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Halifax Regional Council
February 21, 2006

TO: Mayor Kelly and Members of Halifax Regional Council

SUBMITTED BY:



Dan English, Chief Administrative Officer



Wayne Anstey, Acting Deputy Chief Administrative Officer

DATE: February 13, 2006

SUBJECT: Mainland Common Recreation Centre

ORIGIN

(1) A portion of the funding for Mainland Common Recreation Center has been previously approved by Halifax Regional Council.

(2) Halifax Regional Council meeting of October 11, 2005, Item 9.2.4, Petition - Councillor Hum re. Request to keep open all facilities of Northcliffe Recreation Centre.

RECOMMENDATION

It is recommended that :

1. HRM enter into an agreement with a community based fund raising group, for the purposes of leading fund raising efforts for the new Mainland Common Recreation Centre (MCRC) that demonstrates commitment and broad based support to the selected option and to fund raising; and
2. Based on demonstrated broad-based community support and commitment to community fund raising, HRM work with the community group to identify additional Provincial and Federal funding opportunities as outlined in this report.

BACKGROUND

The mandate of Recreation Tourism and Culture is to provide introductory level recreational programs and services as well as community space for HRM residents. For thirty years Northcliffe Community Centre has addressed this requirement in Mainland North and surrounding area. However, due to the age of the facility, its deteriorating condition, and rapid growth in the area surrounding the facility, Northcliffe no longer meets the needs of the community. As a result, HRM embarked on a process to work with the community and make recommendations regarding the strategic replacement of the facility.

Several surveys have been conducted in the catchment area surrounding Northcliffe and significant input has been received from area residents through focus groups, public meetings, and other means. As a result of the research and extensive public consultation, staff presented options for replacement of Northcliffe to the community. After a community meeting held at Halifax West High School in December 2005, the best and most strategic facility option was selected that addresses community need. To be achievable, this option must be completed in two phases. Completion of both phases is beyond the funding currently available in HRM's capital budget and through the current level of government infrastructure funding. Community based fund raising will be required. This project is now at a critical decision point due to timing and funding issues.

DISCUSSION

Staff, with support of the Councillors in the three Districts comprising the MCRC catchment area, are in the process of negotiating an agreement with a community-based fundraising group which will be mandated to lead fundraising efforts within the community. In addition, HRM is currently in discussions with the YMCA regarding both fundraising for the construction of the facility as well as future shared operation and service delivery for the facility. As indicated above, completion of the selected option will be over two phases. Currently, government funding is in place for Phase One but community fundraising is still outstanding. For the proposed Phase Two, additional Provincial and Federal funding will be required as well as increased levels of community funding. Staff are willing to support community fundraising efforts and, with Council's approval, would like to seek additional Provincial and Federal funding as part of the overall financing of the facility.

Phase One primarily includes the aquatic component to replace the Northcliffe pool. Phase Two addresses the necessary "dryland" component. It is proposed that Northcliffe remain open as a youth facility as well as the community's dryland facility base until Phase Two is completed. The aquatic component of Northcliffe will be operational until Phase One construction is completed, depending on the condition and safety of the building as well as the cost to maintain the facility. Northcliffe's life expectancy is limited due to its deteriorating infrastructure but staff feel that the dryland portion of the building is amenable to usage until at least Phase Two of the MCRC is constructed. The recommendation to keep the Northcliffe dryland component open in

the short term responds to both the Youth Council Focus Area and the needs of youth in the community.

The award of the construction of Phase One is contingent on funding from the community and the other levels of government. Construction of Phase Two is dependant on further fundraising as outlined above.

BUDGET IMPLICATIONS

The initial budget for the project was estimated at \$8,000,000 and was previously approved by Regional Council. Construction inflation has eroded the buying power of the budget since then with annual inflation between 3-6 percent, depending upon the year.

The facility option which best responds to increased community demand and growth pressures will require \$14,500,000 to complete. This total could increase due to the finalizing of program details, determining of quality features, presence of further inflationary pressures, and potential partnership involvement. Divided into phases, with the required aquatic component as Phase One, the breakdown in 2006 dollars is as follows:

Phase 1: \$9,500,000
Phase 2: \$5,000,000
Total: \$14,500,000

The breakdown of the current funding allocated to the project in 2006 dollars is as follows:

HRM Capital Contribution	\$3,706,318
Canada Nova Scotia Infrastructure Program;	
Federal Contribution	\$1,341,841
Provincial Contribution	<u>\$1,341,841</u>
	\$6,390,000

For Phase One the outstanding community fundraising portion is \$3,110,000 to achieve the total of \$9,500,000. A currently unfunded amount of \$5,000,000 is required for Phase Two.

In addition to community fundraising, it is proposed that the funding gap be filled by seeking funding from the other levels of government. If additional funding is not secured from other levels of government, the task of fundraising the entire \$8,110,000 will fall solely to the community. Achieving this target would be extremely difficult.

The deadline to expend the \$2,683,682 committed by the Canada Nova Scotia Infrastructure Program to this project is March 31, 2008. In order to meet this deadline, the capacity for community fund raising must be determined by August 1 2006, the building design must be signed off by August 31 2006 and construction contract be awarded by February 28 2007.

FINANCIAL MANAGEMENT POLICIES / BUSINESS PLAN

This report complies with the Municipality's Multi-Year Financial Strategy, the approved Operating, Capital and Reserve budgets, policies and procedures regarding withdrawals from the utilization of Capital and Operating reserves, as well as any relevant legislation.

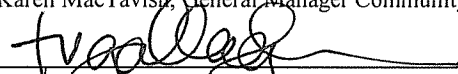
ALTERNATIVES

Council could choose not to proceed. This is not the recommended approach as the facility requires additional fund raising and the community at large has demonstrated its desire to approach both the Federal and Provincial governments as well as community based fund raising campaign in order to achieve a facility that meet the needs of the communities.

ATTACHMENTS

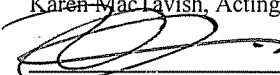
A copy of this report can be obtained online at <http://www.halifax.ca/council/agendasc/agenda.html> then choose the appropriate meeting date, or by contacting the Office of the Municipal Clerk at 490-4210, or Fax 490-4208.

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