

REPORT TO COUNCIL



Date: August 15, 2012
File: 0610-53
To: City Manager
From: Recreation & Cultural Services Director
Subject: Fees and Charges Bylaw No. 9609 Update

Recommendation:

THAT Council receives the report from the Director, Recreation & Cultural Services dated August 15, 2012 to update the Recreation & Cultural Services Fees and Charges Bylaw No. 9609;

AND THAT Bylaw No. 10728 being Amendment No. 4 to the Recreation & Cultural Services Fees and Charges Bylaw No. 9609 be advanced for reading consideration.

Purpose:

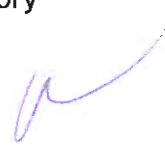
To seek Council's endorsement on amendments to the Recreation and Cultural Services Fees and Charges Bylaw No. 9609.

Background:

The Recreation & Cultural Services Department maintains two comprehensive documents that play a significant role in the public use of City facilities and parks.

1. Conditions of Use and Allocation Policies Manual - The policy manual contains general and specific conditions that guide the use and scheduling of various City facilities and sportsfields. This document is currently being reviewed and updates will be presented to City Council in early fall 2012.
2. Fees and Charges Bylaw No. 9609 - The bylaw contains fee schedules for the various chargeable facilities; rental rates, facility admission rates and services through Recreation & Cultural Services.
 - This bylaw is guided by Council Policy 222, Recreation & Cultural Services Philosophy/Fees and Charges (attached) with the purpose to ensure consistency and a fair level of financial contribution by participants and the City.

A key aspect of changes to the Allocation Policy and Fees and Charges Bylaw is the ongoing collaboration with facility-based advisory committees; specifically the Sportsfield Advisory Committee, Arena Advisory Committee, Aquatics Advisory Committee and Apple Bowl Advisory



Committee. This collaboration ensures awareness of community trends with input from key user groups that guide the development and implementation of these documents.

Through our review and recommended amendments, the updates to Bylaw No. 9609 address:

- Multi-year fee schedules that had come to an end
- New facilities added/removed
- General improvements to fee anomalies

The following outlines the significant changes within Bylaw No. 9609, Fees and Charges for Recreation & Cultural Services.

Schedule B: Parkinson Recreation Centre - Facility Rental Fees & Charges

This schedule includes rental fees for the gymnasium and the swimming pool at Parkinson Recreation Centre. Currently these fees increase annually by two percent and moving forward, the gymnasium fees will continue to increase annually but the swimming pool rental fees will be identified in a multi-year rate schedule.

The new fee structure maintains two rate classifications: 1) during regular pool hours; and 2) outside of regular pool hours. The fee structure also establishes a relationship between pool rentals and the Aquatic Clubs Training and Competition fees at Parkinson Recreation Centre as well as minor to adult rates and commercial to adult rates.

During regular pool hours

- Adult and minor rates increase to the same lane rate as Aquatic Clubs.
- Commercial lane rates increase to the same as the adult lane rate for Aquatic Clubs for 2013 with an annual increase of \$1.91 through 2017 until the commercial rate is fifty percent greater than the adult rate.

Outside regular pool hours

- Rentals only available for the full pool.
- Adult rate increases by two percent annually.
- Minor rate reduces in 2013 to achieve the adult rate being fifty percent greater than the minor rate.
- Commercial rate increases annually by \$10.94 through 2017 until the commercial rate is fifty percent greater than the adult rate.

Schedule B1: Aquatic Clubs Training and Competition

The fees outlined in this section reflect the H₂O Adventure & Fitness Centre (H₂O) and Parkinson Recreation Centre. Pool rental rates for the Kelowna Family Y are set by the YMCA as per the existing Management and Operating Agreement with the City.

The rates for lane/pool rentals for competitive aquatic programs followed a four year schedule that ends with the 2011/12 season (September to August). The proposed schedule establishes new rates through to the 2016/17 season.

The new fee structure establishes a relationship between minor and adult lane rental rates as well as 25 metre and 50 metre lane rental rates.

H₂O

- Minor 25 metre lane rate at H₂O will increase two percent per year.
- Currently, lane rental rates for 25 metre and 50 metre are the same.
 - Proposed relationship - 50 metre lane rate is fifty percent more than a 25 metre lane rate. To achieve the proposed relationship:
 - Minor 50 metre lane rate increases by \$1.20/hour each year until 2016/17
 - Adult 50 metre lane rate increases by \$1.50/hour each year until 2016/17
- Non-local lane rates will be fifty percent higher than local lane rates as of 2012/2013.
- Current competition rate is \$150/hr (minor) or \$225/hr (adult) for the entire pool. The new rate structure is based on a lane per hour rate. Clubs will book and pay for only what they use and where appropriate, the un-booked portion of the pool will be available to the general public.

Parkinson Recreation Centre

- Parkinson Recreation Centre competition rate has been deleted as the facility does not meet FINA minimum specifications for competition.
- Reduce the minor lane rate to recognize H₂O as the premier aquatic facility.
- Minor lane rate to increase by two percent each year from 2012/13 through to 2016/17.
- Adult rate will maintain fifty percent higher than the minor fee.
- Special Olympic rate will be adjusted to meet the minor rate by 2016/17.

Schedule C: Apple Bowl - Facility Rental Fees & Charges

Field Use

There is commercial and community non-profit adult and minor rates with a distinction between sporting and non-sporting events. The proposed changes will:

- Eliminate non-sporting event rates, and
- Maintain the commercial and community non-profit adult and minor rates.

Track Use

Currently there is only a rate for the Kelowna Track and Field Club. The proposed changes will:

- Make a distinction between exclusive and non-exclusive rates - exclusive rates will be fifty percent higher than non-exclusive rates. This relationship will be phased in over a five year period.
- Include a one-time increase of \$2.00/hour to the minor rate.
- Create a new rate for adult track and field practice.

There are eight different extra fees for goal post changes and field lining. These fees are flat rates increasing by two percent per year. The proposed change replaces the individual rate for each item with a clause indicating extra fees will be charged based on actual cost. This ensures full cost recovery for these expenses.

Schedule D: Sportsfield - Rental Fees & Charges

Sportsfield rental fees were on a five year schedule that concluded in 2010. The fees have been held at the 2010 rates. The proposed change includes Schedule D in the annual two percent increases.

Artificial Turf Field

- A fifty percent reduction in the regular fees for pre-season (March 1 to April 15).
 - This reduction is proposed to encourage pre-season practice on the artificial turf versus unscheduled use of grass fields

Schedule E: Arenas - Rental and Admissions Fees & Charges

The proposed changes deal with Public Skating admission fees and include:

- A new fee schedule following a four-year program ending in 2016 with fee increases in 2012/2013 and 2014/15, and
- A new child category (Children 6 - 13) to recognize an important demographic while further minimizing any barriers to participation.

Schedule F: Multi Purpose Facilities - Rental Fees & Charges

The proposed changes:

- Deletes Water Street Senior Centre fees and adds Parkinson Activity Centre fees to the bylaw.
 - Parkinson Activity Centre fees are consistent with corresponding Parkinson Recreation Centre fees on a square footage basis.

Schedule G: Other Facilities/Parks - Fees & Charges

There are community non-profit and commercial rates for bleacher rentals. The proposed change maintains the current rates for non-profit through 2013 and adjusts the commercial rates to establish a ratio of commercial rates being two (2) times non-profit rates.

Schedule H: Kelowna Community Theatre - Rental Fees & Charges

Fees for the Kelowna Community Theatre have been following a schedule that ends in 2012. Theatre fees are based on four rental options; Main Stage Performance, Main Stage Rehearsal, Black Box Performance and Black Box Rehearsal. A new five year fee schedule is proposed that:

- Establishes three fee categories to distinguish between different user types:
 - Commercial
 - Category A - Local Schools and Local Non-profit Producers
 - Category B - Local Non-Profit Presenters (includes Local Youth Performing Arts Schools)
- Increases the base rate for the four rental options to better reflect provincial industry averages and the added value from major equipment upgrades which have reduced equipment rental costs for users.
 - The Commercial rate remains the base rate for Theatre fees
 - Over the course of the fee schedule establishes a relationship where Category A is fifty percent of the Commercial rate and Category B is seventy percent of the Commercial rate
- Adds Main Stage Rehearsal and Black Box Performance fees for Category A and B.
- School District No. 23, which currently has its own rate schedule, will be phased into Category A over the course of the fee schedule.
- Adds extra fees that may be applicable to any rental (i.e. piano rental, additional janitorial, etc.).
- The Capital Improvement Fee is currently \$1.25 per attendee and has not been increased since it was initiated in 2007. The proposed change will increase it to \$1.50, which represents an industry average.

The following chart is provided to highlight fee changes from 2012 to 2013 in the four rental options for the different user types.

Main Stage

Performance	2012	2013	Rehearsal	2012	2013
Commercial	\$1400.00	\$1440.00	Commercial	\$280.00	370.00
Category A	\$700.00	\$720.00	Category A		300.00
Category B	\$980.00	\$1010.00	Category B		325.00
School District 23	\$560.00	\$610.00	School District 23		Incl in Cat A

Black Box

Performance	2012	2013	Rehearsal	2012	2013
Commercial	\$240.00	\$300.00	Commercial	\$240.00	\$240.00
Category A		\$245.00	Category A	\$84.00	\$93.00
Category B		\$270.00	Category B	\$120.00	\$132.00
School District 23		Incl in Cat A	School District 23	\$60.00	Incl in Cat A

Internal Circulation: General Manager, Community Services; City Clerk Office; Director, Communications

Legal/Statutory Authority: Bylaw No. 9609 contains the fee schedule for various recreation, parks and cultural facilities. Changes to the bylaw require City Council approval.

External Agency/Public Comments: Fee and rental rate changes to sportsfield, Apple Bowl and Aquatic facilities have been developed in collaboration with the appropriate Advisory Committee or impacted group.


Considerations not applicable to this report:

- Legal/Statutory Procedural Requirements
- Existing Policy
- Financial/Budgetary Considerations
- Personnel Implications
- Communications Comments
- Alternate Recommendation

Submitted by:



J. Gabriel, Director, Recreation & Cultural Services

Approved for inclusion:  J. Vos, General Manager, Community Services

Attachments

1. Council Policy 222 - Recreation and Cultural Services-Philosophy/Fees and Charges Policy
2. Amendment No. 4 to Recreation, Parks and Cultural Services Fees and Charges Bylaw No. 9609

Cc: General Manager, Community Services
Director, Communications
Director, Corporate Services



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Council Policy

Recreation and Cultural Services – Philosophy/Fees & Charges Policy

APPROVED November 23, 1992

RESOLUTION: R375/10/04/26
REPLACING: R892/99/11/01; S1315/1992/11/23
DATE OF LAST REVIEW: April 2010

A. STATEMENT OF PHILOSOPHY

The City of Kelowna provides a variety of recreation, parks and leisure services as a vehicle to achieve benefits for all individuals and for the community at large.

AND

The level of community resources that the City of Kelowna dedicates towards these services should be directly related to the extent of benefit to the community and the City's ability to pay.

Although not limited to the following, benefits to the community can be defined as activities that:

- lead to individual growth or community development
- improve the physical or social well being of the community and the individual
- enhance or support family life
- promote community spirit and pride
- beautify or protect the environment
- enhance leadership qualities in individuals
- enhance personal skill development related to leisure and recreation activities
- integrate persons of low socio-economic status and person with disabilities
- enhance the quality of life in the City's outdoor environment.

B. POLICY STATEMENT FOR FEES AND CHARGES

The purpose of these policy statements is to guide the overall system of fees and charges so that there is internal consistency and a fair level of financial contribution by the participant and by the City of Kelowna.

1. In order to justify the City's involvement, services must provide some level of benefit to the public. Services that can demonstrate a greater public benefit justify a greater commitment of municipal resources than those that do not. (Access to parks, facilities, and commitments of staff time are the primary municipal resources provided by the Recreation and Cultural Services Department.)
2. Fees should not be a barrier to participation in basic recreation and cultural services and the City of Kelowna will ensure that a system is available to assist those who cannot afford fees for basic services. (The concept of a "basic park and leisure service" is defined in Appendix "A".)
3. Fees and charges should be applied consistently to all sectors of the community regardless of race, ethnic origin, age, religion, gender or disability. Lower fees to certain sectors of the community are justified by defined community benefits. (For example: lower fees to children or seniors encourage higher levels of participation and higher levels of participation by these age groups has a number of broad community benefits.)
4. While respecting statements 1, 2 and 3, fees and charges will, whenever possible, reflect costs and fair market value for the services offered because revenue received offsets the demand on general taxation and thus allows for more services to be provided.

5. While the financial commitment to individual programs, facilities, and services varies depending on the nature of the service, the City of Kelowna will strive to improve efficiency and effectiveness. Higher rates of cost recovery for certain service will be achieved by:
- (a) charging fair market value for services when it is appropriate to do so;
 - (b) prudent cost controls;
 - (c) including in the service mix those services which are more financially productive; and
 - (d) raising fees when it is not in conflict with policies (a), (b) and (c).

C. APPENDIX "A"

A DEFINITION OF BASIC RECREATION AND CULTURAL SERVICES AND PUBLIC BENEFIT

BASIC RECREATION AND CULTURAL SERVICES are broadly beneficial and widely available to the public. They fulfill the following criteria:

1. Consistency with the goals and objectives of the City of Kelowna and the Recreation and Cultural Services Department.
2. Socially worthwhile.
3. Broadly accessible by:
 - * being available to large numbers of participants;
 - * having low fee levels;
 - * having minimal transportation barriers to the location;
 - * having low costs for getting started in the activity;and by lacking other barriers such as age, gender, and skill level.
4. A reasonably safe activity that does not subject participants to a high degree of risk.
5. Provide opportunities for human development.
6. Respond to an identifiable local need.
7. Feasible from a financial and practical perspective.

(NOTE: There is a recognized system available to enable the Recreation and Cultural Services Department to determine if a service satisfies the criteria to be a Basic Recreation and Cultural Services. Examples of basic recreation and cultural services would include: public swims, youth soccer and use of local parks for passive recreation.)

REASON FOR POLICY

To identify policy statements that will guide the overall system of fees and charges for recreation and cultural services so that there is internal consistency and a fair level of financial contribution by the participant and by the City of Kelowna.

LEGISLATIVE AUTHORITY

Council Resolution.

PROCEDURE FOR IMPLEMENTATION

The Director of Recreation and Cultural Services ensures adherence to these policy statements.