

Edmonton Federation of Community Leagues - Tripartite Agreement

Recommendation:

That the July 5, 2010, Community Services Department report 2010CSW005 be received for information.

Report Summary

This report provides an update on the Tripartite Agreement negotiations, the status of community league infrastructure assessments and a proposed funding strategy for community league infrastructure.

Previous Council/Committee Action

At the November 10, 2009, City Council meeting, the following motion was passed:

That Administration provide a report to Community Services Committee in the fall of 2010 with:

- an update on the progress being made on the Tripartite Agreement
- an update on the infrastructure assessment for community leagues
- recommendations for a community league infrastructure strategy

Report

- Community development is a key function of the Community Services Department. This includes working with both geographic communities and with communities of interest

including but not limited to multicultural groups, not-for-profit organizations, seniors and youth. This community development work advances the City's goal of making Edmonton one of Canada's most livable cities.

- At the neighbourhood level, the Office of Great Neighbourhoods is responsible for coordinating civic services. The Office of Great Neighbourhoods collaborates with staff from across the corporation, residents and community stakeholders to plan and deliver services, programs and projects that create vibrant places.
- Central to building great neighbourhoods is the notion of community hubs, gathering places that inject vitality into neighbourhoods by attracting people to the "hub" to obtain services, to gather, meet, celebrate, and to share and exchange information. In Edmonton, for many decades the local community league building has served as one of the central gathering places for neighbourhood residents.
- Throughout the discussions, Administration has remained cognizant of the needs of communities of interest with a key priority being the growing demand for access to space. Under-utilized community league halls could provide much needed program space for various communities of interest in residential neighbourhoods.
- This report outlines proposed funding programs that demonstrate continued City support of community leagues and the important role they play in Edmonton and at the same

time addresses some of the challenges faced by communities of interest.

Update - Tripartite License Agreement

- The majority of community league facilities are built on City land, licensed to the community league through a Tripartite License Agreement (license agreement) between the community league, the City of Edmonton and the Edmonton Federation of Community Leagues.
- A negotiation team representing the Edmonton Federation of Community Leagues, the City and the Community Leagues has been working to develop a new license agreement since before the expiry of the existing agreement in October 2009.
- Integral to the negotiations is the development of a new funding strategy to address the condition of community league halls and the need for building rehabilitation, as well as the increased costs of operating community leagues.

Update - Community League Infrastructure Assessments

- In 2007 a Community League Facility Infrastructure Assessment program was established, which Edmonton Federation of Community Leagues coordinates and promotes for community leagues. There have been 17 assessments completed. These assessments helped form the Edmonton Federation of Community Leagues' estimated capital costs for league infrastructure.
- Administration recently hired Stantec to conduct visual assessments of 106 community league buildings looking at the building structure,

exterior, interior, mechanical and electrical systems. Stantec's report will identify site improvements, recommend repairs and provide estimated costs.

- The potential for the City to be responsible in the future for the maintenance or removal of aging halls is a significant driver for City investment in neighbourhood infrastructure.

Proposed Funding for Community Leagues

- City funding to community leagues is governed under Policy C502 Community League Grants and includes operating and maintenance/renovation grant programs.
- As part of the negotiations, the Edmonton Federation of Community Leagues consulted with its membership, and as a result, a proposal for creating a new capital grant program and increasing the current operating grant for community leagues was developed (Attachment 1).

Capital Grant Program

- Based on the current community league assessments and information provided by community leagues, the Edmonton Federation of Community Leagues was able to provide the Administration with an estimate of projected costs (\$18 million) for potential new construction, renovations and repairs over the next three years.
- A Capital Grant Program of \$3 million per year for a three-year period would enable selected new halls to be built and smaller rehabilitation projects to be completed to deal with fire and

safety issues, water and energy conservation measures, and make much needed improvements to recreation amenities.

- Community leagues have limited access to funding such as sponsorships and government grant programs, cannot receive charitable donations, are restricted in the use of bingo/casino funds and cannot acquire loans for buildings on licensed land as the land cannot be used as security.
- A 50/50 matching grant for the community leagues would address their limited abilities to bear the full cost. Community leagues have a long history with the City of Edmonton as partners in community development. The programs and services provided are affordable and open to all Edmontonians. A 50/50 cost sharing model has worked well for the existing maintenance/renovation grants; however, the \$23,000 lifetime maximum is not sufficient.
- A three-year evaluation period is planned to assess the program and its impact.
- This program aligns with the Great Neighbourhood Initiative of investing in targeted capital projects of varying sizes that foster outstanding neighbourhoods.

Operating Grant Increase

- As part of negotiations, the need for an increase to the Community League Operating Grant Program at the current value of \$1,664,000 to \$3,000,000 annually was identified.
- Responding to the needs of a growing city, community leagues are involved in increasingly complex issues that affect neighbourhoods

including traffic management, re-development, crime prevention, housing and schools.

- The costs associated with facility and program operations (utilities, maintenance, insurance, etc.) of community leagues are rising.
- Administration completed an analysis of 15 community leagues comparing the fixed operating costs reflected in their 2009 operating grant applications to their 2010 grant award. The total fixed costs for 15 leagues were \$419,230, and the total grant awards totaled \$178,949. This equates to funding 42 percent of the fixed costs for 15 leagues.
- With an increase to the amount of operating funds available, Administration believes the leagues will be in a better position to meet operating requirements and support the specific needs in neighbourhoods, improve collaboration with other organizations and among City departments, and deliver effective and efficient services in neighbourhoods.

Next Steps

- Negotiations between the Edmonton Federation of Community Leagues, the Community Leagues and the City will continue on the Tripartite License Agreement. Alignment with the potential grant programs and the implications for the use of City-owned land will be incorporated. The revised Tripartite License Agreement will return to City Council for its approval in 2011.
- In addition, the Edmonton Federation of Community Leagues and its member leagues will be consulted to develop a common booking process

to meet the need for space by other community groups.

Policy

- C502 Community League Grants
- Policy C110 City/Community Leagues Relations and the Partnership Agreement between the City of Edmonton and the Edmonton Federation of Community Leagues acknowledge the Edmonton Federation of Community Leagues as the coordinating body of community leagues in Edmonton.

Focus Area

- Improve Edmonton's Livability
- Great Neighbourhoods Initiative
- Transforming Edmonton's Urban Form

Budget/Financial Implications

- The Edmonton Federation of Community Leagues has provided a cost estimate of the rehabilitation of existing community league infrastructure and development of new community league facilities, and a proposal to increase the City's grant for league operating costs.
- Community League infrastructure is not a City asset; therefore, any Community League Capital Grant would be considered an operating expenditure by the City of Edmonton.
- The proposed Community League Capital Grant Program will likely be required beyond the three-year period.
- Administration considered the Great Neighbourhoods Initiative Capital Profile 09215800 as a partial source of funding for this Grant Program. However, a grant to an outside agency is an operating expenditure and does not qualify for debt

financing as per policy C203C, Debt Management Fiscal Policy.

- While this request could be brought forward by the Edmonton Federation of Community Leagues directly to City Council, it is being advanced by Administration and the Edmonton Federation of Community Leagues in the context of the renewal of the Tripartite Agreement. Administration is supportive of the need to address community league infrastructure and operating concerns. However, the Corporate Leadership Team has yet to review or prioritize any new service requests for consideration by City Council in the 2011 Operating Budget.

Attachments

1. Current and Proposed Funding for Community Leagues

Background Information Available on Request

1. Edmonton Federation of Community Leagues Infrastructure Project - Building Condition Assessment Cost Sheet

Others Reviewing this Report

- Corporate Leadership Team

Current and Proposed Funding for Community Leagues

Current:

Maintenance/Renovation Grant Program

Operating Budget: Neighbourhood and Community Development

Grant Type: Capital (for community league maintenance and renovation; not new construction)

Purpose: To assist community leagues with capital costs of maintaining or renovating their facilities, to a maximum of \$10,000 per year. Single lifetime allotment for a league is \$23,000.

Community League Operating Grant Program

Operating Budget: Neighbourhood and Community Development

Grant Type: Operating

Purpose: To provide funding assistance to community leagues to offset expenses incurred by providing programs and activities to community residents.

Proposed Recommendation:

- Increase Edmonton Federation Community Leagues' base budget to support the creation of a new Capital Grant Program to replace the existing Maintenance/Renovation Grant Program and increase the Community League Operating Grant Program through a request to the 2011 Operating Budget deliberations.

(\$000)

<i>Operating Budget</i>	<i>2010(base)</i>	<i>2011(base)</i>	<i>\$ increase</i>
Capital Grant Program (currently Maintenance/Renovation Grant Program)	95	3,000	2,905
Operating Grant	1,664	3,000	1,336
Total	1,759	6,000	4,241