

Alternate Funding Strategy Considerations

Capital Funding Tools			
Sources of Funding	Description	Considerations For Use With Rollie Miles Recreation Centre	Who Pays
Local Improvement Tax	A tax imposed on property owners within a defined benefitting area for the development of local infrastructure projects.	- Property owners of the catchment area will pay more in taxes. - City will borrow the capital costs and recovery through a local improvement tax. Funding source is still coming from the property owner. - The process required under the MGA must be followed. If a sufficient number of property owners petitions against a local improvement it cannot proceed. - A local improvement project must be completed within 5 years of the sending of the local improvement notice. If there is a local improvement bylaw in place but the project has not been started, or the project has been started but not complete, then Council may impose the local improvement tax for two years, after which the tax must not be imposed until the local improvement has been completed or is operational	- Residents of Catchment Area - Approx. \$163 / household / year (2.5 km radius)
Community Amenity Contributions	A charge imposed at the time of development permit to pay for a specific type of infrastructure or facility.	- Limited ability to generate significant funds - Uncertainty as to when funds would be contributed (payment by a developer is at the time of a development permit) - May dissuade developers from developing the neighbourhood - Distribution of Amenity Contributions is up to the developer as outlined in City Policy C599 Community Amenity contributions in Direct Control Provisions - Generating significant funds would require very large developments which are not always supported by the community (minimum 12 to 14 stories)	- Developers - Contributions amounts depend on size of development
Fundraising	A capital campaign is a targeted fundraising effort that takes place over a defined period of time.	- May not achieve desired fundraising target to proceed with the project - Significant investment from residents and organizations may	Individuals, for profit orgs., not-for-profit orgs.

		- not be possible - Could still be a significant cost to nearby neighbourhood residents to support	Fundraising estimates difficult to estimate
Capital User Fee	Some or all of a facility's debt service costs can be borne by its direct consumers or users.	- Funding source is still coming from the citizen/tax levy - Would reduce cost recovery of the facility as admissions, memberships, etc would need to remain consistent with other City facilities of this type in order to not impact admissions - Raising user fees to accommodate a capital fee would adversely impact attendance	- Facility Users - Up to \$24 extra per user / visit (100% debt service coverage over 25 years)
Capital Partnership	Partner organizations can include other orders of governments, non-profit organizations, and private corporations.	- Partners may not have the financial capacity to contribute significant funds - There are limited partners that will invest in recreation facilities - There may be partner requirements that are alternative to residents requirements	- For profit orgs., not-for-profit orgs. - Difficult to estimate given differing levels of partner covered capital costs

Annual Operating and Maintenance Funding Tools			
Sources of Funding	Description	Considerations For Use With Rollie Miles Recreation Centre	Who Pays
Naming Rights	Financial transaction and form of advertising whereby a corporation or other entity purchases the right to name a facility or event, typically for a defined period of time	- Does not generate significant funds to offset operating costs - May be difficult to find sponsors - Sponsors interested may not fit with the City's brand and image	- For-profit organizations, non-profit organizations. - Approx. \$50,000 annually
User and Parking Fees	Charges for parking at adjacent lots and street parking Payments levied on the	- No other City recreation facilities currently charge for parking - Parking fees will impact attendance as there are free alternatives within the catchment area	- Facility Users - Difficult to estimate given fee impacts on

	consumers of City services that recover in whole or in part the cost of providing that service	• May not generate significant funds for operations as there could be high percentage of users that use active modes of transportation to reach the facility • There may be an inability to raise rates at Rollie Miles as City facilities must have consistent rates by facility type • Higher user fees would have an adverse impact on attendance	attendance
Operating Partnership	Operating partner organizations can include other non-profit organizations and private corporations	• Could involve the creation of Rollie Miles Rec Centre Society, similar to Calgary model applied to new recreation centres • Greater access to grants and other government funding • May not have the financial capacity to operate the facility • May limit some opportunities for the community to focus on its programming	• Society or other not for profit orgs. • For profit orgs. • Some level of annual funding negotiated to support operation and maintenance of the facility by the organization.

Other Tools		
Sources of Funding	Description	Considerations For Use With Rollie Miles Recreation Centre
Scope Reduction	Reducing the scope of the facility by eliminating design elements and/or amenities to reduce costs	• Potentially reduces capital cost and, subsequently, operating impacts of capital • Community members may not approve of the amenities and/or the design elements eliminated
Capital Project Phasing	Phasing the project over time to reduce the initial capital cost and provide more financial flexibility	• Extends capital cost over time rather than through a large initial outlay allowing more financial flexibility • May speed up the construction of certain elements of the recreation facility meeting citizen needs sooner • Phasing would likely lead to the increase of the overall capital cost
Leasing Parkland	Leasing parkland to developers for residential and/or commercial properties	• Allows developers access to plots of land that they would not otherwise be able to develop • Provides alternative funding source to offset debt service costs, operating and maintenance costs

Attachment 1

		• City Council and community members may not support the size of development required to entice developers to the site • Would have to rezone parkland to development zoning. Unable to do on municipal reserve land. • May create neighborhood deficits in public open space and/or accessible recreation opportunities if public lands are removed from parkland inventories.
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