

Re: Item No. 11.1.3

HALIFAX

Recreation Fee Structure Review

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Programming

July 20, 2021

Reasons for Fee Review

- Recreation Fees have been frozen since 2011
- There are currently fee inequalities and inconsistencies
- Some current fees don't reflect costs
- Some current fees are well below other organizations
- No baseline from which subsidies are established
- Current fees may be undercutting not for profit organizations

History - Halifax Regional Council

- January 6, 2016 – Council supported a review of fees.
- March 6, 2018 – Council approved maintaining the 2017/2018 ice & dry floor rates.
- February 26, 2019 – Council deferred implementation of fee changes until the 2020/2021 fiscal year to allow for the completion of the recreation programming fees and fee by-law, as well as consideration of the new fee structure in all partner facilities' budgets.
- COVID-19 caused the 2020/2021 dates to be deferred until 2021/2022.

Rationale

Principles and criteria to base administration of fees

Fees which are more consistent, transparent and equitable

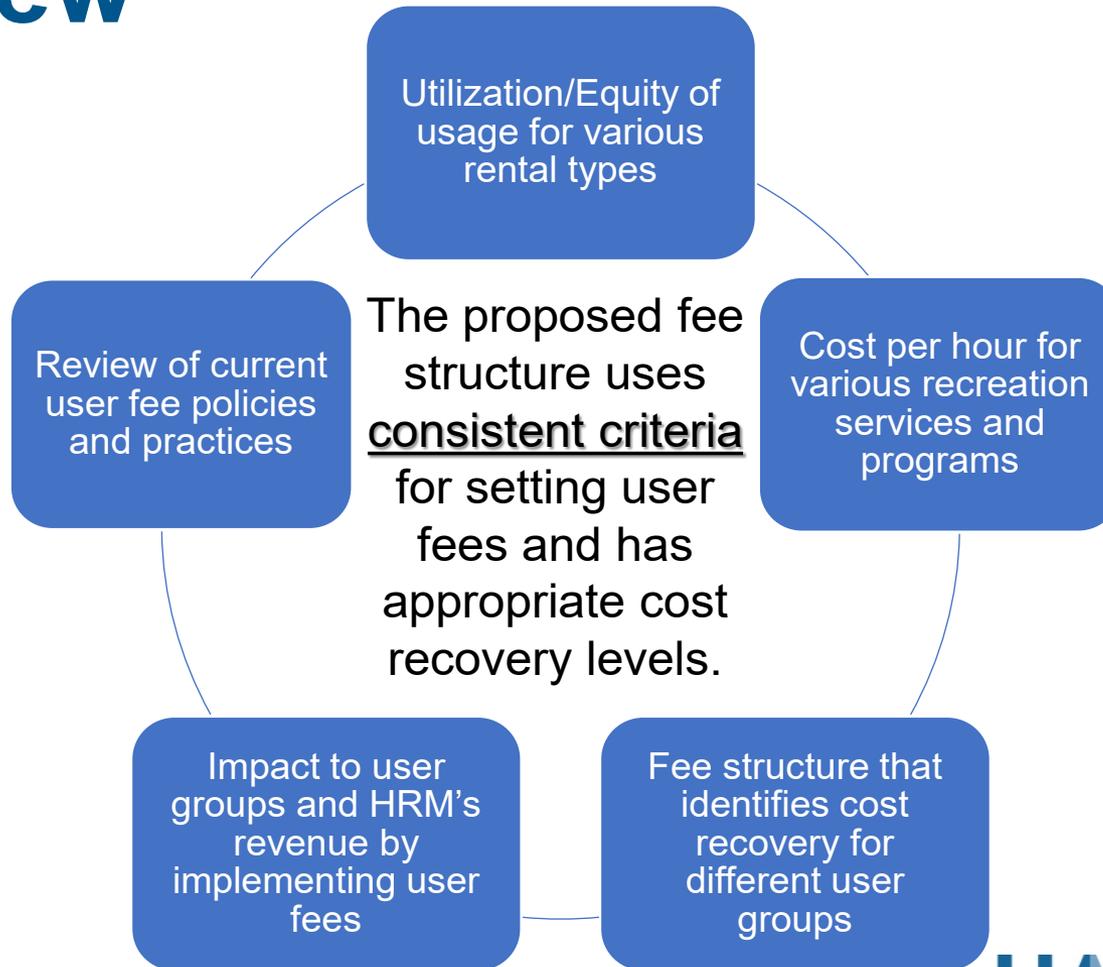
A costing baseline to effectively apply subsidies

Fees that do not compete/undercut NFP organizations

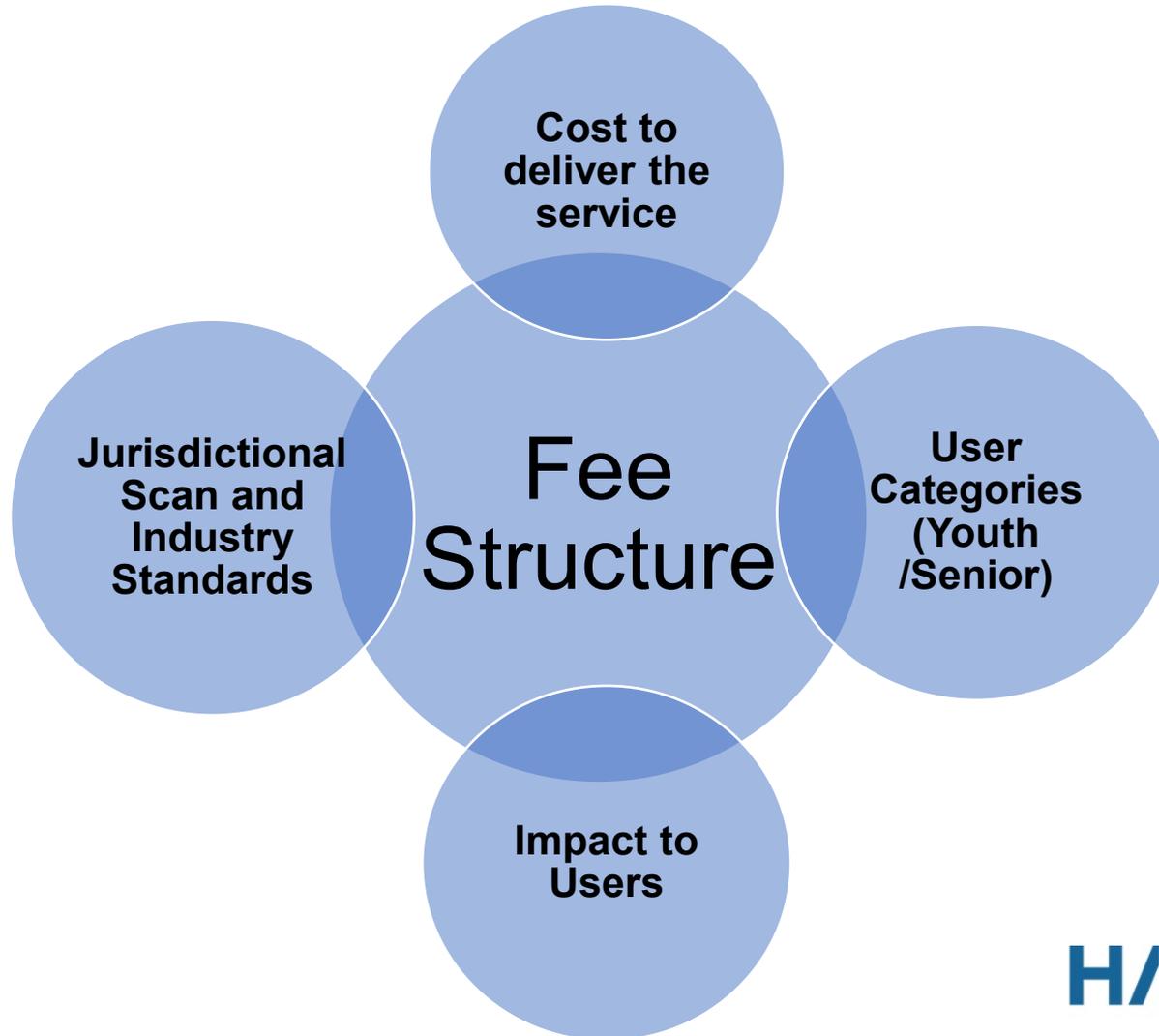
Fees which are more aligned with marketplace

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Criteria for Fee Structure Review



How Fees are Determined



Fee Structure Highlights

- Standardization, consistency and transparency in application of fees
- User Categories – adult, youth, corporate, etc
- Consistent subsidization for fee categories
- Annual CPI increase – 2%
- Five year review cycle
- Affordable Access Program

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Fee Structure Highlights

- Under the *HRM Charter*, HRM are not permitted to provide financial support to a business - corporate rate, which is full cost recovery
- Full cost recovery also applies to adult prime time ice rental rates for arenas and for all-weather sport fields
- The phasing in of some fees to minimize the impact to users

Implementation Method

The Administrative Order and By-laws are required through the Halifax Regional Municipality Charter to implement the overall Fee Structure Review. They are the policy tools for HRM to charge user fees.

Administrative Order 2019-010-ADM, Respecting Recreation User Charges

Administrative Order 58, Respecting the Delegation of Certain Authorities

By-law U-106, Respecting the Amendment of By-law U-100, the User Charges

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Community Engagement

Staff engaged with a representative sample of the following groups:

- Provincial Sport Organizations
- Rental groups
- Partner facilities

Partner Facilities & HRCE Fees

- Set by partner facilities and Halifax Regional Centre for Education (HRCE)
- The relationship with Partner facilities is governed by management agreements with each facility.
- Under the HRCE Service Exchange Agreement, province set fees for school bookings annually

Financial Impact

- The recommendations outlined in this report are estimated to result in a net revenue increase to the 2022 - 2023 P&R operating budget of \$328,879
- The financial information was calculated before the beginning of the COVID-19 pandemic; therefore, was based on usage data from 2019

Next Steps

Implementation Date	Category
April 1, 2022	Arenas – Dry Floor Arenas – Ice
	Recreation programming rates REC centre room rentals Gymnasium rentals Pool rentals
	All Weather Fields Ball Diamonds Parks Sport Courts Sport Fields Tracks

Thank you!

Questions?



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