

2021 BOARD OF DIRECTORS

The Hastings Park–PNE Board of Directors, as appointed by Vancouver City Council, were as follows for 2021:

Chair

Lisa Dominato, Councillor,
City of Vancouver

Vice Chair

Donnie Rosa, General Manager, Park Board,
City of Vancouver (October 2020–present)

Treasurer

Patrice Impey, General Manager, Financial Services,
City of Vancouver

Directors

Paul Mochrie, Deputy City Manager,
City of Vancouver

Nick Kassam, General Manager of Real Estate
and Facilities Management,
City of Vancouver (until December 2021)

Rachel Roy, Lawyer with Allevato,
Quail and Roy

Jackie Hogue, J Hogue Consulting Inc.
(until June 2021)

Ty Speer

Maury Kask (July 2021 – present)

Raj Sihota (July 2021 – present)

EXECUTIVE MANAGEMENT COMMITTEE

President and Chief Executive Officer:
Shelley Frost

Vice President, People, Culture & Planning:
Stacy Shields

Vice President, Operations:
Jeff Strickland

Vice President, Sales, Marketing & Business Development:
Karen Massicotte

Vice President, Finance and Corporate Services:
David Crawford

Executive Assistant and Corporate Secretary:
Salome Valente

Corporate Governance Practices

The Pacific National Exhibition is a non-profit organization owned by the City of Vancouver. The company's business affairs are the responsibility of the Board of Directors, a City Council-appointed body. The PNE's Board of Directors is committed to ensuring that corporate governance practices are open and effective, and that the Board is fully accountable and assumes responsibility for the stewardship of the organization. The Board discharges responsibility of day-to-day operations to the President and Chief Executive Officer, who in turn selects and oversees the rest of the management team. The Board encourages management, under the direction of the President and Chief Executive Officer, to make clear and appropriate executive decisions.

2021 Auditor

KPMG LLP
777 Dunsmuir Street
P.O. Box 10426
Vancouver, BC V7Y 1K3
T: 604-691-3000 F: 604-691-3031
www.kpmg.ca



FINANCIAL STATEMENTS

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of Pacific National Exhibition

Opinion

We have audited the financial statements of Pacific National Exhibition ("PNE"), which comprise:

- the statement of financial position as at March 31, 2022
- the statement of operations for the year then ended
- the statement of changes in net debt for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of PNE as at March 31, 2022 and its results of operations, its changes in net debt and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "***Auditors' Responsibilities for the Audit of the Financial Statements***" section of our auditors' report.

We are independent of PNE in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

INDEPENDENT AUDITORS' REPORT

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing PNE's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate PNE or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing PNE's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of PNE's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

INDEPENDENT AUDITORS' REPORT

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on PNE's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause PNE to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Chartered Professional Accountants

Vancouver, Canada
July 13, 2022

STATEMENT OF FINANCIAL POSITION

March 31, 2022, with comparative information for March 31, 2021

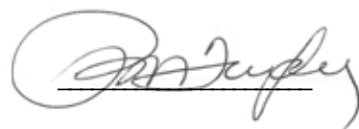
	As at March 31, 2022	As at March,31, 2021
Financial Assets		
Cash	\$ 4,754,873	\$ -
Accounts receivable (notes 3 and 4)	4,696,771	1,050,074
	<u>9,451,644</u>	<u>1,050,074</u>
Liabilities		
Bank indebtedness (note 5)	-	850,425
Bank loans (note 5)	5,353,984	12,694,559
Accounts payable and accrued liabilities (notes 4 and 6)	23,616,789	9,896,005
Deferred revenue	1,271,399	432,672
	<u>30,242,172</u>	<u>23,873,661</u>
Net debt	(20,790,528)	(22,823,587)
Non-Financial assets		
Tangible capital assets (note 8)	20,227,878	19,922,915
Inventories held for use	838,232	765,420
Prepaid expenses	3,733,919	1,778,026
	<u>24,800,029</u>	<u>22,466,361</u>
Subsequent event (note 5)		
Contingent liabilities (note 11)		
Accumulated surplus (deficit)	\$ 4,009,501	\$ (357,226)

See accompanying notes to financial statements.

Approved on behalf of the Board:



Lisa Dominato, Director



Patrice Impey, Director

STATEMENT OF OPERATIONS

Year ended March 31, 2022, with comparative information for the year ended March 31, 2021

	Budget for the year ended March 31, 2022 (Note 2(i))	Year ended March 31, 2022	Year ended March 31, 2021
REVENUE:			
Fairs and festivals	\$ 13,695,430	\$ 21,484,890	\$ 8,244,296
Playland	7,536,626	8,896,269	2,014,411
Year round events	8,447,769	7,032,833	4,233,866
Government grants (note 9)	2,300,000	4,105,663	-
Other	153,833	134,130	133,421
	<u>32,133,658</u>	<u>41,653,785</u>	<u>14,625,994</u>
EXPENSES (NOTE 12):			
Advertising	1,273,719	1,335,065	931,295
Agriculture	229,430	338,383	42,333
Entertainment	1,383,328	1,446,857	528,115
Exhibit space	631,918	723,432	297,368
Finance and corporate services	4,247,418	5,169,966	3,975,024
Food and beverage	3,123,347	3,927,092	1,170,400
Games	396,550	898,183	42,977
Guest services	224,577	194,041	63,540
Information services	1,507,697	1,350,065	856,464
Lotteries	3,939,581	4,166,835	4,379,421
Marketing and sponsorship	963,874	968,644	605,728
Office of the President	996,063	875,817	648,955
Operations	1,736,079	1,834,660	344,343
People and culture (human resources)	1,506,607	1,682,947	1,585,102
Playland tech services	6,215,534	5,327,795	2,766,691
Public safety and parking	1,612,130	1,598,896	760,504
Sales and group sales	506,211	779,018	1,114,225
Tech services	3,550,190	3,341,297	1,865,344
Ticketleader	1,479,814	1,328,065	618,423
	<u>35,524,067</u>	<u>37,287,058</u>	<u>22,596,252</u>
Annual surplus (deficit)	(3,390,409)	4,366,727	(7,970,258)
Accumulated surplus (deficit), beginning of year	(357,226)	(357,226)	7,613,032
Accumulated surplus (deficit), end of year	\$ (3,747,635)	\$ 4,009,501	\$ (357,226)

See accompanying notes to financial statements.

STATEMENT OF CHANGES IN NET DEBT

Year ended March 31, 2022, with comparative information for the year ended March 31, 2021

	Budget for the year ended March 31, 2022	Year ended March 31, 2022	Year ended March 31, 2021
	(Note 2(i))		
Annual surplus (deficit)	\$ (3,390,409)	\$ 4,366,727	\$ (7,970,258)
Acquisition of tangible capital assets	(790,764)	(3,074,766)	(295,924)
Loss on disposal of tangible capital assets	-	904,122	-
Amortization of tangible capital assets	2,083,970	1,865,681	2,008,969
	(2,097,203)	4,061,764	(6,257,213)
Acquisition of inventories held for use	-	(2,089,825)	(312,400)
Increase in prepaid expenses	-	(3,878,232)	(3,188,586)
Consumption of inventories held for use	-	2,017,013	516,120
Use of prepaid expenses	-	1,922,339	4,436,996
	-	(2,028,705)	1,452,130
Decrease (increase) in net debt	(2,097,203)	2,033,059	(4,805,083)
Net debt, beginning of year	(22,823,587)	(22,823,587)	(18,018,504)
Net debt, end of year	\$ (24,920,790)	\$ (20,790,528)	\$ (22,823,587)

See accompanying notes to financial statements.

STATEMENT OF CASH FLOWS

Year ended March 31, 2022, with comparative information for the year ended March 31, 2021

	Year ended March 31, 2022	Year ended March 31, 2021
Cash provided by (used in):		
Operations:		
Annual surplus (deficit)	\$ 4,366,727	\$ (7,970,258)
Items not involving cash:		
Loss on disposal of tangible capital assets	904,122	-
Amortization of tangible capital assets	1,865,681	2,008,969
Changes in non-cash operating working capital:		
Increase in accounts receivable	(3,646,697)	(110,513)
Decrease (increase) in inventories held for use	(72,812)	203,720
Decrease (increase) in prepaid expenses	(1,955,893)	1,248,410
Increase in accounts payable and accrued liabilities	13,720,784	1,028,674
Decrease in deferred revenue	838,727	(181,416)
Net change in cash from operating activities	16,020,639	(3,772,414)
Capital activities:		
Cash used to acquire tangible capital assets	(3,074,766)	(295,924)
Net change in cash from capital activities	(3,074,766)	(295,924)
Financing activities:		
Increase (decrease) in bank indebtedness	(850,425)	850,425
Increase (decrease) in bank loans	(7,340,575)	2,843,017
Net change in cash from financing activities	(8,191,000)	3,693,442
Increase (decrease) in cash	4,754,873	(374,896)
Cash, beginning of year	-	374,896
Cash, end of year	\$ 4,754,873	\$ -

See accompanying notes to financial statements.

NOTES TO FINANCIAL STATEMENTS

Year ended March 31, 2022

1. Authority, Purpose, and Nature of Operations:

Pacific National Exhibition (“PNE”) is a premier entertainment destination in the Province of British Columbia. It has four main activity streams: an annual 15-day fair, Playland amusement park, year-round facilities which are utilized to celebrate a variety of community, social, cultural, ethnic and commercial events, and the care and development of the park. PNE is not subject to income taxes.

PNE was established in 1910 and incorporated in 1973 under the Pacific National Exhibition Incorporation Act of the Province of British Columbia. The mission of PNE is to enrich the quality of life at Hastings Park, Vancouver, by providing family entertainment that invites its guests to celebrate Vancouver’s heritage, culture and diverse communities in a vibrant urban park.

Effective January 1, 2004, PNE became a wholly owned subsidiary of the City of Vancouver and is an independently operated entity. PNE’s operations are conducted on land and buildings owned by the City of Vancouver.

In March 2020, the COVID-19 outbreak was declared a pandemic by the World Health Organization. In the year ended March 31, 2022, PNE held a scaled-down 15-day fair and a reduced capacity Playland season and had limited rentals of buildings for third party events. Additionally, PNE received grants from the provincial and federal governments (note 9).

The impact of the pandemic continues to create uncertainty over future cash flows, may cause significant changes to the assets or liabilities, and may have other impacts on the future operations. PNE continues to closely monitor its cash flows and will be adjusting its operations as required.

These financial statements have been prepared on the basis that the PNE is a going concern, which assumes that the PNE will continue to realize its assets and discharge its liabilities in the normal course of operations. PNE’s ability to continue as a going concern is dependent upon, among other things, continued support of its lenders and the City of Vancouver.

2. Summary of significant accounting policies:

(a) Basis of presentation:

These financial statements of PNE have been prepared by management in accordance with Canadian public sector accounting standards of the Chartered Professional Accountants of Canada.

(b) Revenue recognition:

Fairs and festivals revenue includes amounts earned from events that are organized by the PNE. Year-round events revenue includes amounts earned from events that are organized by third parties at the PNE site.

NOTES TO FINANCIAL STATEMENTS

Year ended March 31, 2022

2. Summary of significant accounting policies (continued):

(b) Revenue recognition (continued):

Admissions, exhibitor, advertising, and other revenues from events are initially deferred and recorded as revenue when earned during the event. Advertising revenue for long-term contracts is recognized on a straight-line basis over the term of the related contract.

Revenues from short-term event rental of facilities are recorded as deferred revenue in advance of providing the related services and recorded as revenue upon completion of the event. Sales of goods and services are recognized as revenue at the time the products are delivered or the services are provided, and collection is reasonably assured.

Revenues from the sale of food and beverages are recorded upon completion of the sale.

Contributions from funders are recorded as receivable if the amount can be reasonably estimated and collection is reasonably assured. Contributions with a designated purpose are deferred until used for the intended purpose. Government transfers, including contributions from the City of Vancouver and senior government, are recognized as revenue in the period that the transfer is authorized by the transferring government, and eligibility criteria, if any, have been met by PNE, except when and to the extent that the transfer gives rise to a liability and is recognized as revenue when and in proportion to how the liability is settled.

(c) Non-financial assets:

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations.

(i) Tangible capital assets:

Tangible capital assets are initially recorded at cost, which includes amounts that are directly attributable to the acquisition, construction, development or betterment of the asset. Interest is not capitalized when external debt is obtained to finance the construction of the tangible capital assets.

The cost, less residual value, of the tangible capital assets, are amortized as shown below.

ASSET	BASIS	RATE
Machinery, furniture and equipment	Declining balance	10% to 30%
Playland rides and equipment	Straight-line	15 years to 25 years

Assets under construction are not amortized until the asset is available for productive use. Tangible capital assets are written down when conditions indicate that they no longer contribute to PNE’s ability to provide goods and services, or when the value of future economic benefits associated with the tangible capital assets are less than their net book value.

NOTES TO FINANCIAL STATEMENTS

Year ended March 31, 2022

2. Summary of significant accounting policies (continued):

(c) Non-financial assets (continued):

(ii) Leased tangible capital assets:

Leases which transfer substantially all of the benefits and risks incidental to ownership of property are accounted for as leased tangible capital assets. All other leases are accounted for as operating leases and the related payments are charged to expenses as incurred.

(iii) Inventories held for use:

Inventories held for use are recorded at the lower of cost and replacement cost.

Inventories consist of stores, plush toys, merchandise, and food and beverages that is held for use as part of the operations. Cost is determined using the weighted average method. Cost of inventories includes acquisition and all costs incurred to deliver inventory to PNE's head office, including freight, non-refundable taxes, duties, and other landing costs.

Replacement cost is the estimated current price to replace the items.

(iv) Prepaid expenses:

Prepaid expenses are expensed over the periods expected to benefit from them.

(d) Financial instruments:

Financial instruments consist of accounts receivable, accounts payable and accrued liabilities, bank loans and foreign currency hedge instruments. Financial instruments are recorded at fair value on initial recognition. Derivative instruments that are quoted in an active market are reported at fair value. As at March 31, 2022, there are no derivative instruments held by PNE. All other financial instruments are subsequently recorded at cost or amortized cost unless management has elected to carry the instruments at fair value.

Unrealized changes in fair value would be recognized on the statement of remeasurement gains and losses. They are recorded in the statement of operations when they are realized. There are no unrealized changes in fair value as at March 31, 2022 and March 31, 2021. As a result, PNE does not have a statement of remeasurement gains and losses.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs, which are amortized using the straight-line method.

All financial assets are assessed for impairment on an annual basis. When a decline is determined to be other than temporary, the amount of the loss is reported in the statement of operations.

NOTES TO FINANCIAL STATEMENTS

Year ended March 31, 2022

2. Summary of significant accounting policies (continued):

(e) Employee future benefits:

The PNE and its employees make contributions to Municipal Pension Plan (the "Plan") which is a multi-employer jointly trustee plan. The Plan is a defined benefit plan, providing a pension on retirement based on the member's age at retirement, length of service and highest earnings averaged over 5 years. Inflation adjustments are contingent upon available funding. As the assets and liabilities of the Plan are not segregated by entity, the Plan is accounted for as a defined contribution plan and any contributions by PNE to the Plan are expensed as incurred.

(f) Liability for contaminated sites:

A liability for contaminated sites is recognized when a site is not in productive use and the following criteria are met:

- An environmental standard exists;
- Contamination exceeds the environmental standard;
- PNE is directly responsible or accepts responsibility;
- It is expected that future economic benefits will be given up; and
- A reasonable estimate of the amount can be made.

The liability is recognized as management's estimate of the cost of post-remediation including operation, maintenance and monitoring that are an integral part of the remediation strategy for a contaminated site. There are no contaminated sites liabilities recorded as at March 31, 2022 and March 31, 2021.

(g) Use of estimates:

The preparation of the financial statements in accordance with Canadian public sector accounting standards requires management to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Where actual results differ from these estimates and assumptions, the impact will be recorded in future periods when the difference becomes known.

(f) Foreign currency:

Foreign currency transactions are translated into Canadian dollars at the exchange rate in effect on the transaction date.

NOTES TO FINANCIAL STATEMENTS

Year ended March 31, 2022

2. Summary of significant accounting policies (continued):

(h) Foreign currency (continued):

Monetary assets and liabilities denominated in foreign currencies are reflected in the financial statements in equivalent Canadian dollars at the exchange rate in effect on the financial statement date. Unrealized foreign exchange gains and losses are recognized in the statement of remeasurement gains and losses. There are no unrealized gains or losses as at March 31, 2022 and March 31, 2021. As a result, PNE does not have a statement of remeasurement gains and losses.

(i) Budget information:

Budget information has been provided for comparative purposes and has been derived from the Corporate Plan for the year ended March 31, 2022 approved by the Board of Directors of the PNE on July 28, 2021. This budget is reflected in the statement of operations and statement of changes in net debt. Some expenditures, such as for tangible capital assets and certain events, may be adjusted and approved subsequent to the original approved budget. These adjusted budget amounts are not presented in these financial statements. Expenditures may occur during the year or subsequent to the year it is budgeted for.

3. Accounts receivable:

	As at March 31, 2022	As at March 31, 2021
Accounts receivable	\$ 4,867,167	\$ 1,160,965
Allowance for doubtful accounts	(170,396)	(110,891)
	<u>\$ 4,696,771</u>	<u>\$ 1,050,074</u>

NOTES TO FINANCIAL STATEMENTS

Year ended March 31, 2022

4. Due from (to) government and other government organizations:

Included in accounts receivable and accounts payable and accrued liabilities are the following amounts due from (to) government. Other than the Major Festivals and Events Support Initiative, the Canada Emergency Wage Subsidy and the Tourism and Hospitality Recovery Program, the amounts below arise from the normal course of operations:

	As at March 31, 2022	As at March 31, 2021
Accounts receivable:		
Major Festivals and Events Support Initiative (note 9(a))	\$ 2,605,663	\$ -
City of Vancouver	225,674	70,647
	<u>2,831,337</u>	<u>70,647</u>
Accounts payable and accrued liabilities:		
City of Vancouver	(34,306)	(88)
Payroll tax remittances	(61,133)	(41,561)
Indirect and other taxes	(160,900)	(75,417)
Canada Emergency Wage Subsidy (a)	(6,957,207)	(3,929,958)
Tourism and Hospitality Recovery Program (b)	(1,204,194)	-
	<u>(8,417,740)</u>	<u>(4,047,024)</u>

(a) Due to the COVID-19 pandemic, the Canadian government introduced the Canada Emergency Wage Subsidy ("CEWS") to assist organizations who meet certain eligibility requirements. In the year ended March 31, 2022, PNE applied for CEWS and received an additional \$3,027,249 (year ended March 31, 2021 - \$3,929,958) from the Canadian government. As PNE is in the process of assessing their eligibility to retain these cash payments, this amount has been recorded in accounts payable and accrued liabilities as at March 31, 2022.

(b) Due to the COVID-19 pandemic, the Canadian government introduced the Tourism and Hospitality Recovery Program ("THRP") to assist organizations in the tourism, hospitality, arts, entertainment or recreation sectors who meet certain eligibility requirements. In the year ended March 31, 2022, PNE applied for THRP subsidies and received \$1,204,194 (year ended March 31, 2021 - nil). As PNE is in the process of assessing their eligibility to retain these cash payments, this amount has been recorded in accounts payable and accrued liabilities as at March 31, 2022.

NOTES TO FINANCIAL STATEMENTS

Year ended March 31, 2022

5. Bank indebtedness and bank loans:

	As at March 31, 2022	As at March 31, 2021
Bank indebtedness	\$ -	\$ 850,425
Bank loans:		
Demand operating loan	-	5,700,000
Instalment loan for capital	5,353,984	6,994,559
	5,353,984	12,694,559
	\$ 5,353,984	\$ 13,544,984

PNE has a revolving facility with a Canadian chartered bank. Subsequent to the year ended March 31, 2022, the facility agreement was amended to provide maximum borrowing of \$11,000,000 (as at March 31, 2021 - \$27,905,441) in operating credit and \$21,000,000 (as at March 31, 2021 - \$6,994,559) for instalment loan for capital purchases. The facilities bear interest at the bank prime rate minus 0.25%. The operating loan, which includes bank indebtedness, is due on demand and has no specific terms of repayment. The instalment loan for capital is repayable on demand, and prior to repayment being demanded, on a 10-year straight line principal reduction basis, payable monthly together with accrued interest. Early repayment of the instalment loan for capital is permitted.

Outstanding repayments for the instalment loan for capital if the bank does not demand repayment are as follows:

Year ended:	
March 31, 2023	\$ 1,540,783
March 31, 2024	1,270,627
March 31, 2025	769,164
March 31, 2026	539,809
March 31, 2027	428,040
Thereafter	805,561
	\$ 5,353,984

PNE's U.S. dollar bank account balance and a limited guarantee from the City of Vancouver of \$32,000,000 (as at March 31, 2021 - \$34,900,000) has been provided as security for the operating loan and instalment loan for capital.

As at March 31, 2022, PNE has issued a letter of credit for \$80,000 (as at March 31, 2021 - \$80,000) for its liquor operations.

NOTES TO FINANCIAL STATEMENTS

Year ended March 31, 2022

6. Accounts payable and accrued liabilities:

	As at March 31, 2022	As at March 31, 2021
Accounts payables and accrued liabilities	\$ 13,979,914	\$ 4,942,713
Canada Emergency Wage Subsidy (note 4(a))	6,957,207	3,929,958
Tourism and Hospitality Recovery Program (note 4(b))	1,204,194	-
Salaries and benefits payable	1,046,977	575,028
Accrued vacation pay	428,497	448,306
	\$ 23,616,789	\$ 9,896,005

7. Pension benefits:

PNE and its employees contribute to the Plan, a jointly trustees pension plan. The Plan's Board of Trustees, representing plan members and employers, is responsible for the management of the Plan, including investment of the assets and administration of benefits. The Plan is a defined benefit multi-employer contributory pension plan. The Plan has approximately 220,000 active members, of whom 138 are employees of PNE, and 112,000 retired members.

Every 3 years, an actuarial valuation is performed to assess the financial position of the Plan and the adequacy of Plan funding. The most recent valuation as at December 31, 2018, indicated a funding surplus of approximately \$2,866 million for basic pension benefits on a going concern basis. The next required valuation will be as at December 31, 2021, with results available in the fall of 2022. Employers participating in the Plan record their pension expense as the amount of employer contributions made during the fiscal year (defined contribution pension plan accounting). This is because the Plan records accrued liabilities and accrued assets for the Plan in aggregate with the result that there is no consistent and reliable basis for allocating the obligation, assets and cost to the individual employers participating in the Plan.

In the year ended March 31, 2022, PNE paid \$680,326 (year ended March 31, 2021 - \$554,422) for employer contributions while employees contributed \$616,453 (year ended March 31, 2021 - \$492,412) to the Plan.

NOTES TO FINANCIAL STATEMENTS

Year ended March 31, 2022

8. Tangible capital assets:

Cost	As at, March 31, 2021	Additions	Disposals	Transfers	As at, March 31, 2022
Machinery, furniture and equipment	\$ 21,742,739	\$ -	\$ (1,362,549)	\$ 550,756	\$ 20,930,946
Playland rides and equipment	30,352,773	-	(2,087,704)	-	28,265,069
Assets under construction	17,875	3,074,766	-	(550,756)	2,541,885
Total	\$ 52,113,387	\$ 3,074,766	\$ (3,450,253)	\$ -	\$ 51,737,900

Accumulated amortization	As at, March 31, 2021	Amortization expense	Disposals	As at, March 31, 2022
Machinery, furniture and equipment	\$ 15,685,560	\$ 837,623	\$ (1,050,161)	\$ 15,473,022
Playland rides and equipment	16,504,912	1,028,058	(1,495,970)	16,037,000
Total	\$ 32,190,472	\$ 1,865,681	\$ (2,546,131)	\$ 31,510,022

Net book value	As at, March 31, 2021	As at, March 31, 2022
Machinery, furniture and equipment	\$ 6,057,179	\$ 5,457,924
Playland rides and equipment	13,847,861	12,228,069
Assets under construction	17,875	2,541,885
Total	\$ 19,922,915	\$ 20,227,878

- (a) Assets under construction:
Assets under construction having a value of \$2,541,885 (as at March 31, 2021 - \$17,875) have not been amortized. Amortization of these assets will commence when the asset is put into service.
- (b) Write-down of tangible capital assets:
There were no write-downs of tangible capital assets in the year ended March 31, 2022 (year ended March 31, 2021 - nil).

NOTES TO FINANCIAL STATEMENTS

Year ended March 31, 2022

9. Government grants:

- (a) In the year ended March 31, 2022, PNE was the recipient of a \$10,000,000 grant from the Major Festival and Events Support Initiative administered by Pacific Economic Development Canada on behalf of the Canadian government. The grant will fund eligible costs incurred between April 19, 2021 and March 31, 2023 for certain technology and site improvement projects that will increase the accessibility and long-term operational viability of the annual fair. PNE has recognized \$2,605,663 of revenue in the statement of operations based on the project costs incurred in the year ended March 31, 2022. The balance is included in accounts receivable as at March 31, 2022 (note 4).
- (b) In the year ended March 31, 2022, PNE was the recipient of grants totaling \$500,000 from the Province of British Columbia's Fairs, Festivals and Events Recovery Fund for the annual fair, Hallowed Eves and WinterLights events. The grants were recognized as revenue in the statement of operations.
- (c) In the year ended March 31, 2022, PNE was the recipient of a \$1,000,000 grant from the Province of British Columbia's Major Anchor Attractions Program for costs incurred to restart or ramp up operations in preparation for the gradual reopening in alignment with provincial health orders. The grant was recognized as revenue in the statement of operations.

10. Financial risk management:

PNE has exposure to the following risks from its use of financial instruments: credit risk, market risk, liquidity risk and foreign exchange risk.

The Board of Directors ensures that PNE has identified its major risks and ensures that management monitors and controls them.

- (a) Credit risk:
Credit risk is the risk of financial loss to PNE if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Such risks arise principally from certain financial assets held by PNE consisting of accounts receivable.

It is management's opinion that PNE is not exposed to significant credit risk arising from its accounts receivable. Management monitors and assesses the collectability and makes a provision for doubtful accounts based on this assessment.

- (b) Market risks:
Market risk is the risk that changes in market prices, such as interest rates and foreign exchange rates, will affect PNE's income. The objective of market risk management is to control market risk exposures within acceptable parameters while optimizing the return on risk.

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. Fixed rate instruments are subject to fair value risk while floating rate instruments are subject to cash flow risks. PNE is exposed to cash flow risks related to its bank loans which bear a floating rate of interest.

NOTES TO FINANCIAL STATEMENTS

Year ended March 31, 2022

10. Financial risk management (continued):

(b) Market risks (continued):

Foreign exchange risk, which is mainly related to accounts payable and accrued liabilities, is the risk to PNE's operations that arises from fluctuations in foreign exchange rates and the degree of volatility of those rates. PNE may use foreign currency swaps to mitigate this risk. There are no derivative instruments outstanding at year-end.

(b) Liquidity risk:

Liquidity risk is the risk that PNE will not be able to meet its financial obligations as they become due.

PNE manages liquidity risk by continually monitoring actual and forecasted cash flows from operations and anticipated investing and financing activities to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to PNE's reputation.

There has been no significant change to the risk exposures related to financial instruments from the prior period.

11. Contingent liabilities:

PNE may, from time to time, be involved in legal proceedings, claims, and litigation that arise in the normal course of business, in the event that any such claims or litigation are resolved against PNE, such outcomes or resolutions could have a material effect on the business, financial condition, or results of operations of PNE. At March 31, 2022, there are no significant outstanding claims.

12. Expenses by object:

The following is a summary of expenses by object:

	Year ended March 31, 2022	Year ended March 31, 2021
Cost of goods sold	\$ 1,645,885	\$ 215,626
General and administrative	16,420,943	10,978,215
Payroll	16,340,187	9,229,355
Loss on disposal of tangible capital assets	904,122	-
Amortization of tangible capital assets	1,865,681	2,008,969
Interest - bank loans	36,484	77,669
Interest - term finance	73,756	86,418
	<u>\$ 37,287,058</u>	<u>\$ 22,596,252</u>

NOTES TO FINANCIAL STATEMENTS

Year ended March 31, 2022

13. Contractual rights:

PNE's contractual rights arise from rights to receive payments under rental, ticketing and sponsorship agreements. PNE has contractual rights to receive the following amounts in the next five fiscal years and thereafter:

Year ended:	
March 31, 2023	\$ 904,330
March 31, 2024	851,904
March 31, 2025	850,824
March 31, 2026	184,264
March 31, 2027	76,789
Thereafter	131,493
	<u>\$ 2,999,604</u>

PNE is entitled to receive revenue from other franchise, exhibitors, ticketing and rental contracts. The revenue from these agreements cannot be quantified and have not been included in the amounts noted above.

14. Comparative information:

Certain comparative information has been reclassified to conform with the financial statement presentation adopted for the current year. The reclassification did not impact the annual deficit or accumulated surplus reported in the prior year.

**2901 East Hastings Street
Vancouver, BC V5K 5J1
pne.ca**



Pacific National Exhibition

From: "Mochrie, Paul" <Paul.Mochrie@vancouver.ca>
To: "Rowley, Cheryl" <Cheryl.Rowley@vancouver.ca>
Date: 7/28/2023 8:50:18 AM
Subject: FW: PNE Board Meeting Agenda Item
Attachments: Review of 2019 and 2023 PNE Amphitheater Business Case Assumptions - July 5 2023_FINAL.pdf

From: Salome Valente <SValente@pne.ca>
Sent: Wednesday, July 5, 2023 5:04 PM
To: Kirby-Yung, Sarah <Sarah.Kirby-Yung@vancouver.ca>; Impey, Patrice <Patrice.Impey@vancouver.ca>; Mochrie, Paul <Paul.Mochrie@vancouver.ca>; Rachel Roy <rroy@aqrlaw.ca>; Raj Sihota <rajs@strategies360.ca>; Maury Kask s.22(1); Ty Speer s.22(1); David Crawford <DCrawford@pne.ca>; Karen Massicotte <KMassicotte@pne.ca>; Salome Valente <SValente@pne.ca>; Shauna Wilton <SWilton@pne.ca>; Shelley Frost <sfrost@pne.ca>; Stacy Shields <sshields@pne.ca>
Cc: Rojas, Maria <Maria.Rojas@vancouver.ca>; Hall, Tiggy <tiggy.hall@vancouver.ca>; Rowley, Cheryl <Cheryl.Rowley@vancouver.ca>; Lara Mickel <LMickel@pne.ca>
Subject: [EXT] PNE Board Meeting Agenda Item

City of Vancouver security warning: Do not click on links or open attachments unless you were expecting the email and know the content is safe.

Good afternoon everyone,

Please find attached the Amphitheatre Business Case Summary (agenda item 4.3) that was missing from the original board meeting package. This is a comparison of the Amphitheatre business case assumptions related to the original business case and the 2023 newly approved business case.

Thank you and apologies for the delay in sending this out.
Salome

Salome Valent (she/her)
Executive Assistant & Manager, Corporate Administration

T: 604-251-7702
2901 Hastings St. E | Hastings Park | Vancouver, BC V5K 5J1



We respectfully acknowledge that we work on the unceded traditional and ancestral territories of the x m k y m (Musqueam), S wxwú7mesh (Squamish), and Selilwitulh (Tseil-Waututh) Nations.

