



# Corporate Report

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Files**BUDGET COMMITTEE**  
**DEC 07 2009**

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**DATE:** November 20, 2009

**TO:** Chair and Members of Budget Committee  
Meeting Date: December 7, 2009

**FROM:** Paul A. Mitcham, P.Eng., MBA  
Commissioner of Community Services

**SUBJECT:** Recreation and Parks Rental Rates

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- RECOMMENDATIONS:**
1. That a by-law be enacted incorporating revisions to the Recreation and Parks Ice and Facility Rental Rates for the period September 1, 2010 through August 31, 2011, as outlined in Appendix 1.
  2. That a by-law be enacted incorporating revisions to the Recreation and Parks Sport Field Rental Rates for the period January 1, 2011 through December 31, 2011, as outlined in Appendix 1.

**BACKGROUND:** On an annual basis, Recreation and Parks reviews rental rates charged at City owned and operated facilities including auditoriums, meeting rooms, gymnasiums, arenas, pools, sports fields, parks, marinas, theatre and museums.

**COMMENTS:** Staff have reviewed the current rental rates with the objective of ensuring that increased operating costs are reflected and that the recreational and social booking needs of our varied users are met.

The Recreation and Parks budget includes \$46 million in fee revenues that enhance service delivery and balance user fees with tax support. Over the last six months staff initiated a pricing review of Recreation and Parks services. This is an ongoing project focused on a number of key areas including;

1. Pay As You Go/ Admission fees for Drop-in programs
2. Membership Fees
3. Rental Rates for Facilities, Ice, Sport Fields and Park permits
4. Program Fees

The purpose of the pricing review is to simplify the listing of current fees, reduce the number fees listed within the Recreation and Parks Rental Fee by-law and to bring forward new price points that will continue to support the existing user fee/ tax funding balance within Recreation and Parks. The long term objective of the price review is to maintain a user fee/ tax funding balance to sustain our services.

The full impact of the review is anticipated in 2010 with a number of reports to the Leadership team and Council prior to the 2011 fee by-law.

The recommended fee increase is 3.0% for community centre rooms, gymnasiums, sport fields, museum and ice rentals. In general, Marina operations are recommending fee increases in the 1.0 – 4.0% range based on benchmarking of market rates.

One area of recommended for change is Park permit fees. An overview of the changes proposed is outlined below.

#### **Park Permit Fees**

Park permit fees are recommended for Board of Education cross country running meets with a proposed permit fee of \$100.00 per event. The permit fee recognizes the demand these events place on traffic flow, parking control and site set-up.

A number of new fees and adjustments to existing Park vendor permits are proposed. This includes;

1. Establishing specific park vendor permits to “destination” parks. These parks attract a higher number of site visits and warrant a site specific vendor permit fee (refer to Appendix 2 for a listing of locations and fees).
2. Establishing “stationary” vendor permits for three locations; City Square, Lakefront Promenade and Fallingbrook Park. These are fixed locations within these parks.
3. The existing Ward based Park vendor permit fees are based on the number of parks, the amount of traffic they attract and the overall amount of park land within a Ward. With the introduction of Park vendor fees for “destination” parks some Ward permit fees have been adjusted downward to acknowledge the reduction of park land the permit applies to. In addition, the fee schedule also recognizes new parkland in some Wards and vendor permit fees have increased more than 3% to recognize this growth.

The rate increases are required to help offset increased annual operating costs of labour, supplies and materials required for the operation of facilities.

Appendix “1” attached outlines the details of each rental category, the current rates, and all proposed rental rate adjustments. Fees listed in Appendix “1” do not include tax. In the past the GST has been added where applicable and this will continue until June 30, 2010. As of July 1, 2010, the Harmonized Sales tax (HST) will be added where applicable.

The proposed ice and facility rental rates are effective September 1, 2010 through August 31, 2011. The sport field user fees are adjusted based on the calendar year and are effective from January 1 through December 31, 2011.

On occasion, discounted rental rates may be applied on a short term basis, to meet a customer service need, or to establish new rates

required between the Rental Rate By-law. In these instances the Director of Recreation and Parks has the discretionary authority to approve these rates. The circumstances under which exceptions to rates are given are documented and retained for audit purposes.

**FINANCIAL IMPACT:** The recommended increases have been reflected in the 2010 budgeted revenues and the 2011 budgeted revenue forecast, which help offset increased annual operating costs of labour, supplies and materials required for the operation of the facilities.

**CONCLUSION:** The proposed rental rate fees in this report have been increased by an average 3.0% due to increasing labour, material costs and market trend influences.

**ATTACHMENTS:**  
Appendix 1: Rental Rate Schedule  
Appendix 2: Destination Park Listing and Proposed Vendor Permit fee



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Commissioner of Community Services

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