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TAMRMS#: B06

Dynamyx Facility Needs Report

Presented by: Diane Enger, Director

RECOMMENDATION(S)

That Administration's review of the Dynamyx Facility Needs Report be received as information.

PURPOSE OF REPORT

To provide Council with a summary of the background to the proposals for support from Dynamyx Gymnastics Club and to provide background on the current process for evaluating proposed recreation infrastructure development.

COUNCIL DIRECTION

On July 13, 2015 Council has passed the following motion:

(CM-343-2015)

That Administration work with Dynamyx, to determine if their project can be modified and then re-submitted for evaluation by the Community Capital Partnership Program Advisory Committee by December 31, 2015.

On June 7, 2016 Council passed the following motion:

(CM-362-2016)

That the preliminary business case for the project titled "Dynamyx Gymnastics Club New Building" not be approved to advance to the detailed business plan stage of the Capital Partnership Program.

On February 21, 2017 Council passed the following motion:

(CM-17-010)

That Administration review the Dynamyx December 2016 facility needs report and report back to Council in Q2.

BACKGROUND AND DISCUSSION

The Dynamyx Gymnastic Club ("the Club", "Dynamyx") has been operating in St. Albert for over 22 years and serves approximately 2,200 children and youth on an annual basis. The Club has a volunteer board, a large user pay component and paid professional staff.

The Club has been leasing facility space for 22 years and has been sustainable in their facility; however due to the growth of the Club, the need for improvements to their lease space and an upcoming increase in lease rates, the Dynamyx Gymnastics Club is looking at other facility options.

There are currently two gymnastics clubs operating in St. Albert. The other club, St. Albert Gymnastics Club have owned and operated their own facility for several decades and have recently declined Dynamyx's offer to consider a merger. Currently, the level of support that other Municipalities provide to gymnastics facilities varies by Municipality.

In July 2015 and June 2016, Dynamyx Gymnastics Club submitted two proposals to the City of St. Albert through the Capital Partnership Program Advisory Committee (CPPAC), proposing a partnership that would result in the construction of a new gymnastics centric facility. The CPPAC recommended not pursuing the project due to the fact that this project "appealed to a narrow demographic of St. Albert residents" as well as "concern about the \$1.7M to \$1.8M identified funding gap", and ultimately, the partnership request from Dynamyx was unanimously declined by Council (refer to Legislative History).

In 2016, the CPPAC concluded and was no longer accepting applications. After the conclusion of the program, Dynamyx presented City Council directly with two feasibility studies.

- November 2016 - The report provided information on the current membership and utilization, market inventory, population demographics and trends.
- December 2016 - The report provided member survey results and recommended next steps.

Through the submission of these reports and the corresponding presentations to Council, the Club has informally requested that the City provide gymnastics facilities within St. Albert that they would be able to use in the provision of their service.

Based on an assessment of the original submissions from Dynamyx compared to the recent feasibility studies, there are many unknowns in regard to the specifics of the partnership that Dynamyx Gymnastics Club is requesting.

Administrative Analysis Based on Infrastructure Development Process

Since the conclusion of the CPPAC Program, Administration has explored infrastructure development direction that is embedded in existing recreation strategic documents to provide parameters and assessment criteria for new recreation facility construction and partnership consideration for new recreation facilities.

Specific direction is provided within the Recreation Master Plan as part of Priority 3: "Invest in Recreation Infrastructure" in regard to the stages of analysis when evaluating the potential use of public funds for construction of recreation facilities. The stages of evaluation include:

1. Preliminary Need Identification.
2. Needs Assessment.
3. Feasibility Analysis.

Based on this process, currently, the request from Dynamyx Gymnastics Club is at Stage 1:

Preliminary Need Identification. This stage includes three steps including:

- Facility Alignment with Service Level Criteria.
- Concept Plan (high level).
- Partnership Consideration.

The parameters used in the evaluation of the Preliminary Need Identification are a combination of principles from the Recreation Master Plan, New Facility Predictive Model, the Partnership Handbook, Council Policy and historical practices within existing agreements.

These parameters have been outlined and discussed in more detail in **Attachment 1: Infrastructure Development Process**. The parameters have been identified to provide consistency in the City's provision of land and facilities for recreation and specifically around partnership consideration with community associations, because, as discussed in the Recreation Master Plan, a transparent protocol for equitably dealing with potential groups outlining the expectations around public investment is key.

Administration has completed a preliminary analysis of the Dynamyx Gymnastics Club's eligibility for support based on the parameters outlined for the Preliminary Need Identification and the information presented to date. The summary of the analysis has been included below for Council's information.

Step 1: Facility Alignment with Service Level Criteria

Parameter: Maintains current service levels in context of a growing market.

Analysis: Neither the City of St. Albert Recreation Master Plan or the New Facility Predictive Model have identified dedicated gymnastic facilities as one that the City supports currently or have plans to develop in the future. **X**

Parameter: Conforms to current recreation functions of the regional municipalities or new functional areas as contained within the broader strategic planning.

Analysis: There are several communities that offer publicly funded gymnastics facilities in the region. **✓**

Step 2: High Level Concept Plan

Parameter: The development occurs on publicly owned or long-term lease land.

Analysis: Dynamyx Gymnastics Club has requested that the facility be built on publicly owned or long-term lease land. **✓**

Parameter: The development is dynamic and adaptable.

Analysis: Gymnastics facilities include many pieces of fixed equipment and specific space needs. The inflexibility of this facility type would limit the ability to adapt the space for other types of recreation usage. **X**

Parameter: Priority is on multiuse development before single use.

Analysis: Traditionally, the City builds recreation facilities that are multi-use and multi-user facilities. Gymnastics facilities are primary user facility and may not align with the multi user philosophy of City funded recreation facilities. However, this facility could also be built to

accommodate other needs such as staff offices, libraries, arenas, pools and community meeting space to realize construction and operational efficiencies. **X**

Step 3: Partnership Consideration - Based on parameters for the provision of Land and Facilities for Community Associations

Parameter: The City and the community association enter into a lease agreement for the use of City Owned land for the Community associations delivery of community programming.

Analysis: This condition may be met within the parameters of an agreement; however, it has not been discussed with the Club at this time. **?**

Parameter: The community association is a Not For Profit Community association in good standing with the Societies Act.

Analysis: This condition may be met within the parameters of an agreement; however, it has not been discussed with the Club at this time. **?**

Parameter: The community association is a single representative of the sport/activity for the City.

Analysis: There is a second gymnastics club in St. Albert, and, as such, Dynamyx Gymnastics Club is not an association that acts in the sole interest of the sport as many organizations in St. Albert do. **X**

Parameter: The community association will provide broad based programming beginner to elite assessable to a broad spectrum in the community.

Analysis: This condition has been met based on the feasibility report provided by Dynamyx Gymnastics Club. **✓**

Parameter: The community association's members/registrants are significantly St. Albert residents.

Analysis: In the Feasibility Reports, Dynamyx states that the location of member residency is currently 46% St. Albert. Based on this information, this parameter is not met; however, Administration would require further analysis of this number in order to validate the parameter. **?**

Parameter: Ideally, the facility will have the ability to host major events to generate tourism.

Analysis: This condition may be met within the design of the facility; however, it has not been discussed with the group at this time. **?**

Parameter: The community association is volunteer based.

Analysis: The Club has a volunteer board and paid professional staff who coordinate and deliver the program with volunteer support. This condition may be met; however, further discussion would be required with the association. **?**

Parameter: The community association relies on grants and sweat equity for the building and further development of facilities. City will not contribute to the further development of the infrastructure.

Analysis: This condition may be met within the parameters of an agreement if the Club raised

capital funds for initial construction and future infrastructure development; however, it has not been discussed with the Club at this time. ?

Parameter: Operation of the facility will be 100% funded through the community association. The City will not provide any ongoing or operational support.

Analysis: Currently, the Club funds 100% of their operating costs. This condition may be met within the parameters of an agreement; however, it has not been discussed with the Club at this time. ?

Parameter: The community associations pay all their own utilities and operating expenses.

Analysis: Currently, the Club funds 100% of their operating costs including utilities. This condition may be met within the parameters of an agreement; however, it has not been discussed with the Club at this time. ?

Parameter: The community association must abide by all City Bylaws, Policies, Building Codes, etc.

Analysis: This condition may be met within the parameters of an agreement; however, it has not been discussed with the Club at this time. ?

The Club does align with some of the parameters; however, many pieces of a potential partnership are still unknown. There are four key parameters which are currently not met;

- The facility type does not align with the corporate service levels.
- The facility would include fixed and specific equipment that is not adaptable to other types of uses.
- The facility would be developed for a single user experience.
- Dynamyx Gymnastics Club is not a single representative of the sport/activity for the City.

At this time, the information available is not sufficient to determine the viability of a partnership with the Dynamyx Gymnastic Club. Therefore, Administration is presenting this report for information.

STAKEHOLDER COMMUNICATIONS OR ENGAGEMENT

Administration has toured the Dynamyx Gymnastics Club's facility and have met with the President and Executive Director of the association. The feasibility reports that have been developed by the Club have been provided to Council for information.

IMPLICATIONS OF RECOMMENDATION(S)

Financial: None at this time.

Legal / Risk: None at this time.

Program or Service: None at this time.

Organizational: None at this time.

ALTERNATIVES AND IMPLICATIONS CONSIDERED

1. That Administration continue to explore potential partnership with Dynamyx Gymnastics Club of a stand-alone gymnastics facility to be evaluated through the Infrastructure Development Process.
2. That Administration continue to explore a potential partnership with Dynamyx Gymnastics Club for the inclusion of a gymnastics component within a future multiuse facility to realize construction, operation and service efficiencies.
3. That Administration not pursue this development any further.
4. That Administration defer further work on this development pending direction through the Land Strategy and Capital Plan Prioritization.
5. That Administration proceed with other action as directed by Council.

STRATEGIC CONNECTIONS

City of St. Albert Strategic Plan (Policy C-CG-02) - Pillars of Sustainability

BUILT ENVIRONMENT - We build our community towards the future to sustain balanced development, with a reverent eye to the past, honouring our unique settlement history and distinct identity.

Governance Strategy

Council is committed to ensuring that the City of St. Albert is a responsive, accountable government that delivers value to the community.

Service Delivery Strategy

Council is committed to ensuring that the City of St. Albert is engaging residents to identify opportunities to improve delivery of services to the community.

Long Term Plans (e.g. MDP, Social Master Plan, Cultural Master Plan, etc.)

New Facility Predictive Model
Recreation Master Plan
Partnership Handbook

Corporate Objectives (See Corporate Business Plan)

Deliver programs and services that meet or exceed our standards
Exercise strong fiscal management
Ensure our customers are very satisfied

Report Date: June 12, 2017

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Committee/Department: Recreation & Parks

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City Manager: Kevin Scoble