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Presented by: Diane Enger, Director

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TAMRMS#: B06

Gymnastics Funding Model

Presented by: Diane Enger, Director

RECOMMENDATION(S)

That Administration continue to pursue options for the City of St. Albert to seek a new partnership in the provision of gymnastics facilities to the community, potentially including land donation, grants and other synergistic funding and operating opportunities, as a gymnastics facility does not fit within a municipality constructed and operated facility funding model.

PURPOSE OF REPORT

To provide Council with a summary of funding options so Council can decide if we fund gymnastics facilities and to what scope. Overall, gymnastics facilities do not align with the criteria for a municipally constructed/operated recreation facility; however, Dynamyx Gymnastics Club strongly aligns with many of the parameters for partnership with the City of St. Albert. A partnership with gymnastics providers may potentially include land donation, grant and other synergistic funding and operating opportunities.

Administration is working through all four of the Council Motions passed on July 10, 2017, to provide a wholistic approach to future facility partnerships, both traditional and non-traditional, within the community. The opportunities and timing of other projects needs to be factored into the mix when determining funding and partnership models for any new facility development. Further work with gymnastics providers and other potential partners is required before Administration can provide funding options.

COUNCIL DIRECTION

On July 10, 2017 Council passed the following motions:

(CM-17-064)

That Administration will provide a report to Council by Q2 2018 recommending a growth plan for facility development including funding strategies, operating models and land requirements.

(CM-17-064)

That Administration return to Council in September with a report and with an examination of Gymnastics funding models so Council can decide if we fund Gymnastics and to what scope.

(CM-17-064)

That Administration arrange a meeting with Dynamyx Gymnastics, Active Communities Alberta, St. Albert Soccer Association, and the City of Edmonton to explore a multipurpose privately-owned recreation facility and come back with whatever process administration recommends, whether it be an MOU, Terms of Reference, letter of support etc. to advance this concept.

(CM-17-064)

That Administration, following discussions with the gymnastics clubs, return to Council in Q4/17 with a draft MOU that reflects joint gymnastics planning together with the City.

BACKGROUND AND DISCUSSION

The development and operation of public recreation facilities is complex. There are many different methods to fund and operate facilities including: direct delivery, partnership and non-profit operating models. Municipalities choose operating methods and models for recreation facilities that align best to their priorities, policies and historic practice.

The Recreation Master Plan is a foundational document that provides the philosophy and direction for recreation service delivery in St. Albert. Currently, recreation opportunities that are offered in St. Albert support public good, inclusion, equity, sustainability and lifelong participation. These opportunities are delivered through a combination of tax payer support, community support and user contribution.

Funding Levels

Within the Recreation Master Plan, the Funding Opportunity Spectrum guides future municipal expenditures on recreation infrastructure development. The Spectrum explains that facilities accessible by the entire community and that are within the City's "base" level of service should be a municipal responsibility. As recreation infrastructure becomes more specialized and less accessible by the general public, funding should come from a combination of public taxes, user fees and private/non-profit investment.

Historically, the City of St Albert has recognized three approaches to the development and funding of recreation infrastructure:

- City Operated/Municipally Built Facilities,
- Partner Facilities or
- No support for private operations.

City Operated/Municipally Built Facilities

Based on this model, the City of St. Albert **builds and operates** recreation facilities that:

- Are a multi-use space.
- Are multi purpose built.
- Provide general public access.
- Protect the public good, provide for inclusion, equity, sustainability and lifelong participation.

A key principle throughout the Recreation Master Plan is the need for municipally supported recreation spaces to be adaptable to existing and future needs of the community. By supporting and designing spaces for a variety of users, the potential for these spaces to meet a variety of existing and future needs is more likely than if spaces are planned for dedicated, single use.

Traditional Partner Facilities

The City partners with non-profit organizations to provide recreation programs, services and facilities. Each partnership is unique and the level of support is based on the development of an agreement that is tailored to mutually beneficial needs within a standard set of parameters and guidelines. St. Albert has a long history of very successful partnerships that have a benefit to the overall community.

Where a demonstrated need has been identified, the City is committed to working as a partner with viable community organizations and other interested parties to nurture and encourage recreation opportunities for the community. Over the years, the City has continued to evaluate the success of this model and been adaptive to community trends while aligning to the structure and guidelines required for this complex relationship.

Existing and future partnerships are based on the following values:

- Mutually beneficial to both parties.
- Proven indirect benefit to the greater community (i.e. public good such as the facilitation of universal access for diverse populations based on community needs).
- Equitable contribution by both parties (contributions made by each party will have a direct relationship to the benefits derived by the party).
- Work towards developing a project that will not significantly detract from the use of existing public facilities within the City from both a usage and financial perspective, in order to protect the current assets of St Albert.

It is important that the City is respectful to the existing partnerships that have been established through these historic parameters. Existing partnership arrangements include:

- Community development support to approximately 76 community recreation groups through organizational development, project support, information and referral.
- Provision of land through lease agreement to nine community groups for construction of recreation/sport facilities.
- Provision of \$1.68 M in funding to 48 recreation infrastructure projects (valued at \$6.55 M) through the Community Capital Grant program (2009-2017).

Recreation Infrastructure Development Process

The parameters and guidelines in the Recreation Infrastructure Development Process have been used historically by the City of St. Albert to guide Administration and Council in decisions regarding the investment in recreation infrastructure in the City of St. Albert.

The Infrastructure Development Process provides consistency in the City's provision of land and facilities to recreation community associations. As discussed in the Recreation Master Plan, "*a transparent protocol for equitably dealing with potential groups outlining the expectations around public investment is key.*" A full outline of this Process was included in the June 12 Agenda Report: Dynamyx Facility Needs Report and has been attached as a reference in the report entitled: **Infrastructure Development Process.**

Analysis

Through regional partnership review and comparisons, it has been identified that over the past five to ten years there has been a trend towards municipal support for gymnastics. And, although there are communities in the region that support gymnastics facilities, the method of this support is not consistent and significantly varies from municipality to municipality. Regional partnership comparisons have been provided by Dynamyx Gymnastics Club and have been included in the attachment entitled: **Regional Funding Models for Gymnastics Facilities.**

Based on Administration's analysis of the proposal from Dynamyx Gymnastics Club against the parameters, gymnastics facilities would not fall within the parameters for a municipally constructed and operated facility, but could fall within the partnership level of support.

As stated previously, each partnership that St. Albert has entered into is unique and the level of support is based on the development of an agreement that is tailored to mutually beneficial needs within a standard set of parameters and guidelines. This level of support could be provided through land, grants or other forms of funding contribution.

Non-Traditional Partnership

Recently, City Council has received presentations from several organizations for facility development including:

- Dynamyx Club for gymnastic space,
- St. Albert Soccer Association for new indoor and outdoor field space,
- Active Communities Alberta for a twin arena complex, and
- the Food Bank.

In addition, Administration has also been requested past and present to review different scenarios for an expansion of library services in the community.

With so many requests coming from organizations for new facilities and several new facility projects identified in the 10-year Capital Plan that encompass recreation, sport, cultural, learning and the social profit sector, as well, subject to Council direction, potentially Administration spaces. Administration is currently working a report for Q2 2018 looking at a wholistic approach at all projects in an effort to find synergies and operational alignments. This report will look at a range of parameters including;

- Stand alone single use or expansion of existing assets/construction of multi- use facilities.
- Operating models such as City direct operation, 3rd party or partnerships.
- Development of facilities on existing City owned land or new procurement of land.

Administration is also working on Council Motion (CM-17-064) "That Administration arrange a meeting with Dynamyx Gymnastics, Active Communities Alberta, St. Albert Soccer Association, and the City of Edmonton to explore a multipurpose privately-owned recreation facility and come back with whatever process Administration recommends, whether it be an MOU, Terms of Reference, letter of support etc., to advance this concept." The work associated with this motion links directly with an examination of gymnastic funding models. It would be prudent of Administration to work jointly on these motions before recommending to Council a funding partnership model for gymnastics.

Conclusion

The City of St. Albert builds recreation facilities that can be used by multiple groups, can be adapted to serve various user needs, and provide general public access. Overall, gymnastics facilities do not align with the criteria for a municipally constructed/operated recreation facility; however, Dynamyx Gymnastics Club strongly aligns with many of the parameters for partnership with the City of St. Albert.

Further work with the Club is required to determine the level of support of the partnership. The terms of partnership would be unique and the level of support based on the development of an agreement that would be tailored to mutually beneficial needs within a standard set of parameters and guidelines.

Administration is working through all four of the Council Motions passed on July 10, 2017, to provide a wholistic synergistic approach to future facility partnerships with the community. The opportunities and timing of other projects needs to be factored into the mix when determining funding and partnership models for any new facility development.

STAKEHOLDER COMMUNICATIONS OR ENGAGEMENT

Administration has met with Dynamyx Gymnastics Club to work through the steps of the Preliminary Needs Identification including facility alignment with service levels, review of high level concept plan and partnership consideration criteria.

A full breakdown of this analysis has been included in attachment entitled: **Administrative Analysis of Dynamyx Gymnastics Club - Preliminary Need Identification.**

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 not pursue the provision of gymnastics facilities to the community any further.
2. 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: September 5, 2017

Author(s): Diane Enger

Committee/Department: Recreation & Parks

General Manager: Dale Bendfeld

City Manager: Kevin Scoble