

REPORT

Parks and Recreation Department

To: Mayor Johnstone and Members of Council
Date: July 10, 2023

From: G. Dean Gibson
Director of Parks and Recreation
File: 2308282

Item #: 2023-483

Subject: Parks and Recreation 2024 Fees and Charges Bylaw Amendment

RECOMMENDATION

THAT Council consider first, second and third readings to Parks and Recreation Fees Amendment Bylaw, No. 8405, 2023, a bylaw to amend the Parks and Recreation Fees Bylaw No. 6673, 2001.

PURPOSE

The purpose of this report is to provide Council with details on the 2024 Parks and Recreation proposed fee adjustments and to recommend related bylaw amendments.

SUMMARY

As per the June 12, 2023 Council report on the Parks and Recreation 2024 Fees and Charges Bylaw process, staff initiated a detailed comparative analysis of fees and charges in neighbouring municipalities to initiate the development of the 2024 Bylaw. This report outlines key changes in fee categories and the methodologies taken to ascertain new fees in each category and recommends adoption of amendments.

BACKGROUND

Parks and Recreation fees were historically set by policy, as recommended by the Parks and Recreation Committee, and approved by City Council. In 2000, the Local Government Act, and subsequently, the Community Charter required that fees and charges be approved through Bylaw.

Proposed changes to Fees & Charges Bylaw Amendment No. 8405, 2023 (Attachment "A") has been prepared by staff using a combination of historical practice of 0-5% increases and a comparative analysis of neighbouring municipalities to establish new fees.

EXISTING PRACTICE

The Department reviews its fees and charges and makes recommendations for adjustments annually. By adjusting fees marginally each year, the public is not subjected to large increases at any given time. In establishing fees, the Department considers market value, inflation, collective agreement increases, partial cost recovery, minor sports discount formulas, operational costs and budget targets. On June 12, 2023, Council further reinforced the market value approach through endorsement of a comparative analysis approach with Parks and Recreation Departments in the region.

The timing for consideration of the Parks and Recreation Fees Amendment Bylaw implementation process is separate from other City fees and rates processes in that facility and parks renters tend to book spaces annually around the school and holiday calendar. Registration, rental and software processes in place necessitate the City to have applicable rates uploaded 6-8 months (sometimes 12 months) in advance of rentals and bookings.

ANALYSIS and DISCUSSION

As neighbouring communities have added new facility infrastructure over the years, their fees have adjusted to be more reflective of the quality and quantity of the facilities and services offered. This has resulted in a disparity in admission and rental fees charged within the City of New Westminster as compared to neighbouring municipalities.

As New Westminster adds a new state-of-the-art multi-purpose aquatic and community centre to our facility inventory, the Parks and Recreation Department engaged in a comparative analysis of fees and charges across neighbouring municipalities and is making recommendations to Council in some instances based on a comparative mean. This aligns the resulting proposed fees with the City's comparative neighbours and keeps costs relatively similar for residents who may have utilized services in those communities. Parks and Recreation staff has considered existing and estimated operating costs of all City facilities and the effect on facility subsidization in the financial analysis section of this report.

During the staff review of fees and charges, and considering the opening of the tēmәsewtx^w Aquatic and Community Centre (TACC), it will be imperative that fees associated with indoor space rentals and admission schedules be implemented consistently across the facility inventory. Some key changes to the new operating processes that have had a bearing on the proposed Fee Bylaw amendments are highlighted below and detailed in Attachment "C":

Rentals – Indoor Multi-purpose spaces

- Comparative analysis of room booking rates
- Streamlining rental or event types (including removing different fee’s for meeting, activity or social)
- Creating a consistent room naming convention
- Creating fees for spaces based solely on occupancy

Rentals – Indoor Pool lanes

- Comparative analysis of lane rental rates
- Establishing a grandfathered rate for historical users of Canada Games Pool (CGP)

Admissions and Active Pass – multi-visit passes

- Comparative analysis of admissions and membership pricing in neighbouring communities
- Creation of new fees that promote equity in access across different age categories
- The creation of one consistent fee schedule for all indoor drop-in services (Aquatics, Fitness, Gymnastics, Skating, and Sport)
- Enabling monthly Electronic Funds Transfer (EFT) payments for annual pass holders to decrease monthly expense of Active Pass

In general, Parks and Recreation sales of service fees are proposed to be adjusted as follows:

Fee Category	Average % Increase*	Rationale
Rentals – Indoor Multi-purpose spaces	9%	Rental fees have been streamlined to include a single fee for a room booking (regardless of activity). Staff will utilize the extra fee’s chart as required to recover costs associated with additional city services that are uniquely required to support each booking (i.e. extra staff, cleaning, garbage, set-up, and specialty equipment). The fee comparison chart shows an above-average increase in rental rates initially however this comparison is based on the comparison of historical “Meeting” low cost rate to proposed room only rates. NW Youth groups will be grandfathered for meeting rates of \$0.

Fee Category	Average % Increase*	Rationale
Rentals – Outdoor Pools/Arenas	2%	A suggested minimal 2% increase to recover costs to maintain the spaces and equipment.
Rentals – Indoor Pool lanes	24%	These fees have been established by a comparative analysis of neighbouring communities with consideration to historical users and 2021 fees. On average, the 24% rate increase equates to approximately \$4.00/hr. increase on 25m and 50m lane rentals.
Rentals – Sports Fields	4%	A suggested 4% increase to continue to recover costs to maintain the spaces and equipment.
Registered Programs	5%	These fees are determined by formula but an average increase of 5% is anticipated due to formula cost drivers related to anticipated Collective Agreement and cost of purchased goods and services adjustments.
Admissions	12%	These fees have been established by a comparative analysis of neighbouring communities. New admissions categories of Student, Family and Super Senior have been added to support more equitable access opportunities to our facilities. On average, the 12% rate increase equates to approximately \$0.60 per admission category.
Active Passes	12%	These fees have been established by a comparative analysis of neighbouring communities. New admissions categories of Student, Family and Super Senior have been added to create better access opportunities to community recreation facilities. On average, the 12% rate increase equates to approximately \$5.00 for 1 month and 10 time Active memberships and \$45.00 for annual memberships.
Off-Site Works & Services Tree Fee	10%	Fees for tree planting increased in accordance with supplier’s average cost increase.

For reference, Attachment “B” outlines the proposed new fees and charges as contrasted against current rates. Attachment “A” is the full schedule of proposed fees for 2024 as included in the bylaw amendment.

FINANCIAL SUSTAINABILITY PRINCIPLES

The 2024 Proposed fees and charges are guided by Financial Sustainability Principles that align with the City’s vision of building a vibrant, compassionate, resilient city where everyone can thrive, and ensures the City’s budget is:

- ❖ **Sustainable** - Maintain assets in a state of good repair through reasonable tax /rate hikes, and without disruptions to services; living within our means;
- ❖ **Adaptable** - The ability to change debt levels or leverage reserves; ability to ramp up or down on spending;
- ❖ **Stable** - Predictability of City’s Sustainable Revenue Sources, & less reliance on external funding or 3rd party funding; and
- ❖ **Accountable** - Fiscally prudent & responsible; the ability to ensure that the City’s financial decisions are in the best interest of all.

FINANCIAL IMPACT

The 2024 Proposed fees and charges are established to meet budget expectations and are reflective of the general market pricing for municipal services in the Lower Mainland. The unplanned closure of Canada Games Pool (CGP) in late 2021 required implementation of service delivery alternatives, which included extending the operating season of community outdoor pools, relocating fitness equipment and extending fitness centers operating hours.

The estimated revenue impact of the 2024 proposed fees and charges is approximately \$3.0M of which \$2.7M is due to opening of new tēməsewtx^w Aquatic and Community Centre (TACC).

NEXT STEPS

In order to meet Departmental program marketing and advertising deadlines for the January 2024 period, staff have identified the following timeline requirements that will allow for the uploading of new approved fees into the registration software system prior to the facility user booking season.

Date	Description
July 10, 2023	Bylaw Amendment considered by Council for three readings
August 28, 2023	Adoption of Fees and Charges Bylaw Amendment
September 2023	New fee schedule incorporated into Recreation Management Software system and incorporated into program marketing and advertising for the period commencing January 1, 2024

INTERDEPARTMENTAL LIAISON

The Finance Department has reviewed the report and proposed fees and process.

OPTIONS

- 1. Council consider first, second and third readings to Parks and Recreation Fees Amendment Bylaw, No. 8405, 2023, a bylaw to amend the Parks and Recreation Fees Bylaw No. 6673, 2001;
- 2. Council give first, second and third readings to Fees and Charges Amendment Bylaw, No. 8405, 2023 with changes; or
- 3. Provide other direction to staff.

Option #1 is recommended.

CONCLUSION

The proposed changes to the 2024 Fees and Charges Bylaw were established utilizing a combination of nominal rate increases (0-5%) and a comparative rate analysis of neighbouring communities. The resulting rates enable the City to provide consistent and transparent services and rates across all facilities. The promotion of Active Pass discounts and sales for multiple visit passes will create a predictable revenue stream for the City and increased access for the end user. Multi-use Active Pass holders will gain discounted admissions and the ability to book drop-in sessions in advance as well as skip the line through the use of scanning stations at all Recreation facilities.

ATTACHMENTS

Attachment A: Proposed Parks and Recreation Fees and Charges Bylaw No. 8405, 2023

Attachment B: Samples of Core Fee Increase Examples: A Comparison Between Current and Proposed Fees

Attachment C: Key Changes to new operating processes

APPROVALS

This report was prepared by:

Corrinne Garrett, Senior Manager of Recreation Services and Facilities
Indeep Johal, Manager, Financial Services

This report was reviewed by:

Gary So, Sr. Manager, Financial Services

Jacqueline Dairon, Acting CFO/Director of Finance

This report was approved by:

Dean Gibson, Director of Parks and Recreation

Lisa Spitale, Chief Administrative Officer