

Funding Source for Abbottsfield Recreation Centre

Recommendation:

That the April 11, 2011, Community Services Department report 2011CSR008 be received for information.

Report Summary

This report provides information on the replacement of the Abbottsfield Recreation Centre, including program, costs, capital and operational funding.

Previous Council/Committee Action

At the January 24, 2011, Community Services Committee meeting, the following motion was passed:

That Administration provide a report to Community Services Committee for the replacement of the Abbottsfield Recreation Centre that is sustainable under the existing operating parameters of the Centre, including:

- a. revised program
- b. revised cost system
- c. potential funding model

Report

Revised Program

- Administration has continued to work with the Abbottsfield Recreation Centre Society on the replacement of the Abbottsfield Recreation Centre. Recent work has been done to refine the program to ensure it will meet community needs and remain

operationally sustainable for the Society.

- The existing facility is approximately 6,300 square foot in size.
- The following is a summary of the proposed program for the new 10,100 square foot facility:
 - a gymnasium
 - a multi-purpose room
 - a kitchen
 - a pre-school room
 - office spaces and welcome desk
 - storage space
 - washrooms
 - outdoor elements (outdoor child minding area and a half-court basketball court)
- The program has been updated since January 24, 2011, to include a larger gymnasium and kitchen and additional parking spaces.
- The main increases in space will be dedicated to the gymnasium and the kitchen. A larger gymnasium will allow the space to be divided and provide activity on both halves simultaneously. It will also allow for large community functions and an opportunity to generate additional rental revenue when not in use by high need programs.
- Food services are incorporated into almost every program in the facility and the kitchen is a critical element for this support. An increase in size is needed for this vital element.
- Multi-purpose space has been identified to better serve the community for multi-generational teaching, counselling, volunteers, and after school and parent programming.
- Outdoor elements, such as the half-court basketball and outdoor child minding space will be maintained.

Capital Cost Estimate

- The cost estimate for designing and constructing a new 10,100 square foot facility, and demolishing the existing facility once the new one is constructed, is \$5.5 million (based on completion in 2013).

Operating Funding Model

- Administration has worked with the Abbottsfield Recreation Centre Society (the Society) to develop an operational model that can be supported by the Society.
- Annual costs for the Society are \$55,000 to operate the current facility. It is expected the new facility will cost \$75,000.
- The current revenue is \$63,000 and it is expected that the new facility will provide \$86,000 in revenue.
- The facility will continue to provide free and low cost services and space to residents of the Abbottsfield and Rundle neighbourhoods in order to serve the special needs of the various populations in the area including low income families, complex and diverse cultural communities, seniors and young children.
- Additional sources of revenue have been identified to ensure the sustainability of the facility, including:
 - grants (Community Investment Operating Grant, other)
 - community fundraising
 - incorporating a fee continuum for those who can afford to pay
 - increased partner support
- The Society is also exploring other ways of enhancing services by creating volunteer opportunities with the addition of a volunteer coordinator.

- The Society has also applied for charitable status.
- Under the proposed new lease agreement, the City will assume responsibility for maintenance of the facility.

Corporate Outcomes

Improve Edmonton's Livability

Public Consultation

A Public Involvement Plan will be developed to ensure effective consultation is completed as part of this project.

Budget/Financial Implications

- Council could direct Administration to include this project in the 2012-2014 Capital Budget for Council consideration.
- However, if Council wants to proceed immediately with project design, the 2011 Financial Strategies could be considered as a funding source for the estimated \$600,000 design phase costs.

Others Reviewing this Report

- L. Rosen, Chief Financial Officer and Treasurer
- M. Koziol, General Manager, Capital Construction Department, and Acting General Manager, Asset Management and Public Works Department