



City of Revelstoke

Council Report

File No.:

To: His Worship Mayor McKee and Members of City Council
From: Allan Chabot, Chief Administrative Officer
Date: October 21, 2018
Subject: CSRD/City of Revelstoke Cost-sharing Agreement for Recreation Facilities and Programs

RECOMMENDATION:

That the Agreement between the City of Revelstoke and Columbia Shuswap Regional District for cost-sharing in the provision of recreation programs and facilities for the period from January 1, 2016 to December 31, 2018, be extended in accordance with section 13. of the agreement for an additional two years resulting in a revised expiry date of December 31, 2020.

Background:

For many years the City and the Columbia Shuswap Regional District (CSRD) have, by Agreement, shared in the cost of providing recreational programs and facilities for use by City and Area B residents. Over those years the Agreement has seen many iterations, notably in 2004 to accommodate the new Aquatic Centre and in 2012 after the CSRD gave notice of its termination so that it could be renegotiated to address issues raised by the CSRD.¹

The replacement agreement negotiated in 2012 changed the funding formula from one based on the ratio of converted hospital assessment values in the specified rural area and City to one based on a ratio of residential occurrences in those same areas. This change saw a reduction in the overall contribution from the rural area towards recreational programs and facilities. If the new funding formula was in effect in 2011 it would have seen the rural area contribution decrease from 7.06% to 5.86% of net costs.

In addition, the 2012 Agreement excluded trails, walkways, boulevards and revitalization areas, neighbourhood parks and the Greenway. As the current costs associated with these facilities is relatively small in comparison to the overall parks, recreation and cultural services budget the impact of this change was relatively small.

Both the 2012 and 2016 Agreements contain the proviso that: Requests for renegotiation of the

¹ Prior to 2012 the Agreement contained no provisions respecting a renegotiation of terms or dispute resolution.



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terms of this Agreement by either party must be made in writing to the other. Over the extension period of the current agreement or during negotiations for a replacement agreement, the City may want to revisit the recreation facilities and programs supported by the Agreement as recreational facilities and programs evolve (e.g. as Kovach Park is further developed and its use takes on more of a regional park function or as trails and the Greenway are further developed and see use by more rural residents and as the City's support for cultural services grows that serve both City and Area B residents). The completion of the skate park in Kovach Park later this year is expected to see it attract far more rural residents to use that amenity.

On the basis of the current Agreement, in 2017 the City recovered \$145,496 (5.43% of costs) towards the net cost of providing recreational programs and facilities of \$2,679,480.²

Options / discussion

Council could choose not to extend the Agreement and incur the loss of revenue associated with that and either increase taxes and/or user fees to recover that amount or reduce the level of service provided for recreational programs and facilities.

Council could instruct staff to renegotiate the cost-sharing formula and programs and services funded by the agreement.

Council could approve the Agreement extension, preserving the right to give future consideration to renegotiation if need arises or circumstances dictate same.

Financial / Risk Implications:

If an extension or replacement Agreement is not approved, the City could lose approximately \$145,000 per year towards the cost of providing recreational programs and facilities.

Strategic Plan Reference:

2015 Council Objectives

- Determination of Core and Non-core Service Levels: Establish service levels for core services such as... recreation... in line with public expectations and fiscal limitations.

2016 Council Objectives

- Quality of Life: Move forward with planned recreation/active living and cultural projects.

Official Community Plan

- Support the high quality of life that individuals and families enjoy by fulfilling their lifelong health, cultural, educational, spiritual, recreational and economic needs.

Attachments:

Agreement for Recreation Facilities and Programs between the City and CSRD for the period

² See Statement of Recreational Department Operations for the year ended December 31, 2017 attached.



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January 1, 2016 to December 31, 2018.

Others consulted:

Laurie Donato, Director of Parks, Recreation and Culture
Tania McCabe, Director of Finance

Respectfully submitted,

Allan Chabot, Chief Administrative Officer