



# **Innovative Funding Strategies to Build, Operate and Maintain Recreation Centres (CR\_8024)**

Edmonton

Community and Public Services Committee  
February 3, 2021

# Potential Capital Funding Options Considerations

Funding Source	Considerations for Rollie Miles Rec Centre	Who Pays	Estimate
Local Improvement Tax	<ul style="list-style-type: none"> <li>Property owners of the catchment area will pay more in taxes.</li> <li>If a sufficient number of property owners petitions against a local improvement it cannot proceed.</li> <li>City will borrow the capital costs and recover through a local improvement tax</li> </ul>	Residents of Catchment Area	Approx. \$163 / household / year (2.5 km radius)
Community Amenity Contributions	<ul style="list-style-type: none"> <li>Generating significant funds would require very large developments which are not always supported by the community</li> <li>May dissuade developers from developing the neighbourhood</li> </ul>	Developers	Contributions amounts depend on size of development
Fundraising	<ul style="list-style-type: none"> <li>Significant investment from residents and organizations may not be possible</li> <li>May not achieve desired fundraising target to proceed with the project</li> </ul>	Individuals, for-profit orgs., not-for-profit orgs.	Fundraising estimates difficult to estimate

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Funding Source	Considerations for Rollie Miles Rec Centre	Who Pays	Estimate
Capital User Fee	<ul style="list-style-type: none"><li>Funding source is still coming from the citizen/tax levy</li><li>Raising user fees to accommodate a capital fee would adversely impact attendance</li></ul>	Facility Users	Up to \$24 extra per user / visit (100% debt service coverage over 25 years)
Capital Partnership	<ul style="list-style-type: none"><li>Partners may not have the financial capacity to contribute significant funds</li><li>There may be partner requirements that are alternative to residents requirements</li></ul>	For-profit orgs., not-for-profit orgs.	Difficult to estimate given differing levels of partner covered capital costs

# Potential Operating Funding Options Considerations

Funding Source	Considerations for Rollie Miles Rec Centre	Who Pays	Estimate
Naming Rights	<ul style="list-style-type: none"><li>Does not generate significant funds to offset operating costs</li><li>May be difficult to find sponsors</li><li>Sponsors interested may not fit with the City's brand and image</li></ul>	For-profit orgs., not-for-profit orgs.	Approx. \$50,000 annually
User and Parking Fees	<ul style="list-style-type: none"><li>No other City recreation facilities currently charge for parking</li><li>There could be high percentage of users that use active modes of transportation to reach the facility</li><li>Higher user fees would have an adverse impact on attendance</li></ul>	Facility Users	Difficult to estimate given fee impacts on attendance
Operating Partnership	<ul style="list-style-type: none"><li>Partners may not have the financial capacity to operate the facility</li><li>May limit some opportunities for the community to focus on its programming</li><li>Could involve the creation of Rollie Miles Rec Centre Society, similar to Calgary model applied to new recreation centres</li></ul>	For-profit orgs., not-for-profit orgs.	Difficult to estimate given unknown partner financial capacity

## Other Potential Tools

- Captured in the report
  - Scope Reduction
  - Capital Project Phasing
  - Leasing Parkland
- Considered but not deemed to be viable
  - Air Rights
  - Tax Increment Financing / CRL
  - Value Capture Levies
  - Offsite Levies
  - Special Tax
  - Sale of Parkland

The background is a blue-toned illustration of a sports field. In the center, there is a large blue water bottle. To the right, there is a blue cup. In the foreground, there is a blue flag with a white border. A blue person is visible in the bottom right corner. The text "Thank you" is written in white on the left side of the image.

Thank you

Edmonton