



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

Potential Capital Funding Options Considerations

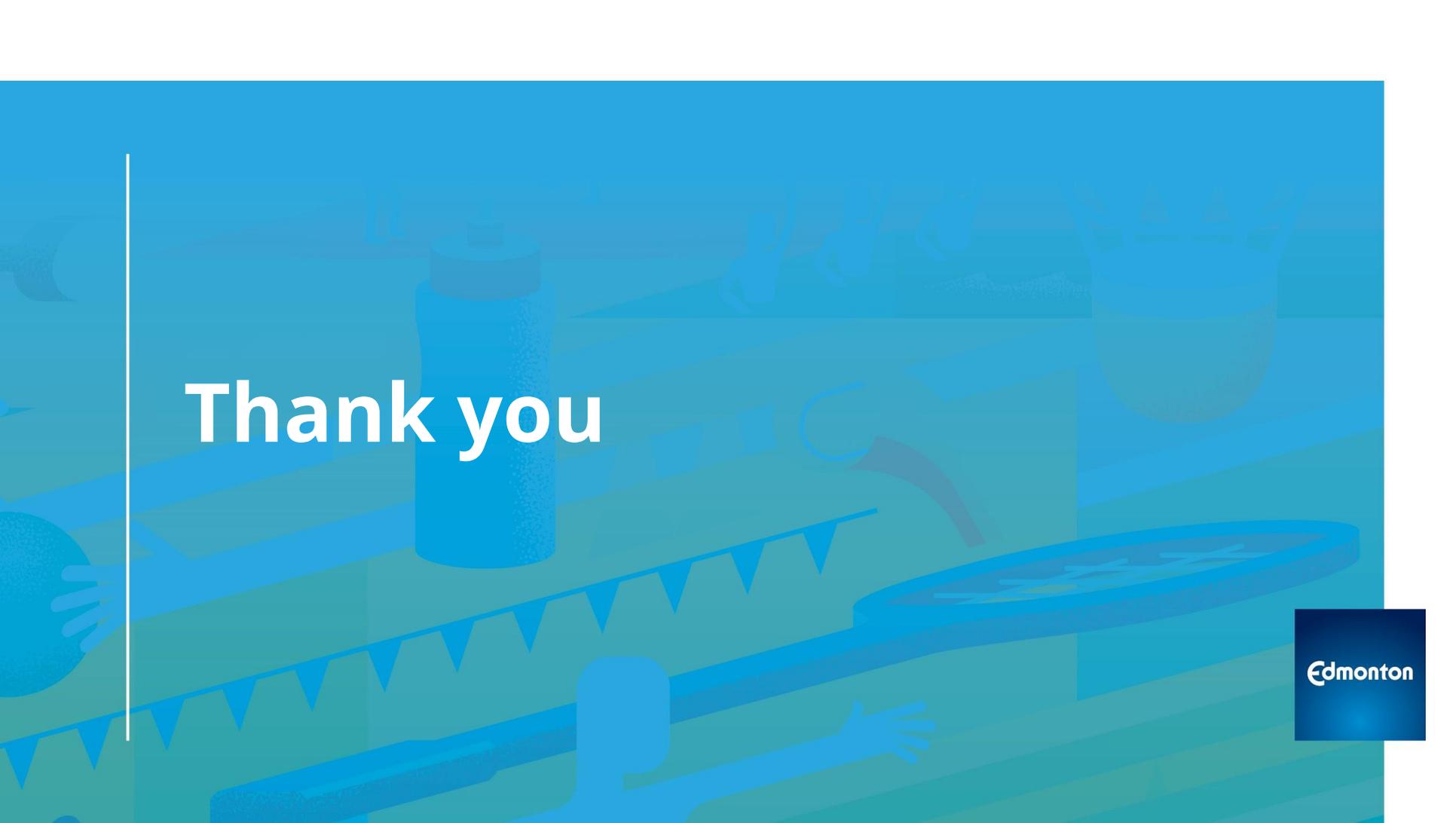
Funding Source	Considerations for Rollie Miles Rec Centre	Who Pays	Estimate
Capital User Fee	<ul style="list-style-type: none"> Funding source is still coming from the citizen/tax levy Raising user fees to accommodate a capital fee would adversely impact attendance 	Facility Users	Up to \$24 extra per user / visit (100% debt service coverage over 25 years)
Capital Partnership	<ul style="list-style-type: none"> Partners may not have the financial capacity to contribute significant funds 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

Potential Operating Funding Options Considerations

Funding Source	Considerations for Rollie Miles Rec Centre	Who Pays	Estimate
Naming Rights	<ul style="list-style-type: none"> 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 orgs., not-for-profit orgs.	Approx. \$50,000 annually
User and Parking Fees	<ul style="list-style-type: none"> No other City recreation facilities currently charge for parking There could be high percentage of users that use active modes of transportation to reach the facility Higher user fees would have an adverse impact on attendance 	Facility Users	Difficult to estimate given fee impacts on attendance
Operating Partnership	<ul style="list-style-type: none"> Partners may not have the financial capacity to operate the facility May limit some opportunities for the community to focus on its programming Could involve the creation of Rollie Miles Rec Centre Society, similar to Calgary model applied to new recreation centres 	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 community event. It features a water bottle, a banner with triangular flags, a table with a sign, and silhouettes of people. The overall scene is festive and community-oriented.

Thank you

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