

CITY OF FORT SASKATCHEWAN

Fort Gymnastics Club

Purpose:

To provide the background behind the analysis and consultation of gymnastics during the recent Recreation Facility and Parks Master Plan (RFPMP) Update.

Background:

The Fort Gymnastics Club (FGC) has submitted a letter outlining concerns regarding their current facility and challenges related to securing a new facility to accommodate their growing membership base.

The FGC is currently located in Fort Station Mall, and are renting space from the Life Church. The Club is made up of 25 paid employees and 300 children. Prior to 2014, FGC was based out of the gymnasium at the Dow Centennial Centre (DCC) utilizing a multi-purpose rental space where equipment needed to be set-up and taken down each evening. Due to the inconvenience of having to do such an extensive set-up and take down process each day, and the space constraints due to their growth, the Club chose to lease space from the Life Church in the Fort Saskatchewan Mall.

Since then, the FGC has been working to find a more permanent home that has adequate space and allows for permanent equipment set-up. As per the letter from the Club dated April 14, 2016, a pending deal between themselves and a developer has fallen through, which leaves them in a position where they have to restart their search for space. In addition, the Club believes they are at risk of losing their current space due to ongoing legal issues between their landlord and the property owner.

Municipal support for the sport of gymnastics varies widely across Alberta. There are many examples where gymnastic clubs are successfully run privately with no municipal support, and there are examples where municipalities have partnered with gymnastic clubs to have facilities built where the club either pays for portions of the capital cost or a lease is charged that is at or near marketplace rates. The difference between the sport of gymnastics and many other sports and recreation activities is that gymnastic clubs have exclusive-use space requirements. This means that while their programs can cater to a wide range of age groups (although the vast majority of their programming is for children and youth), their spaces are not shared amongst other groups. Almost all gymnastic clubs require a significant amount of space (roughly 15,000 square feet in this case) that is leased exclusively to the club. This differs from many other municipally supported activities that take place in rentable spaces that can be used by a variety of different user groups or used for public spontaneous use programming. It is this difference that leads to the wide variations in how gymnastics is supported across the province.

In addition to space considerations, gymnastic clubs often run four year-round sessions that enable greater revenue generation. Gymnastics utilizes spaces that have standard utility costs associated with regular commercial buildings, which differs from facilities such as aquatics and ice arenas that in addition to higher capital investment costs (for ice plants, pool mechanical, etc.) come with much higher operating costs. The lower operating cost environment is what creates the possibility for gymnastic clubs to be self-supporting. That said, labour, capital, and operating cost increases that have affected municipalities in the last 15 years also affect gymnastic programs.

Analysis

The 2015 RFPMP Update was initiated in early 2014 with the intent of clarifying the priorities and needs of the community as they related to recreation services. A significant amount of public consultation was undertaken, in addition to research, related to capital and operating costs. The Plan included recommendations on projects, community priorities, and project timing, which included a three phased approach to implementation of the Plan. The RFPMP Update included a detailed financial impact analysis and recommendations on funding sources for the various projects.

The public engagement process included workshops, open houses, community surveys, and feedback collected from local stakeholder organizations and residents. During this consultation process, the FGC indicated that they were negotiating a new lease-to-own agreement at a commercial property that was expected to meet the needs of the Club for the next 15 years. As such, the Club was mentioned in the RFPMP Update as being an important stakeholder in the recreation community, but that municipal support was not required for their program needs.

The RFPMP Update includes a clear timeline and financial plan for all future recreation amenities within the City of Fort Saskatchewan, for the next 12 years. As the current request of the FGC was not included in this plan, any support given to the Club would mean that the financial projections, financial impacts, and implementation priorities would need to be revisited. The scope of work involved overall, in order to properly analyze this request would be:

1. An analysis of comparable service levels in other communities.
2. Creation of options for new space construction including concept drawings and capital cost estimates.
3. Financial impact assessment of each option including impacts on tax rates.
4. Revision of the current 10-year Capital Plan to include the impacts of any changes to current long term capital priorities.
5. Revision of the RFPMP Update.

The City currently does not have any space that could accommodate the needs of the FGC, and a new space would most likely take 2 - 3 years from funding approval to completion, depending on the size and technical requirements. In addition, Administration is currently working on the implementation plans approved by Council under the RFPMP Update during the 2016 budget process. The field turf and curling rink projects alone require significant time and resources. As such, revisiting the RFPMP Update would require external support and budget approval from Council in order to do the background research and analysis for Council to make a fully informed decision on this request.

Council must also be mindful of the 2017 Aquatic Services Plebiscite as the outcome of this process has significant implications on the City's debt load and tax rates. Any decision made prior to October of 2017 will need to be considered in the context of the long-term capital needs outlined in the City's 10-year Capital Plan.

Alternatives:

If Council wishes to further explore the FGC's request, a better understanding of the options and the implications of doing so is required. Beyond receiving this presentation as information, two alternatives are:

1. That Administration bring forward, as part of the 2017 budget process, a project addressing the presentation made by Fort Gymnastics that includes the scope of work listed above for consideration.
2. That Administration bring forward, as part of the June 14, 2016 Council meeting, a 2016 budget amendment for a project addressing the presentation made by Fort Gymnastics that includes the scope of work listed above for consideration.

Enclosure:

Fort Gymnastics Club Letter.

File No.:

Prepared by:	Barb Shuman Director, Recreation Services	Date: May 4, 2016
Approved by:	Troy Fleming General Manager, Infrastructure and Community Services	Date: May 18, 2016
Reviewed by:	Kelly Kloss City Manager	Date: May 18, 2016
Submitted to:	Council	Date: May 24, 2016

