

# **REPORT**

## ***Parks and Recreation Department***

**To:** Mayor Johnstone and Members of Council  
**Date:** July 8, 2024

**From:** G. Dean Gibson  
Director of Parks and Recreation  
**File:** 2510601

**Item #:** 2024-423

**Subject:** Parks and Recreation 2025 Fees Bylaw Amendment

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### **RECOMMENDATION**

**THAT** Council consider first, second and third readings to Parks and Recreation Fees Amendment Bylaw, No. 8465, 2024, a bylaw to amend the Parks and Recreation Fees Bylaw No. 6673, 2001.

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### **PURPOSE**

The purpose of this report is to provide Council with details on the 2025 Parks and Recreation proposed fee adjustments and to recommend related bylaw amendments.

### **SUMMARY**

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.

The proposed Fees & Charges Bylaw Amendment No. 8465, 2024 (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 fees.

### **EXISTING PRACTICE**

The Department reviews its fees 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. Similar to the 2024 Fee establishment process, a comparative analysis was completed 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.

As part of the City’s Access and Inclusion initiatives, the Recreation Department offers a Financial Subsidy program for those residents requesting financial assistance. Applicants to this program, which is designed to support eligible resident’s participation in year-round active living, receive subsidy funding that can be used for 50% of the fees charged to register for programs and Active Pass 10 visit and 30 day offerings.

There are two ways to apply and prove eligibility for Finance Assistance:

- Have a social service agency complete a Financial Assistance Referral Form; or
- Provide proof that household income is below \$50,000 and provide proof of New Westminster residency

### **ANALYSIS and DISCUSSION**

Rates and Fees for 2024 were established through a comparative analysis of neighbouring communities. Staff prepared department fees for 2024 based on the comparative mean of communities and with consideration of the opening of təməsewtxw Aquatic and Community Centre.

The annual staff review of existing fees and comparative data from neighbouring municipalities suggests relatively few modifications are required to the existing Parks and Recreation bylaw. Active Admission and Active Pass fees are in relation to the median rate amongst comparative communities. An exception to be noted is the City of Burnaby. In June of 2023, the City of Burnaby recreation rates for annual passes was reduced to pre-pandemic rates, (see Attachment B). Burnaby’s annual pass rates were reduced by

27%. This reduction in annual pass fees by the City's closest neighbouring municipality drives the average and median pricing for annual passes in the lower mainland down.

Indoor space rentals and admission schedules have been implemented consistently across the facility inventory and few changes are required for suggested 2025 fees.

Some key changes to the proposed 2025 Fee Bylaw Amendment are highlighted below.

*Rentals – Indoor space rentals*

- Inflationary adjustment of 2.5%
- The removal of specific user group rental rates (i.e. NW preschools or SD 40) and the creation of a general booking rate for non-prime daytime Monday-Friday single event booking rates for the hours of 9:00am and 3:00pm September-June.
- The creation of a new weekly recurring program rental fee for weekly bookings of Centennial Lodge.
- The addition of rental rates for new bookable spaces (i.e. təməsewtx<sup>w</sup> Aquatic and Community Centre lobby, plaza's and the entirety of the leisure pool).

*Rentals – Booking extra fees*

- Inflationary adjustment of 2.5% to off-set staffing rate increases
- Comparative analysis of skate rental and sharpening services – 33% increase in skate sharpening services and 15% increase in rental services to support a recovery of expenses for staff time and scheduled rental equipment replacement.

*Rentals – Outdoor space rentals*

- Inflationary adjustment of 2.5%

*Registered program calculations and private lessons*

- Inflationary adjustment of 2.5% to off-set instructor rate increases

*Admissions and Active Pass*

- Comparative analysis of admissions and membership pricing in neighbouring communities suggests user rates and admissions remain unchanged for 2025
- Addition of a Group rate for groups of 10+ that attend facility programs at the same time. (Equivalent of a Family admission)

*Filming and other Fees*

- Addition of Fire service fees, City staff fees and Administration fees to filming fees
- Increase of 10% for Off-site works and services – Tree fee. Annual increase to approach actual costs of supply and install of trees in grass boulevards. The rate has been historically subsidized by the department and has been regulating increases since 2022 to approach actual costs.

*Insurance requirement*

- As per risk management, effective June 2024, all rental groups are required to provide proof of insurance with the City of New Westminster listed as co-insured for 5 million liability. Starting June 1, 2024, the City of New Westminster will provide insurance add-on options for rental contracts.

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

<b>Fee Category</b>	<b>Average % Increase*</b>	<b>Rationale</b>
Rentals – Indoor Multi-purpose spaces, Outdoor Pools/Arenas, Indoor Pool lanes, Sports Fields,	2.5%	<p>A general rate of inflation is suggested.</p> <p>NW Youth groups will be grandfathered for meeting rates in lower capacity multi-purpose spaces - \$0 once per month.</p> <p>Residents Associations recognized by the City continue to be entitled to one free meeting per month for administration purposes in a Recreation Facility.(exception – Centennial Lodge)</p>
Rental booking – Extra Fees	2.5%	Inflationary adjustment of 2.5% to off-set staffing rate increases
Registered Program calculations	2.5%	Inflationary adjustment of 2.5% to off-set staffing rate increases
Admissions	0%	Admission fees are suggested to remain consistent.
Active Passes	0%	Active Pass fees are suggested to remain consistent.
Off-Site Works & Services Tree Fee	10%	Fees for tree planting increased in accordance with supplier's average cost increase.

Attachment “A” is the full schedule of proposed fees for 2025 as included in the bylaw amendment.

City staff continue work in reducing barriers to participation in daily Parks and Recreation programs, places and spaces. Pending the results of the Parks and Recreation

Comprehensive Plan engagement process – People Parks and Play: Connections for All; staff will identify areas where barriers may be present that affect participation i.e. household income, disability and reconciliation. A comparative review of the identified barriers and the existing financial subsidy program, is planned to take place this fall with results being reported to Council in early 2025. The current financial subsidy program is currently utilized by 192 of 746 unique residents. \$739K was allocated to eligible New Westminster residents. Of the \$739K allocated, \$52K was used towards 50% off of Active Pass admissions and program registrations. The City's financial subsidy program currently follows an annual application period from July to June each year. In 2023, instructor support equaling \$54K in wages was provided to New Westminster participants requiring one to one support in registered programs. Parks and Recreation offers multiple drop-in services a week with a reduced \$2.00 admission fee to encourage participation and promote a 'Try It' experience for skating, fitness, sports, etc. The discounted \$2.00 admission services are available to all customers, of any age, without restriction.

### **FINANCIAL SUSTAINABILITY PRINCIPLES**

The 2025 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 proposed fees and charges for 2025 are established to meet budget expectations and are reflective of the general market pricing for municipal services in the Lower Mainland. The estimated revenue impact of the 2025 Proposed Recreation fees and charges is approximately \$0.1M (Program Registration \$65K, Rentals \$35K)

**NEXT STEPS**

In order to meet Departmental program marketing and advertising deadlines for the January 2025 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 8, 2024	Bylaw Amendment considered by Council for three readings
August 26, 2024	Adoption of Fees and Charges Bylaw Amendment
September 2024	New fee schedule incorporated into Recreation Management Software system and incorporated into program marketing and advertising for the period commencing January 1, 2025

**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. 8465, 2024,, 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. 8465, 2024, with changes; or
3. Provide other direction to staff.

Option #1 is recommended.

**CONCLUSION**

The proposed changes to the Parks and Recreation Fees Amendment Bylaw, No. 8465, 2024 (effective January 1, 2025) are established utilizing a combination of nominal rate increases (0-2.5%) and a comparative rate analysis of neighbouring communities.

Admissions and Active Pass rates will be maintained with a 0% suggested increase to support a rate structure that is maintained in the collective mean of neighbouring communities.

Rental facility and staffing charges will propose to have a 2.5% inflationary recovery increase.

City staff will conduct a review of barriers to participation with the results from the Parks and Recreation Comprehensive Plan engagement process – People Parks and Play: Connections for All. A report to Council will summarize findings and suggest opportunities to further reduce barriers to participation for residents in winter 2025.

### **ATTACHMENTS**

Attachment A: Parks and Recreation Fees Amendment Bylaw No. 8465, 2024

Attachment B: Comparative Municipal Analysis of Admission and Pass Fees

Attachment C: Core Fee Increase Examples

### **APPROVALS**

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