



TOWN OF LADYSMITH

A Special Meeting of the
Council of the Town of Ladysmith
will be held in Council Chambers at City Hall on

MONDAY, JUNE 28, 2010
6:30 P.M.

A G E N D A

CALL TO ORDER

Page

1. REPORTS

1.1. Cowichan Valley Regional District – Cowichan Sportsplex Funding

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2. EXECUTIVE SESSION

In accordance with Section 90(1) of the *Community Charter*, the first section of the meeting will be held *In Camera* to consider the following items:

- labour relations or other employee relations;
- litigation or potential litigation affecting the municipality;
- discussions with municipal officers and employees respecting municipal objectives, measures and progress reports for the purposes of preparing an annual report under section 98 [*annual municipal report*];

3. RISE AND REPORT

ADJOURNMENT

*Excerpt from the minutes of the Regional Services Committee
meeting held June 23, 2010*

5SR7 Staff Report from the Manager, Corporate Planning dated May 18, 2010, regarding Cowichan Sportsplex funding, was considered:

It was moved and seconded that a poll be conducted to determine which CVRD member municipalities and electoral areas are interested in participating in a new service to requisition a maximum \$100,000 per annum to assist with funding the Cowichan Sportsplex.

MOTION CARRIED

It was the consensus of the Committee that the municipalities and electoral areas be requested to respond to the poll by July 2, 2010.



5SR8

STAFF REPORT

**REGIONAL SERVICES COMMITTEE MEETING
OF JUNE 23, 2010**

DATE: May 21, 2010

FILE NO:

FROM: Administrator

BYLAW NO:

SUBJECT: Regional Recreation

Recommendation:

That this report be received for information.

Background:

At its April 28, 2010 meeting, the Regional Services Committee requested that the issue of Regional Recreation be brought back for discussion. Attached to this report for information are:

1. Copy of the "yellow" funding model previously discussed by the Board.
2. Copy of a July 6, 2009 report entitled "Ongoing Recreation Funding Discussion"
3. Copy of Nanaimo Regional District's Request for Proposal for recreation facility user statistics.
4. Copy of the May 13, 2009 CVRD Board minutes and resolution recommending that a committee be struck to examine moving forward with the "yellow" funding model.

Submitted by,


Warren Jones

WJ/ann

File: ADMINISTRATOR2/Correspondence/Reports/Staff Reports/to ESC June 23 Regional Recreation

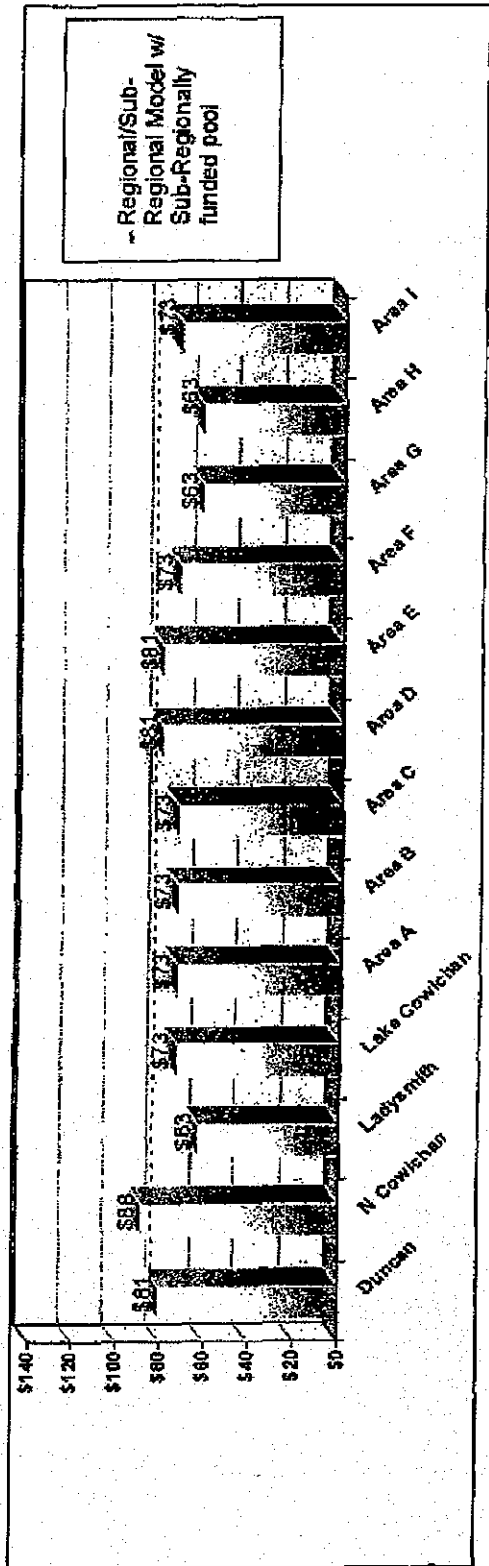
**REGIONAL/SUB-REGIONAL
Recreation Funding Model
with Sub-Regionally funded Cowichan Aquatic Centre**

Concept: The *Regional/Sub-Regional Recreation Funding Model* groups recreation facilities into one of four sub-regional funding areas. Here, the Island Savings Centre and Cowichan Aquatic Centre are sub-regionally funded. This Model leaves only two regionally funded facilities:

1. Cowichan Theatre, and
2. Cowichan Sportsplex

REGIONAL/SUB-REGIONAL Recreation Funding Model

with Sub-Regionally Funded Cowichan Aquatic Centre



Participating Area	Recreation Costs per \$100,000	Equal Share Recreation Costs	Cost Breakdown
Duncan	\$80.54	\$77.60 per \$100,000 in assessed value	36.00 ISC + 4.83 Theatre + 1.43 CSP + 38.28 CAC = 80.54
North Cowichan	\$86.84		36.00 ISC + 4.83 Theatre + 7.56 FLA + 1.43 CSP + 38.28 CAC = 88.1
Ladysmith	\$62.81		48.98 FJCC + 4.83 Theatre + 7.56 FLA + 1.43 CSP = 62.81
Lake Cowichan	\$73.23		66.97 CLRC + 4.83 Theatre + 1.43 CSP = 73.23
Area A	\$73.17		13.29 SLCC + 53.62 KPRC + 4.83 Theatre + 1.43 CSP = 73.17
Area B	\$73.17		13.29 SLCC + 53.62 KPRC + 4.83 Theatre + 1.43 CSP = 73.17
Area C	\$73.17		13.29 SLCC + 53.62 KPRC + 4.83 Theatre + 1.43 CSP = 73.17
Area D	\$80.54		56.00 ISC + 4.83 Theatre + 1.43 CSP + 38.28 CAC = 80.54
Area E	\$80.54		56.00 ISC + 4.83 Theatre + 1.43 CSP + 38.28 CAC = 80.54
Area F	\$73.23		66.97 CLRC + 4.83 Theatre + 1.43 CSP = 73.23
Area G	\$62.81		48.98 FJCC + 4.83 Theatre + 7.56 FLA + 1.43 CSP = 62.81
Area H	\$62.81	48.98 FJCC + 4.83 Theatre + 7.56 FLA + 1.43 CSP = 62.81	
Area I	\$73.23	66.97 CLRC + 4.83 Theatre + 1.43 CSP = 73.23	

REGIONAL/SUB-REGIONAL FUNDING MODEL						
<i>with Sub-Regionally Funded CAC</i>						
Costs, Budgets, & Tax Requisition						
Facility	Function	2008 Budget	2008 Requisition	Participants	Cost Per \$100,000 in assessed value	
Island Savings Centre	423 - Arena	\$1,095,294	\$473,498	Duncan, NC, D, E	\$6.95	\$36.00
	421 - Human Potential Wing	\$444,097	\$254,013		\$3.73	
	422 - Administration	\$1,457,607	\$939,575		\$13.80	
	424 - Multi-Purpose Hall	\$336,082	\$181,012		\$2.66	
	425 - Food/Beverage Service	\$591,418	\$211,507		\$3.11	
	427 - Library	\$361,151	\$136,261		\$2.00	
	426 - Heritage Hall	\$126,716	\$105,305		\$1.55	
430 - Aquannis Centre**	\$150,000**	\$150,000**	\$2.20			
Fuller Lake Arena	Municipal	\$778,377	\$544,925	NC, Ladysmith, G and H	\$7.56	
Cowichan Lake Sports Arena	405 - Cowichan Lake Recreation*	\$1,897,144	\$1,183,451	Town of Lake Cowichan, F, I	\$86.97	
Shawnigan Lake Community Centre	464 - Recreation, Shawnigan Lake Community	\$1,381,006	\$440,000	A, B, C	\$13.29	
Kerry Park Recreation Centre	411 - Administration	\$1,072,303	\$608,022	A, B, C	\$24.41	\$53.62
	412 - Food & Beverage	\$365,339	\$145,633		\$4.40	
	413 - Curling Arena	\$214,988	\$203,391		\$6.14	
	415 - Ice Arena	\$977,260	\$617,930		\$18.67	
Frank Jameson Recreation Centre	Municipal	\$1,794,996	\$1,142,912	Ladysmith, G, H	\$48.99	
Cowichan Sportsplex	Municipal	\$598,911	\$203,824	Regional (All Areas)	\$1.43	
Theatre	428 - Theatre	\$1,098,301	\$421,267	Regional (All Areas)	\$4.83	
	429 - Theatre Capital Loan	\$53,020	\$41,730			
	435 - 439 - Grants	\$224,250	\$224,250			
Cowichan Aquatic Centre	Municipal	\$3,780,780	\$2,606,463	North Cowichan Duncan, D, E	\$38.28	
GRAND TOTAL		\$18,799,020	\$11,035,029	Equal Share	\$77.60	

* Estimate based on CLSA amounting to 85% of total Cowichan Lake Recreation costs

** Not actual 2008 cost. This is a projection of the operating cost only. Does not include major capital expenditures.

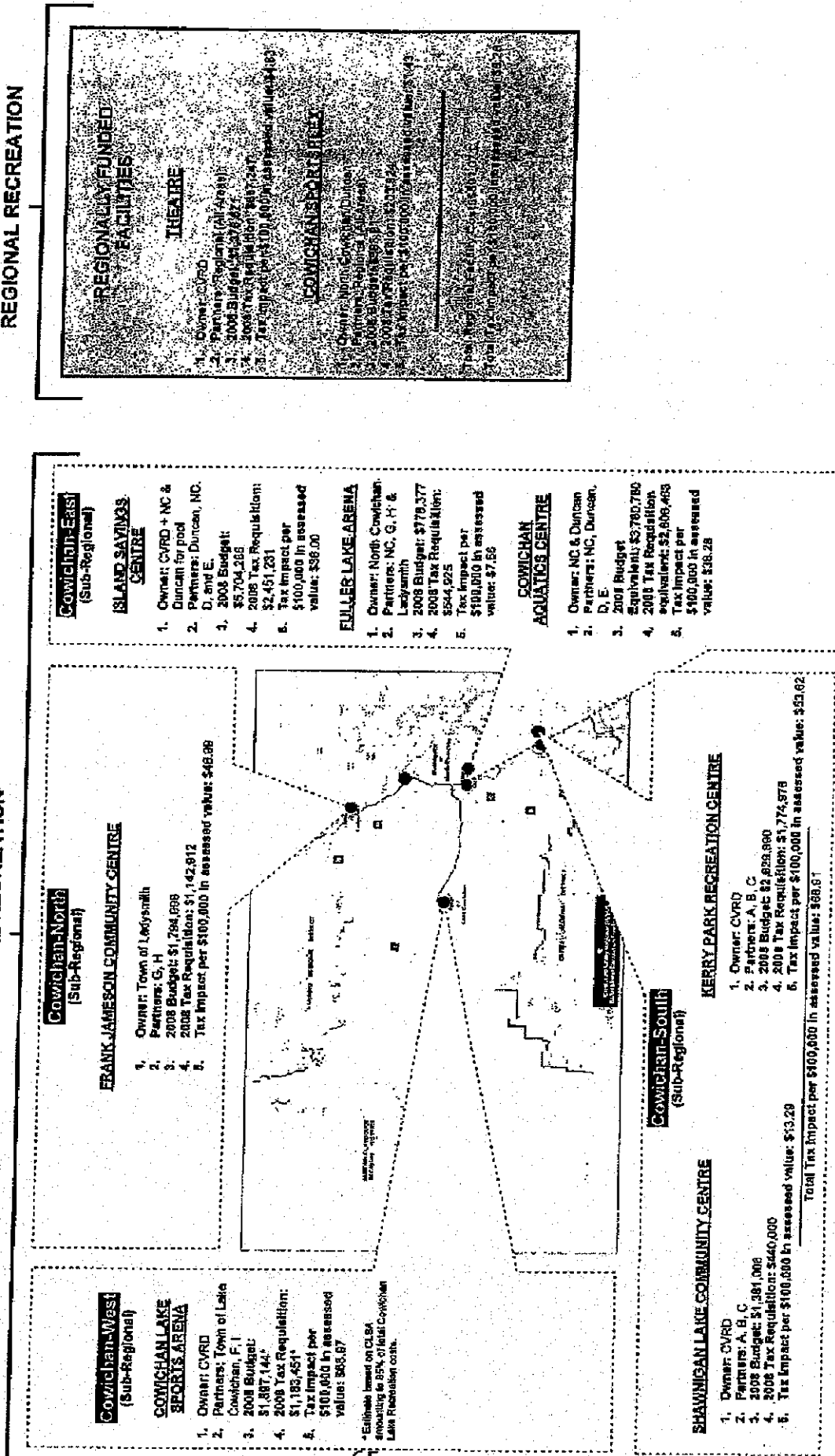
Notes: All figures based from 2008 budget and assessment. Tax rates vary in Municipalities, so these numbers do not necessarily represent the residential tax burden in incorporated areas.

Acronyms: ISC - Island Savings Centre; ISC Arena - Island Savings Centre Arena; AC - Aquannis Centre; CSP - Cowichan Sportsplex; FLA - Fuller Lake Arena; CLSA - Cowichan Lake Sports Arena; SLCC - Shawnigan Lake Community Centre; KPRC - Kerry Park Recreation Centre; FJCC - Frank Jameson Community Centre.

REGIONAL/SUB-REGIONAL RECREATION FUNDING MODEL

with Sub-Regionally Funded Cowichan Aquatic Centre

SUB-REGIONAL RECREATION



REGIONAL RECREATION

REGIONALLY FUNDED FACILITIES

THEATRE

1. Owner: CVRD
2. Partners: Regional (All Areas)
3. 2008 Budget: \$1,578,827
4. 2008 Tax Requisition: \$611,247
5. Tax Impact per \$100,000 in assessed value: \$18.3

COWICHAN POLYPLEX

1. Owner: North Cowichan/Duncan
2. Partners: Regional (All Areas)
3. 2008 Budget: \$1,124,254
4. 2008 Tax Requisition: \$377,924
5. Tax Impact per \$100,000 in assessed value: \$16.54

POOL

1. Owner: Regional Facility (All Areas)
2. Partners: Regional (All Areas)
3. 2008 Budget: \$1,000,000
4. 2008 Tax Requisition: \$300,000
5. Tax Impact per \$100,000 in assessed value: \$9.00



**STAFF REPORT
RECREATION FUNDING WORKING GROUP MEETING
OF JULY 8, 2009**

DATE: July 6, 2009
FROM: Jacob Ellis, Manager, Corporate Planning
SUBJECT: Ongoing Recreation Funding Discussion

Recommendation:

For information.

Purpose:

This report provides an overview of options for moving forward with a discussion on Recreation Funding in the Cowichan Valley. Specifically, this report deals with the following issues:

1. Referendum Timing: "Yellow" Model Approval and Areas A, B, & C's Fall Referendum
2. User Data Collection
3. Phasing of Recreation Cost Adjustments
4. Principles for Progress
5. Voting Mechanism
6. Parcel Tax Approach to Funding
7. Governance

Discussion

1. Referendum Timing: "Yellow" Model Approval and Areas A, B, & C's Fall Referendum

The South Cowichan Areas of A, B and C are moving ahead with a Fall 2009 referendum on the question of borrowing the funds necessary to "repair, upgrade and improve the Kerry Park facility plus add a new pool." Fall 2009 has also been discussed as a possible target to hold a referendum on the "yellow" recreation funding model. As such, a decision needs to be made regarding the best timing for a potential referendum on the 'yellow' recreation funding model.

The group may want to consider whether holding two referendums dealing with funding recreation at the same time poses challenges in terms of maintaining two distinct public education campaigns, confusing the public, and jeopardizing the success of either referendum.

2. User Data

An interest has been expressed for initiating a process to collect user data from the different recreation centers in the region. Initial discussions with recreation centre staff indicate that user data can be collected, and a fairly good idea of geographic usership can be determined, although should the Board seek to tie funding to usage, a more accurate system would need to be developed to ensure greater accuracy of the figures collected.

Currently the Cowichan Theatre is capable of producing a usage report based off information gathered from ticket sales. The Cowichan Sportsplex also tracks user data for many of its programs. Other recreation functions can use the CLASS system to generate information on use through registered programs. However, there is currently no system in place to track drop in user stats at any of the recreation centres in the valley.

3. Phasing of Recreation cost adjustments

As identified in the Administrators report of January 20, 2009, phasing in increased costs to some areas as a result of implementing the "Yellow" recreation funding model is an available option to the Board. Where implementing the new model means a significant cost increase to certain areas, a phased implementation over a number of years may be warranted, and is available as a tool to help mitigate the impact of moving to a new funding model.

4. Principles for Progress

This group may wish to establish a short set of ground rules for moving forward, in an effort to better support a productive, respectful dialogue on how to best address the recreation funding issue. Some of these principles may include, but are not limited to the following:

- a. **Respect:** We will demonstrate respect for each other in the way we talk and the words we use.
- b. **Focus on the future (not the past):** In an effort to reach consensus on a way forward, we will focus on the future, and will refrain from discussing past mistakes, shortcomings or other issues that don't focus on the future and how to move forward.
- c. **One Issue at a Time.** We will identify and discuss one issue at a time, and then move on to the next issue. Where a new issue arises that is tangential to the first, and can be separated, that issue will be "parked" and dealt with separately.
- d. **Facts Only.** We will base our discussions and debates on facts. When the information necessary to an informed dialogue is unavailable, we will get it before carrying on discussions based on speculation, incomplete information or anecdotal evidence.

5. Voting Mechanism

An attached memo details the process that would be followed to move the approval process forward. In summary, the memo indicates that a referendum would be the appropriate public approval mechanism to formalize the "Yellow" recreation funding model. The costs associated

with the process would be approximately \$100,000 and would need to be budgeted in the 2010 budget if the Board wished to hold a spring 2010 referendum. As described in the attached memo "there is no cookie cutter approach to this potential Regional/Sub Regional Recreation Referendum Process." "There are a number of existing service establishment bylaws; potentially 13 partners; and, if approved by the public, there will be a critical timeline to establish/repeal existing bylaws."

As the Province is the ultimate approving authority for this process, they will need to understand the project that is being undertaken. The recommendation of the Corporate Secretary is that once this process move to the point of getting preliminary Board approval, staff should meet with the Provincial Ministry in Victoria to obtain "pre-approval" for the proposed process.

6. Parcel Tax Approach to Funding

At the August 2006 Regional Services meeting, a staff report was presented on the creation of a parcel tax policy. At that meeting it was moved and seconded that the draft policy be endorsed, finalized and forwarded to the Board for consideration and adoption. For unknown reasons however, the policy was never adopted. The final position of this draft policy however was that parcel tax is not recommended as a form of cost recovery except for limited utility services. The report is attached to provide further discussion of the topic.

7. Governance

Questions remain regarding what kind of a governance structure would be used for recreation funding partners where were a facility is owned by one partner, but other areas pay into that facility as full partners. Currently there are two main options being used in the Valley, although Board members may have suggestions on other concepts that may also be explored:

1. Independent Society: The Cowichan Sportsplex is currently managed and run by an independent sports society. The benefits include ensuring all partners have a voice on financial and management decisions. The disadvantages remain that local governments exercise less direct control over the affairs of facilities or lands owned by the local government.
2. Recreation Commission: Currently, most recreation facilities in the Cowichan Valley are run through recreation commissions. The advantage of these is that they provide the opportunity for all funding partners and in some cases community members through appointments, to provide input into the management of recreation services. The primary disadvantage to commissions is that they serve as advisory bodies only, and do not have final decision making authority on financial and management matters - this authority rests with the municipal council or regional board.

Submitted by,

Jacob Ellis, Manager
Corporate Planning