

Item No. 11.1.7
Halifax Regional Council
March 19, 2013

TO: Mayor Savage and Members of Regional Council

SUBMITTED BY: Original signed
Mike Labrecque, Acting Chief Administrative Officer
Original Signed
Brad Anguish, Director of Community & Recreation Services

DATE: February 14, 2013

SUBJECT: Funding Request - YMCA of Greater Halifax/Dartmouth

ORIGIN

February 12, 2013 Motion of Regional Council requesting a staff report on funding options for interim funding in the amount of \$140,000 for the next 24 months to the YMCA of Greater Halifax/Dartmouth to support the programs and services provided by the YMCA at NSCC Akerley Campus

LEGISLATIVE AUTHORITY

HRM Charter; Section 79 (l) (av) (v)

RECOMMENDATION

It is recommended that Halifax Regional Council provide funding in the amount of \$140,000 for a 24 month period, paid in two \$70,000 installments within the next two fiscal years, to support the programs and services provided by the YMCA of Greater Halifax/Dartmouth as outlined in the Financial Implications section of this report, conditional upon the continuation of the YMCA programs and services at the current levels and subject to review of the agreement with Nova Scotia Community College for the use of the Akerley pool.

BACKGROUND

From 2007 to 2012, a tri-party agreement between HRM, Nova Scotia Community College Akerley campus (NSCC) and YMCA of Greater Halifax/Dartmouth (YMCA) has allowed the YMCA to continue to offer programming to residents. The agreement enabled use of the NSCC pool at the Akerley campus at no rental cost to the YMCA, along with \$32,000 annual funding support from HRM. Through that five year agreement, YMCA was able to support a measure of affordable access to the community swimming pool with programs for citizens of all ages, abilities, social and economic circumstances. The HRM funding was believed to be a mechanism to enable the YMCA programs to become sustainable during that period and was expected to be short-term financial support.

This agreement expired at the end of December 2012. With the expiry of the agreement, the YMCA approached both HRM and NSCC to explore options for a new agreement that would allow the YMCA to continue programming at the NSCC pool.

As a charity, the YMCA has indicated that they do not have the financial resources to provide the programs and services beyond April 2013 without increased third party funding support. The YMCA has outlined several challenges which need to be addressed for sustained continuation of their programming. These include:

- Offset of the annual rental and utility costs of \$120,000 at the NSCC by Province of Nova Scotia
- As the NSCC cannot commit to a long term use of the space due to program requirements for expansion, options for provision of alternative indoor recreation facilities in this area of Dartmouth need to be explored in the context of HRM's recreation strategy
- Consideration of increased operating funding from HRM in the amount of \$70,000 per year plus cost of living increases

As a result of this request, on February 12, 2013, Regional Council requested a staff report outlining funding options for interim funding. Previously, on October 30, 2012, Regional Council directed staff to undertake a pool needs assessment for East Region. While the pool needs assessment report is not expected to be completed until Fall 2013, Regional Council asked that the consideration of the funding support be forwarded prior to its completion due to the indication from the YMCA that without confirmation of the funding support, the YMCA would cease their programming at NSCC Akerley effective April 2013. This report addresses the funding request.

It should be noted that the pool at the Nova Scotia Hospital was closed in 2012. There were approximately 180 users of that program and they have been accommodated within other existing pools across HRM.

DISCUSSION

Pool Analysis

Staff has completed the preliminary data collection for the pool needs assessment. This information will now be supplemented with a community engagement process in order to return to Regional Council with the completed pool needs assessment. It should be noted that a comprehensive analysis and completion of a pool needs assessment ideally would form part of the upcoming review of the Community Facility Master Plan, in order to align the analysis with all indoor recreation facilities and to provide for a regional perspective of programming and facilities. However, in order to address the short term challenge associated with the YMCA programming, a more specific analysis related to Dartmouth pools will need to be completed as directed by Regional Council. Based on the remaining work, it will be several months before the report will be ready for consideration. As a result of that work, staff will be assessing existing facilities in the area (Dartmouth Sportsplex and Cole Harbour Place) to determine if all existing NSCC programming could be accommodated. Preliminary assessment has indicated that there is some capacity for transfer of many of the individual users, but transfer of the full complement of programming cannot be determined without the full analysis. Therefore, until that work is completed, staff is unable to provide a recommendation on whether the YMCA pool program is required on a long term basis and to confirm if existing pools could accommodate the need.

Funding Requests

The YMCA has recently successfully negotiated a new agreement to allow the continued use the NSCC Akerley pool at no rental cost for an additional two year period. This timeline is consistent with the expected amount of time before the NSCC requires the space for expansion. YMCA has also requested a new agreement with HRM for funding support in the amount of \$140,000 over 24 months. While the YMCA has indicated that they require \$70,000 annually plus cost of living increases in order to maintain their programming for a two year period, they can manage with a lump sum amount of \$140,000.

As part of the funding request submission, the YMCA has indicated that the NSCC Akerley site serves approximately 3,000 individuals per year in various programs (lane swims, swimming lessons, aquafit, etc.). Of these individuals, 475 are NSCC staff and students and others are members of 14 various not for profit groups (Swim clubs, Boys and Girls clubs, etc.). As a result of both individual and not for profit group users, there are approximately 36,000 annual visits to the pool, almost evenly split between community group usage and individual users.

The YMCA also includes a program to offset program costs to ensure no individual is restricted from the programs for economic reasons. That program provides fee reductions ranging between 25-65%. The value of the fee reduction is equivalent to approximately \$90,000 and served 975 individuals in 2012. It should be noted that HRM also has a program (HRM Kids) to provide support to reduce cost barriers to youth programs both within HRM programs as well external programs. HRM's program supports approximately 520 individuals in direct subsidies and costs \$75,000, a portion of which is provided through Canadian Tire's Jumpstart campaign which allows for an expanded offering of programs beyond HRM services.

Community Grants Program

Currently, HRM does not have a grant funding program that could accommodate the level and type of funding requested. HRM's current Community Grants program provides for program grants in the amount of \$5,000 and capital grants in the amount of \$25,000. Also, under HRM's current Community Grants program, operating costs are not eligible for funding and therefore any costs associated with utilities, wages, etc., are deemed ineligible. Therefore, the YMCA request could not be considered under the current guidelines. Recently, Regional Council has received multiple requests for funding support in amounts that exceed and fall outside the current Community Grants and other program guidelines. As part of the work on the Auditor General's report on Grants and Donations, staff is currently reviewing the overall granting policy. In the interim, Regional Council is still able to consider requests on a case by case basis as the HRM Charter permits Regional Council to provide a grant or contribution to a variety of charitable organizations including community and recreational organizations.

HRM Mandate

As part of the February 12, 2013 motion, Regional Council requested comment on the alignment of this request to HRM's mandate. Under the *HRM Charter*, HRM's mandate includes the provision of recreational programs and services. Some recreation programs and services are provided through a direct delivery model, while others are provided through alternate service delivery by partner agencies and other community development initiatives. Through the funding agreement with HRM, YMCA would be providing alternate service delivery consistent with HRM's recreation mandate.

Previous Funding

Also as part of the February 12, 2013 motion, Regional Council also requested that information on any previous funding for programs in non-HRM owned facilities be provided. Many of the programs supported by the Community Grants Program are provided in facilities not owned by HRM. Some examples include Neptune Theatre, numerous Boys & Girls Clubs and community associations.

Funding Options

Should Regional Council choose to provide interim funding support to the YMCA, there are a variety of funding options available for consideration including:

- Regional Council could direct that the funding be provided out of the surplus realised from the 2012/13 fiscal year and paid in one lump sum payment
- Regional Council could direct that the funding be provided for year one out of the surplus realised from the 2012/13 fiscal year and for year two from the 2013-14 budget.
- Regional Council could direct staff to include \$70,000 in the 2013/14 and 2014/15 operating budgets
- Regional Council could direct staff to include \$70,000 in the 2013/14 budget and \$70,000 plus cost of living adjustment in 2014/15 operating budget

Funding Recommendation

As indicated, the YMCA has informed staff that without commitment for 24 months of funding

to support their programming, the community pool programs at the NSCC Akerley site will be eliminated in April. While an analysis on the pool requirements in the Dartmouth area is underway, completion of that work is required in order for an information recommendation on the long term requirement for the programming. Therefore, staff recommends that Regional Council proceed with a two year agreement as a stop-gap with YMCA, to sustain the program at the NSCC Akerley while that work is completed.

FINANCIAL IMPLICATIONS

Staff is currently forecasting an operating surplus for the 2012/2013 fiscal year. If Regional Council approves the recommended approach, it would reduce the surplus realized from the 2012/13 Operating Budget by \$70,000 and that amount would then become unavailable for other Council directed initiatives. In 2013-14 an additional \$70,000 would be allocated to the CRS Budget to fund this initiative, pending approval of the 2013-14 budget.

COMMUNITY ENGAGEMENT

No community engagement was completed as a result of the YMCA request. However, community engagement will form part of the work on the pool needs assessment.

ENVIRONMENTAL IMPACT

None noted.

ALTERNATIVES

Alternative 1: Regional Council could choose to not provide support to the YMCA for the continuation of the programs and services at the NSCC Akerley site. This is not recommended as it will result in the elimination of the YMCA programs and services at the NSCC Akerley pool.

Alternative 2: Regional Council could direct that the proposed funding amount be used to fund an increase to HRM Kids program to increase support to community through HRM's direct programming. This is not recommended as HRM Kids program would not be able to provide alternatives for all of the existing YMCS programming, in particular, swim team programs. In addition, the existing YMCA program is currently operational and could be continued without delay, while an expansion to HRM Kids would require mobilization time.

Alternative 3: Regional Council could defer decision on the YMCA request and direct staff to create a new grant program to process funding requests that fall outside the current Community Grants Program guidelines. This is not recommended as the process could not be completed in time and the YMCA programs would be stopped.

