

Governance and Priorities Committee Report For the June 12, 2014 Meeting

To:

Governance and Priorities Committee

Date: May 30, 2014

From:

Julie MacDougall, Assistant Director

Parks, Recreation and Culture

Subject:

Revised City of Victoria Recreation Fees Bylaw No. 10-036

Executive Summary

The purpose of this report is to seek Council consideration of proposed changes to the Recreation Fees Bylaw effective September 1, 2014.

The annual review of the recreation fees has been completed as directed by the City of Victoria Financial Sustainability Policy. The primary consideration in the review of recreation fees is to strike a balance between fiscal goals, affordability for citizens, and the marketplace.

To meet these considerations a 2% increase on all fees is recommended to Council with the following exceptions:

- In order to reposition youth rates within the regional average, and to encourage increased youth participation in recreation, it is recommended that the youth admission rate for Crystal Pool & Fitness Centre and Save-on-Foods Memorial Centre be lowered from \$3.64 to \$3.25.
- In order to meet requests from local employers and to increase participation, it is recommended that a new fee titled Corporate Wellness program be added at the rate of \$262.93 (Equal to Adult Gold one year pass less 25%.)

Recommendation:

1. That Council approve the revised Recreation Fees Bylaw No. 10-036 effective September 1, 2014 as outlined in Appendix 1 of this report and instruct the City Solicitor to bring forward the necessary bylaw amendments for three readings and consideration for adoption.

Respectfully submitted MacDougall Terri Askham Assistant Director Manager Parks, Recreation and Culture Programs and Facilities Report accepted and recommended by the City Manager: Date:

Purpose

The purpose of this report is to seek Council consideration of proposed changes to the Recreation Fees Bylaw effective September 1, 2014.

Background

The Recreation Fees Bylaw is reviewed on an annual basis in accordance with the City of Victoria Financial Sustainability Policy (2011). This report contains the analysis and recommendations regarding proposed fee amendments to the Bylaw, effective September 2014.

The primary consideration in the review of recreation fees is to strike a balance between fiscal goals, affordability for citizens, and the marketplace. It is also necessary to ensure consistency with the City of Victoria Financial Sustainability Policy. The policy states:

"Fees and charges will be reviewed annually and adjusted where appropriate. Departments should consider a minimum increase equal to inflation (CPI). The users will be provided with no less than two months' notice of those changes."

The annual process for reviewing recreation rates and fees includes consideration of:

- Rates of other municipal recreation services in the region
- · Rate increases in previous years
- · Economic climate
- Offering financially accessible services
- Attendance trends and targets

In municipal recreation across the region, it is common practice to use the following guidelines when determining fee structures:

- Fees for youth and children are typically lower than those for adult and seniors.
- Fees for commercial users are typically more than for adult users.
- Traditionally in Aquatics, fees for group or club use are typically discounted to encourage high volume and/or non-peak hour use.

Over the past three years fee increases have averaged 2% with some exceptions. In 2013, a 2% increase was implemented on all fees. In 2012 admission fees were increased 4.5% - 8.8% after being held static in 2011, but pool lane rental rates were not increased following a fee framework change and increase in 2011. Sports field, other public space, and festival equipment rental rates were increased by 2% in all three of the previous years.

When HST was repealed in 2013 some local municipalities did not reduce their admission fees, which were inclusive of tax. The City of Victoria adjusted the total cost to the customer to reflect the lower GST only. For example, an adult admission in March of 2013 was \$5.75 inclusive of HST; in April 2013 an adult admission was \$5.40 inclusive of GST. In September of 2013 through the recreation fee bylaw review, adult admission was increased by 2% to \$5.50 inclusive of GST. The overall result was a 4.7% decrease in actual cost for the customer from September 2012 to September 2013.

Issues & Analysis

The Consumer Price Index as reported by StatsCan for Victoria was -0.3% since the Recreation Fees Bylaw was adjusted in September 2013. However, factors that impact municipal recreation operation costs are primarily energy rates and consumption as well as staffing costs. Staffing costs increased by 2% in 2013. From January 2013 to January 2014 Stats Canada Consumer

Price Index showed an increase in energy costs of 2.6% in BC. The Crystal Pool and Fitness Centre experienced a net increase in energy costs of 16% in 2013, in part due to system modifications to improve air quality that increased gas consumption. Increased revenues and efficiencies in other areas of the business resulted in no net increased cost to the taxpayer. Energy conservation assessment strategies are underway to improve energy efficiency moving forward.

Unrecovered cost increases are born by the taxpayer. In 2013, total increased costs for business areas affected by the revenue items covered in the Recreation Fees Bylaw were offset by a combination of the rate increase, increases in participation and rental levels, and controlled expenses. It is expected that the proposed rate increases for 2014 will generate approximately \$20,000 in additional revenue over the course of a year, given participation and rental levels remain consistent with 2013. The addition of the new corporate wellness program is intended to generate additional revenue and increase the customer base.

A comparison of the City's pool and arena admission fees to other municipal recreation centres in the region was completed in February 2014. Other regional municipalities are considering increases between 0 and 5%. The chart below shows the admission fees for regional recreation centres. A 2% increase in fees at Crystal Pool and Fitness Centre and Save-On-Foods Memorial Centre indicates that the City can maintain affordable rates for citizens, a competitive advantage to attract new customers, and its position within the region.

Regional Admission Fee Comparison

For the purposes of this comparison fees are shown inclusive of tax

2013 Admission Fees	Adult	Senior Student	Youth	Child	Family
Esquimalt	\$5.75	\$4.25	\$3.00	\$2.75	\$11.50
Oak Bay	\$6.75	\$5.25		\$3.40	\$13.50
Panorama	\$6.75	\$5.50	\$3.50	\$3.50	\$13.50
PISE	\$10.00	\$6.00	_		_
Saanich	\$6.25	\$5.25		\$3.25	\$12.50
SEAPARC	\$5.75	\$4.35	\$3.45	\$2.90	\$11.50
Victoria 2013	\$5.50	\$4.30	\$3.80	\$2.85	\$11.00
Victoria 2014 Proposed	\$5.61	\$4.39	\$3.41	\$2.93	\$11.23
Westshore	\$6.00	\$4.40		\$3.10	\$12.00
Regional Average (2013)	\$6.61	\$4.95	\$3.40	\$3.13	\$12.31

As a result of the above considerations a 2% increase is recommended to increase all rates with the following exceptions:

1. Youth Admission Rates

In order to reposition youth rates within the regional average, and to promote further youth participation in recreation, it is recommended that the youth drop in fee for Crystal Pool & Fitness Centre and Save-on-Foods Memorial Centre be lowered from \$3.64 to \$3.25.

In comparison to other municipally operated recreation centres admission rates for youth in the City of Victoria are 8% above the regional average.

Participation in recreation and regular physical activity has been linked to improved self-concept and self-esteem, reduced depressive symptoms, decreased stress and anxiety, improved self-acceptance, changes in anti-social behavior, and enhanced psychological well-being. McKay et al (1996), Reid (1994), and Witt (1996) all found that youth who participate in appropriate recreational activities have a decrease in leisure boredom and subsequently, a decrease in deviant behaviors. (As cited in Recreation and Children and Youth Living in Poverty: Barriers, Benefits and Success Stories Section II. Developed by The Canadian Council on Social Development (CCSD) for CPRA, 2001.)

If participation rates for youth remain static following the rate reduction, revenue in this category would decrease by approximately \$500. By implementing a targeted marketing strategy it is expected that youth participation would increase, offsetting the rate decrease and potentially increasing total revenue.

2. New Corporate Wellness Program

It recommended that a new fee titled Corporate Wellness Program be added at the rate of \$262.93 (Equal to Adult Gold one year pass less 25%.)

Corporate Wellness Programs have been shown to reduce absenteeism, staff member turnover rates, and healthcare costs. They translate into fewer injuries, less human error, and a more harmonious office environment. They show that organizations are concerned about employee health and well-being. The City of Victoria demonstrates recognition of the importance of active living in maintaining employee health and well-being through its Employee Wellness Program.

Corporate Wellness programs currently exist in the City of Vancouver, and locally, at the CRD's Panorama Recreation Centre. These organizations report an increase in pass sales revenue and customer participation through corporate wellness passes and programs.

Over the past year the Crystal Pool and Fitness Centre has received requests from small local employers for this type of program. The proposed program is intended to respond to those requests. It is expected that the majority of participants in the Corporate Wellness Program will be new customers. The revenue from the program, along with the potential increased participation in registered programs by these new customers, will result in increased revenue.

Providing a discount to encourage group purchase of passes is in keeping with existing fee structure principles.

A Corporate Wellness Program fee in the Bylaw, will allow the City to respond to requests

from local employers and incorporate the program into a comprehensive marketing strategy to be developed by the end of 2014.

Options & Impacts

Option 1:

Revise the Recreation Fees Bylaw as outlined in Appendix 1 of this report.

Option 2:

• Hold the rates and fees at their current levels.

Option 3:

 Direct staff to investigate a combination of options or revenue structure of Recreation fees and charges. This would delay implementation in order to provide 2 months' notice of increase in fees to participants and may result in inconsistency between fee posted in the Active Living guide and fees charged.

Recommendations

 That Council approve the revised Recreation Fees Bylaw No. 10-036 effective September 1, 2014 as outlined in Appendix 1 of this report and instruct the City Solicitor to bring forward the necessary bylaw amendments for three readings and consideration for adoption.

Appendices

APPENDIX I: Schedule of Fees

APPENDIX II: Draft Corporate Wellness Program Application

Schedule A Save-on-Foods Memorial Centre Community Use Rental and Admission Fees

(Subject to Applicable Taxes)

The fees in this schedule apply to use of the Save-on-Foods Memorial Centre, including during community use time. All rental fees are hourly rates unless otherwise indicated. Equipment rental fees are based on usage of equipment during the designated public session when the equipment is available for use.

	2013	2013	Proposed 2014	Proposed 2014
Ice Rentals - Community Use Time	Prime	Non-	Prime Time	Non-Prime
	Time	Prime		Time
		Time		
Minor Organization	\$118.91	\$89.17	\$121.29	\$90.95
Adult Organization	\$207.08	\$155.32	\$211.22	\$158.43

e e	2013	Proposed 2014
Meeting Room Rental		
Minor or Adult Organizations	\$24.78	\$25.28
4 hours or more per day	\$99.08	\$101.06
Dry Floor Rentals	2	
Minor Organizations	\$42.61	\$43.46
Adult Organizations	\$66.39	\$67.72
Equipment Rental		
Skate Rental	\$3.42	\$3.49
Helmet Rental	\$1.13	\$1.15
Public Skating		
Child	\$2.73	\$2.79
10 Ticket Admission	\$24.60	25.11
Youth	\$3.64	3.25*
10 Ticket Admission	\$32.77	\$29.25
Senior	\$4.10	\$4.18
10 Ticket Admission	\$36.90	\$37.62
Adult	\$5.23	\$5.34
10 Ticket Admission	\$47.09	\$48.06
School District/Group Admission to Public Skating (25 or more participants)		
Adult	\$4.10	\$4.18
Senior	\$3.18	\$3.24
Youth	\$2.96	\$3.02
Child	\$2.04	\$2.08
Skate Rental	\$1.37	\$1.40
Helmet Rental	\$1.14	\$1.16

Schedule B Crystal Pool and Fitness Centre Admission Fees (Subject to Applicable Taxes)

		2013	Proposed 2014
Preschool		No	No charge
		charge	
Child	Single Admission	\$2.73	\$2.79
	10 Ticket Admission	\$24.60	25.11
	One Month Pass	\$27.34	\$27.90
	Three Month Pass	\$61.51	\$62.78
W	Annual Pass	\$175.64	\$179.15
Youth	Single Admission	\$3.64	3.25
	10 Ticket Admission	\$32.77	\$29.25
	One Month Pass	\$36.41	\$32.50
	Three Month Pass	\$81.94	\$73.13
	Annual Pass	\$239.19	\$211.25
Senior	Single Admission	\$4.10	\$4.18
	10 Ticket Admission	\$36.90	\$37.62
	One Month Pass	\$41.00	\$41.80
	Three Month Pass	\$92.26	\$94.05
	Annual Pass - Gold	\$265.30	\$270.61
	Annual Pass - Silver	\$243.55	\$248.42
Adult	Single Admission	\$5.23	\$5.34
	10 Ticket Admission	\$47.09	\$48.06
	One Month Pass	\$52.33	\$53.40
	Three Month Pass	\$117.44	\$120.15
	Annual Pass – Gold	\$343.70	\$350.57
	Annual Pass - Silver	\$315.52	\$321.83
Corporate Wellness Pass	Annual Pass		\$262.93*
Family	Single Admission	\$10.48	\$10.69
	10 Ticket Admission	\$94.29	\$96.21
Locker Usage	Small	\$0.22	\$0.22
1 visit	Large	\$0.22	\$0.22
Locker Rental	Small	44.20	\$45.08
(6 months)	Large	65.58	\$66.89

Schedule B (Continued)

Crystal Pool and Fitness Centre Rental Fees

(Subject to Applicable Taxes)

"After Hours" means any time when the swimming pool is not open to the general public. "High Volume" means a minimum of 200 long course (50m pool) or 400 short course (25m pool) hours, or an equivalent combination of long course and short course hours, per calendar year.

Rates are hourly rates unless otherwise indicated

	2013	Proposed 2014
25 Meter Pool (per Lane)		
Minor Organizations	\$11.17	\$11.39
Minor Organizations High Volume/After Hours	\$8.37	\$8.54
Adult Organizations	\$13.96	\$14.24
Adult Organizations High Volume/After Hours	\$10.47	\$10.68
Commercial	\$17.45	\$17.80
Commercial High Volume/After Hours	\$13.09	\$13.35
50 Meter Pool (per Lane)		
Minor Organizations	\$16.76	\$17.10
Minor Organizations High Volume/After Hours	\$12.57	\$12.82
Adult Organizations	\$20.94	\$21.37
Adult Organizations High Volume/After Hours	\$15.71	\$16.03
Commercial	\$26.17	\$26.71
Commercial High Volume/After Hours	\$19.64	\$20.03

Meeting Room	2013	Proposed 2014
Minor and Adult Organizations	\$24.78	\$25.28
4 hours or more per day	\$99.08	\$101.06
Birthday Party Package (2 hour room rental plus swimming for 10 children)	\$49.17	\$50.15

Schedule C

Royal Athletic Park Rental Fees

(Subject to Applicable Taxes)

Rates are hourly rates unless otherwise indicated.

	4.0.2		2013	Proposed 2014	2013	Proposed 2014
			Minor	Minor	Adult	Adult
	Spectator (Minimum	Prime Time	\$57.22	\$58.36	\$63.91	\$65.19
9	four consecutive hours rental)	Non- Prime Time	\$51.54	\$52.57	\$56.69	\$57.82
<u>Field</u>	Non- Spectator	Prime Time	\$47.71	\$48.66	\$52.59	\$53.64
(Minimum two consecutive hour rental)	Non- Prime Time	\$42.27	\$43.12	\$46.38	\$47.31	
	Spectator (Minimum	Prime Time	\$64.42	\$65.71	\$71.12	\$72.54
Diamond/	four consecutive	Non- Prime Time	\$58.76	\$59.94	\$63.91	\$65.19
Football	Diamond/ Football Non- Spectator	Prime Time	\$54.73	\$55.82	\$60.34	\$61.55
(Minimum two consecutive hour rental)	Non- Prime Time	\$49.01	\$49.99	\$53.60	\$54.67	

Meeting Room	2013	Proposed 2014
Minor and Adult Organizations	\$24.78	\$25.28
4 or more hours per day	\$99.08	\$101.06
Field Lighting		
One Field	\$50.50	\$51.51
Two Fields (all lights)	\$60.29	\$61.50

Schedule D

Festival Equipment Fees

(Subject to Applicable Taxes Except Where Otherwise Stated)

A "Community Use Event" is a publicly accessible activity (festival, celebration, or special event) that is not longer than 7 consecutive days where equipment is used in the City of Victoria. A "Rental" is a publicly accessible event (festival, celebration, or special event) that is not longer than 4 consecutive days where equipment is used outside of the City of Victoria.

	2013	2013	2013	Proposed 2014	Proposed 2014	Proposed 2014
Minor Equipment	Damage Deposit (Applicable Taxes Included)	Community Use Event (per Event)	Other (per rental)	Damage Deposit (Applicable Taxes Included)	Community Use Event (per Event)	Other (per rental)
Cable Covers	\$ 150.00	\$5.30	\$15.92	\$150.00	\$5.41	\$16.24
Chairs	\$ 150.00	\$0.74	\$2.26	\$150.00	\$0.75	\$2.31
Crowd Barriers	\$ 150.00	\$6.57	\$19.21	\$150.00	\$6.70	\$19.59
Tables	\$ 150.00	\$3.54	\$9.86	\$150.00	\$3.61	\$10.06
Tent (10' x 10')	\$ 150.00	\$13.13	\$38.4	\$150.00	\$13.39	\$39.17
Microphone & Speaker	\$ 150.00	\$40.43	\$116.22	\$150.00	\$41.24	\$118.54
Major Equipn						
Bleachers – Quick Lock	\$ 500.00	\$1.01/seat	\$2.53/seat	\$500.00	\$1.03/seat	\$2.58/seat
Bleachers – Trailer	\$ 500.00	\$616.51	\$833.80	\$500.00	\$628.84	\$850.48
Staging – Outdoor	\$ 500.00	\$5.31	\$15.92	\$500.00	\$5.42	\$16.24
Staging – Indoor	\$ 500.00	\$5.31	\$15.92	\$500.00	\$5.42	\$16.24
Staging – Trailer	\$ 500.00	\$262.80	\$429.75	\$500.00	\$268.06	\$438.35
Tent – 10' x 10' Marquee	\$ 250.00	\$51.54	\$156.65	\$250.00	\$52.57	\$159.78
Tent – 20' x 20' Marquee	\$ 500.00	\$57.62	\$171.81	\$500.00	\$58.77	\$175.25
Tent – 15' x 20' Marquee	\$ 500.00	\$57.62	\$171.81	\$500.00	\$58.77	\$175.25
Tent – 30' x 30' Marquee	\$ 500.00	\$65.69	\$192.03	\$500.00	\$67.00	195.87
Tent – Saddle span Stage Cover	n/a	n/a	n/a	-		-

Schedule E Hard Court Surface Rental Fees

(Subject to Applicable Taxes)

"Hard Court Surfaces" means tennis courts and lacrosse boxes.

	2013	Proposed 2014
Hard Court Surfaces		
Minor Organization (per court/hour)	\$2.37	\$2.42
Adult/Senior Organization (per court/hour)	\$4.73	\$4.82
Commercial Rate (per court/hour)	\$7.11	\$7.25
Clubs (per court/hour)	\$2.37	\$2.42
Minor Tournament (per court/day)	\$23.69	\$24.16
Club Tournament (per court/day)	\$23.69	\$24.16
Adult Tournament (per court/day)	\$47.37	\$48.32

Schedule F

Park and Green Space Rental Fees

(Subject to Applicable Taxes)

	2013	Proposed 2014
Special Events		
Gated Event/per day	\$101.06	\$103.08
Private Use		
Annual Sport and Hobby Use (per year)	\$121.29	\$123.72
Weddings under 4 hours	\$121.29	\$123.72
Commercial/Corporate Use		
Per event (under 4 hours)	\$158.67	\$161.84
Per event (4 hours or more)	\$234.48	\$239.17
Cameron Bandshell		
Non profit Concert or Series Event Not		
Co-Sponsored by the City	\$103.08	\$105.14
Per event (under 4 hours)	\$103.08	\$105.14
Per event (4 hours or more)	\$153.62	\$156.69
Concert or Private Non-Profit Events Including Weddings Per event (under 4 hours)	\$158.67	\$161.84
Per event (4 hours or more)	\$234.48	\$239.17
Beer Garden		
Service Charge for Park cleanup (refunded if cleanup is unnecessary)	\$101.06	\$103.08
Permit Fees:		
Public Event for One Day	\$126.34	\$128.87
Public Event for each Additional Day	\$60.64	\$61.85
after First Day Private Event for Each Day	\$151.60	\$154.63
Picnics and Gatherings		
Reserved Area for Picnic or Family Type Gathering (refunded if cleanup is unnecessary)	\$96.04	\$97.96
0		
Centennial Square	¢472.75	¢402.02
Commercial/Corporate Use (per day)	\$473.75	\$483.23
Non-Profit Ticketed Event (per day)	\$236.86	\$241.60

Schedule G Sport Field Rental Fees

(Subject to Applicable Taxes)

Rates are hourly rates unless otherwise indicated.

	2013	Proposed 2014
Finlayson Artificial Turf Field		
Minor Organization per hour	\$33.44	\$34.11
Adult/Senior Organization per hour	\$50.18	\$51.18
Sports Field Lighting		
Beacon Hill Park –Douglas Street Field per hour	\$15.46	\$15.77
All Other Fields (excluding RAP per hour)	\$20.62	\$21.03
Parks Sports Change Room Fee (per booking, except tournaments)	\$15.46	\$15.77
Tournaments/Community Events		
Deposit Package (garbage & cleanup) (refunded if cleanup is unnecessary).	\$300.00	\$300.00
Adult/Senior (per day)	\$103.08	\$105.14
Minor Organization (per day)	\$51.54	\$52.57
Change Rooms (per day)	\$25.78	\$26.30
Miscellaneous Fees		
Park Bleachers		
Rental for One Section of 25 – 50 seats for One Event	\$48.00	\$48.96
Delivery and Removal of Bleachers within City Boundaries	\$106.12	\$108.24
Barrier Fence Rental (per 50 foot roll)	\$10.61	\$10.82
Garbage Disposal Fee per load	\$96.02	\$97.94
Sound Monitoring	\$25.28	\$25.79
Sports Fields		
Commercial Rate	\$19.32	\$19.71
Class A Sports Field:	0.10.65	0.10.00
Adult/Senior Organizations	\$ 12.38	\$12.63
Minor Organizations	\$ 6.19	\$6.31
Class B Sports Field: Adult/Senior Organizations	\$ 8.57	\$8.74
Minor Organizations	\$ 4.28	\$4.37

Schedule H Filming Fees

(Subject to Applicable Taxes)

Rates are hourly rates unless otherwise indicated.

	2013	Proposed 2014	2013	Proposed 2014
Filming	Crew Size	Crew Size	Crew Size	Crew Size
	Under 10	Under 10	10 or more	10 or more
Commercial - Movie, TV, Tour Photography, Photography	\$60.64	\$61.85	\$121.29	\$123.72
Application Changes/Rescheduling (per change)	\$40.43	\$41.24	\$40.43	\$41.24



CITY OF VICTORIA CORPORATE WELLNESS PROGRAM

Company/Organizat	ion Name:	(
Main Contact: (name, address, city, postal code)			100	Α.			
ony, postar code)							
Telephone No.:	(W)	(H)		(C)			
E-mail:	° 						
Company/Organizat	ion Type:	Private □ Other	Public 🗅	Non-Profit □			
	Industry			************			

Program Outline:

The Corporate Wellness Program Purchase Agreement requires that an organization register a minimum of 5 individuals and purchase a minimum of 5 annual passes in order for its employees to obtain a discount on Annual Crystal Pool & Fitness Centre Memberships. Organizations enrolled in the program must maintain a minimum of 5 active users.

Enrollment includes:

- Unlimited use of the Crystal Pool & Fitness Centre facility and drop in programs and the Save-On-Foods Memorial Centre public skating.
- Complimentary group fitness orientations with a certified Personal Trainer.

Guidelines:

- Organizations must pay for a minimum of five (5) employees at the Corporate Wellness Pass rate at the time of registration.
- Refunds are permitted in keeping with the City of Victoria recreation refund policy, however withdrawals cannot bring the minimum number of employees below five.