

HALIFAX

P.O. Box 1749
Halifax, Nova Scotia
B3J 3A5 Canada

Item No. 11.3.2
Halifax Regional Council
March 10, 2015

TO: Mayor Savage and Members of Halifax Regional Council

Original Signed

SUBMITTED BY: _____
Councillor Bill Karsten, Chair, Audit & Finance Standing Committee

DATE: February 24, 2015

SUBJECT: Funding Request – Dalhousie University

ORIGIN

February 20, 2015 meeting of the Audit & Finance Standing Committee, Item No. 12.1

LEGISLATIVE AUTHORITY

Audit & Finance Standing Committee Terms of Reference section 3.8, which states "to review and make recommendations on proposals coming to Halifax Regional Council outside of the annual budget or tender process including but not limited to:

- New Programs or services not yet approved
- Programs or services that are being substantially altered
- Proposed changes in operating or budget items
- Committing of funds where there is insufficient approved budget, or,
- New or increased capital projects not included in the approved budget
- Increases in project budget due to cost sharing
- Creation or modification of reserves and withdrawals not approved in the approved budget

RECOMMENDATION

It is recommended by the Audit and Finance Standing Committee that Halifax Regional Council provide 1/3 funding to Dalhousie University to complete renovations in the Dalplex Aquatic Centre, not to exceed \$80,000, to be funded from the Parks & Recreation anticipated 2014/2015 Operating Surplus and paid from Operating Account # C705-6399.

BACKGROUND

A staff report dated January 27, 2015 pertaining to a Funding Request from Dalhousie University was before the Audit & Finance Standing Committee for consideration at its meeting held on February 20, 2015.

For further information please refer the attached staff report dated January 27, 2015.

DISCUSSION

Staff provided an over view of the request from Dalhousie University and responded to questions from the Committee pertaining to the proposed upgrades to the Dalplex facility. The Audit & Finance Standing Committee reviewed this matter at its meeting held on February 20, 2015 and forwarded the recommendation to Halifax Regional Council as outlined in this report.

FINANCIAL IMPLICATIONS

As outlined in the attached staff report dated January 27, 2015.

COMMUNITY ENGAGEMENT

All meetings of the Audit & Finance Standing Committee are open to the public. The agenda and reports are available online in advance of the meeting.

ENVIRONMENTAL IMPLICATIONS

Not applicable.

ALTERNATIVES

The Audit & Finance Standing Committee did not discuss alternatives.

ATTACHMENTS

1. Staff report dated January 27, 2015.

A copy of this report can be obtained online at <http://www.halifax.ca/council/agendasc/cagenda.php> then choose the appropriate meeting date, or by contacting the Office of the Municipal Clerk at 902.490.4210, or Fax 902.490.4208.

Report Prepared by: Liam MacSween, Legislative Assistant, 902.490.6521.



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Attachment 1

**Audit and Finance Standing Committee
February 20, 2015**

TO: Chair and Members of Audit and Finance Standing Committee

SUBMITTED BY: Original Signed
Richard Butts, Chief Administrative Officer

Original Signed
Brad Anguish, Director of Parks and Recreation

DATE: January 27, 2015

SUBJECT: Funding Request-Dalhousie University

ORIGIN

December 9, 2014 Motion of Regional Council:
Motion passed that Regional Council request a staff report to examine potential funding options for HRM to contribute up to 1/3 funding, not to exceed \$80,000, to complete renovations to increase Dalhousie Aquatic Centre's occupancy from 424 to 898 total persons.

LEGISLATIVE AUTHORITY

HRM Charter, 79(1) (av) (v) "The Council may expend money required by the Municipality for... (av) a grant or contribution to... (v) any charitable, nursing, medical, athletic, educational, environmental, cultural, community, fraternal, recreational, religious, sporting or social organization within the Province."

RECOMMENDATION

It is recommended that the Audit and Finance Standing Committee recommend that Halifax Regional Council provide 1/3 funding to Dalhousie University to complete renovations in the Dalplex Aquatic Centre, not to exceed \$80,000, and to fund the request outlined in the Financial Implications section of this report.

BACKGROUND

Dalplex Aquatic Centre opened in 1979 as part of a multi-functional sport and recreational facility (Dalplex) and is the primary fitness and recreation facility for Dalhousie students and faculty. The Dalplex also includes a large hard-court field house, weight room / fitness facility, and running track.

The Dalplex Aquatic Centre includes an indoor 8-lane, 50 metre pool that features:

- 1 & 3-metre diving boards;
- 5-metre diving tower;
- Tarzan rope;
- Wheelchair accessible change rooms;
- Moveable bulkheads;
- Specific times reserved for lane swims and open/family swims; and
- Deep and shallow-end aqua fit classes.

Dalplex Aquatic Centre is one of two 50 metre competitive pools in the province and as such, has traditionally been a sought after location for long-course aquatic competitions for all age groups. Competitive swimming meets typically have a large number of support personal and spectators, in addition to the participants.

In the summer of 2013, Dalhousie University undertook a safety review of the facility including an assessment of the occupant load of the Dalplex Aquatic Centre. As a result of that review, the occupant load at the Dalplex Aquatic Centre is currently restricted to a total of 424 persons which includes swimmers, staff, judges, coach's volunteers and spectators. As a result of the revised occupant load, access to the Dalplex Aquatic Centre during swim meets has been reduced. Without the renovations to the facility, the occupancy load will remain restricted and events will continue to be impacted.

Dalhousie University has completed a study which has recommended internal alterations and the creation of a new fire rated exit from the aquatic centre which will allow the occupancy to be increased to 898 persons. With the use of the facility by community members as well as sports teams, Dalhousie University has requested funding from both HRM and the Province of Nova Scotia. The request to HRM is included as Attachment 1.

DISCUSSION

Funding Request

Dalhousie University started work on the renovations which will permit increased capacity in the aquatic centre in early January 2015 and expect to complete the work by early March. Dalhousie proposes that the project costs be shared, and have requested a 1/3 contribution from the Municipality. The recent motion of Regional Council requested that staff examine potential funding options for HRM to contribute up to 1/3 funding, not to exceed \$80,000.

In addition to the request to HRM, Dalhousie University is applying for 1/3 funding from the Province of Nova Scotia through the Recreation Facility Development Program, which is funded annually through Health and Wellness. At this time, Swim Nova Scotia is not providing any funding for the project.

As noted, in addition to providing access to students, the Dalplex Facility provides access for a wide range of citizens and sports organizations. Currently there are approximately 1,611 non student members utilizing the facilities programs and services. The Dalplex Aquatic Centre is also home to the following organizations:

- Halifax Trojans Aquatic Club
- Bedford Beavers Swim Club
- The Dal Masters Swim Club
- Atlantic Synchro

- Kraken Dive Club
- Dal Water Polo Club
- Dal Kayaking Club

In addition, the facility hosts competitive swim meets. The restriction resulted in limitations to the number of spectators and required restructuring of competitions to enable families to participate. Furthermore, it has been a deterrent to the ability of Nova Scotia to host major Atlantic Canadian or national swim meets. In addition to the recreational aspects, swim meets also provide potential economic benefits to HRM as a result of the visitors participating in the swim meets.

While previous analysis confirmed that there is no requirement for more than the two 50 metre pools located within HRM, the spectator limitations on the Dalhousie facility for sport usage increased demands for an additional 50 metre pool. Without the renovations to return the facility to a condition to be able to host swim meets in an appropriate manner including capacity for spectators, the demands for an additional facility will increase. Through the provision of a grant to Dalhousie University for the renovations to the current facility, HRM will be supporting the facility to be able to once again offer spectator capacity at aquatic events. With renovation costs only being a fraction of the cost for a new facility, the provision funding support towards the renovations is a more cost-effective option.

Community Grants Program

Currently, HRM does not have a grant funding program that could accommodate the level of the funding request. HRM's Community Grants program provides for program grants in the amount of \$5,000 and capital grants in the amount of \$25,000. The Dalhousie request could be considered under the current guideline, however, the maximum capital contribution will not meet the funding request. Recently, Regional Council has received requests for funding support in amounts that exceed and or 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 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.

Funding Options

Should Regional Council choose to provide funding support to Dalhousie University towards the renovations at the Aquatic Centre, there are a variety of funding options available for consideration including:

- Regional Council could direct that funding be provided out of the current 2014/15 operating budget;
- Regional Council could direct that funding be provided from the Operating Surplus Reserve, Q328;
- Regional Council could direct staff to include the \$80,000 in the 2015/16 operating budget; and
- Regional Council could direct that the funding be provided out of the 2015/16 District Capital funds.

Funding Recommendation

Currently, the Parks & Recreation Operating Budget is projecting a surplus for the 2014/15 fiscal year. As the timing of the request is close to the end of the fiscal year, staff can confirm that use of the surplus within the Parks & Recreation budget would not impact other initiatives. Therefore, staff recommends that the Audit & Finance Standing Committee recommend that Halifax Regional Council provide 1/3 funding to Dalhousie University to complete renovations in the Dalplex Aquatic Centre, not to exceed \$80,000, and to fund the request from Operating Account # C705-6399.

FINANCIAL IMPLICATIONS

Funding for the contribution to the Dalplex Aquatic Centre is recommended from the Parks & Recreation 2014/15 Operating surplus. If approved by Regional Council, upon receipt of the final costs for the project, HRM's one-third amount will be confirmed and paid from Operating Account # C705-6399. As a result, funding in that account will decrease by a maximum of \$80,000 and that amount would then reduce the amount of funding allocated to the Operating Surplus Reserve from the Parks & Recreation budget at the end of the fiscal year.

COMMUNITY ENGAGEMENT

The Aquatic community has been vocal to members of Regional Council regarding their concerns and the negative impact the reduced occupancy load has had on their ability to host swim events in the Province.

ENVIRONMENTAL IMPLICATIONS

None

ALTERNATIVES

1. Audit & Finance Standing Committee could choose to recommend that Regional Council not provide financial support to Dalhousie University for the renovations to the Dalplex Aquatic Centre.
2. Audit & Finance Standing Committee could choose to recommend that Regional Council defer a decision on the Dalhousie request until completion of the overall Grant Policy.
3. Audit & Finance Standing Committee could choose to recommend that Regional Council direct staff to include funding in the 2015/16 Operating Budget for the provision of a grant to Dalhousie University.

ATTACHMENTS

Attachment 1: Letter of request from Dalhousie University

A copy of this report can be obtained online at <http://www.halifax.ca/commcoun/index.php> then choose the appropriate Community Council and meeting date, or by contacting the Office of the Municipal Clerk at 902.490.4210, or Fax 902.490.4208.

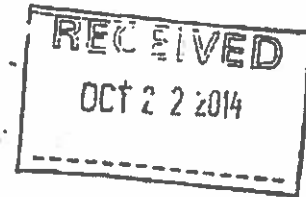
Report Prepared by: Betty Lou Killen, Coordinator, Regional Recreation & Culture, 902-490-4833

Attachment 1

~~October 14, 2014~~



Mr. Brad Anguish
Director of Community & Recreation Services
Halifax Regional Municipality
P.O. Box 1749
Halifax, NS B3J 3A5



Dear Mr. Anguish:

The Halifax Regional Municipality (HRM) has committed to encouraging and facilitating a healthy and active lifestyle for its citizens. This commitment includes competitive sport opportunities.

Prior to the construction of the 2011 Canada Games Centre (CGC), a consultant was engaged to determine the community needs for the new pool that was included in the CGC plan. The report concluded that a 50 metre, eight-lane pool was not necessary as Dalhousie University had the facility in place and was currently accommodating HRM and provincial competitive swim community needs. Dalhousie had the flexibility to host eight-lane, 50 metre meets, single and double-ended 25 metre meets, and had the availability of an Omega electronic timing system.

For safety reasons, an assessment of the occupant load of the Dalplex Aquatic Centre was conducted in the summer of 2013. The new code assessment allowed for an overall total of 424 persons in the entire aquatic centre (staff, swimmers, coaches, volunteers, judges, spectators, etc.). This newly identified occupant load resulted in greatly reduced access to the Dalplex Aquatic Centre during swim meets. This resulted in very limited (and sometimes no) spectator access and has since been identified as a deterrent to Nova Scotia hosting major Atlantic Canadian or national swim meets in the future, as well as being detrimental to the development of local talent, such as Olympian David Sharpe.

Subsequent to the massive outcry from the local and provincial competitive swim communities, Dalhousie University undertook a project to determine if the occupant load could be reasonably increased to better serve both internal and external partners. Dalhousie hired local consultants, Kassner Goodspeed Architects Ltd (KGA), to conduct a study to determine how to increase the occupant load of the Dalplex Aquatic Centre.

It has been determined that with internal alterations and the creation of a new fire-rated exit from the aquatic centre, occupancy could be increased from 424 total persons to 898. The total occupant load of 898 is based on the following conditions:

.../2

- a) 813 persons in the swimming pool, pool deck bleachers when telescoping bleachers are open, offices, storage space, mechanical room, rooms 103 & 104;
- b) 85 persons in the 2nd floor spectator area

The pre-tendered cost of the project is anticipated to be approximately \$250,000.00. Dalhousie is seeking financial support from HRM, the Province of Nova Scotia and Swim Nova Scotia to move this project forward without delay.

Dalhousie has a wide range of recreational facilities that are available to all residents of HRM. Dalplex, a multi-use facility, acts as both a centre for sport, fitness and other activity for the community. Other major facilities available to HRM citizens include Wickwire Field, Studley Gymnasium and the Sexton Gymnasium.

Dalhousie's recreational assets offer a great benefit to the citizens of HRM, given that non-student HRM constituents have traditionally made up 30 to 35 percent of the total users of Dalhousie's recreational facilities. The opportunity benefit enjoyed by HRM with respect to these facilities is considerable, noting HRM is not responsible for capital or yearly operating cost of these facilities.

The growing demand for recreational and competitive assets by HRM residents, as well as our students, has created an opportunity for HRM and Dalhousie to once again work together in a more structured way. We would like to make a formal request to HRM to facilitate resource co-operation and a financial commitment to the proposed new exit for the Dalplex Aquatic Centre, which we believe will benefit both parties.

The proposed financial assistance will ensure that all stakeholders have the opportunity to achieve the health and wellness and competitive sport goals that HRM and Dalhousie share. Co-operation, through HRM's financial support of this project, will allow this valuable asset to be used optimally by the competitive swim community in HRM and may delay or negate the need for HRM to build or renovate existing space any time soon.

We look forward to meeting with you and your team to further discuss our request.

Sincerely,

Original signed by

Kathie Wheadon
Director, Facilities & Business Services
Athletics & Recreational Services

cc: Ian Nason, VP, Finance & Administration