Report of the Standing Policy Committee on Protection and Community Services dated July 2, 2002

Request to Lease Aquatic Hall of Fame - Winnipeg Indoor Lawn Bowls Club
File PR-2.2 (Vol. 19)

6. The Standing Policy Committee on Protection and Community Services has been advised that on March 6, 2001, the City Centre Community Committee considered a request from the Winnipeg Indoor Lawn Bowls Club for a reduction in the rental rate for the Aquatic Hall of Fame and to enter into a long-term lease. The Community Committee concurred in the request for the rental rate reduction and directed the Administration to enter into negotiations for a long-term lease. Due to the request for a long-term lease, the matter was referred to the Standing Policy Committee on Property and Development. On April 5, 2001, the Standing Policy Committee on Property and Development referred the matter back to the Administration for review and report back to the appropriate Committee of Council.

The Winnipeg Indoor Lawn Bowls Club was a long-term user of the Fort Rouge Leisure Centre. Due to renovations to the facility in 2000, it was necessary for the group to be relocated. The Aquatics Hall of Fame was determined to be the only suitable alternate location with sufficient unused space. The Winnipeg Indoor Lawn Bowls Club began its use of the Aquatic Hall of Fame in March 2000. Based on the Fees and Charges Policy, the rental rate for the Aquatic Hall of Fame for the season would be $17,600.00. As the Winnipeg Indoor Lawn Bowls Club determined that its membership could only afford a rental fee of $695.00, the request for a reduction in the rental fee was directed to the City Centre Community Committee.

The membership of the Winnipeg Indoor Lawn Bowls Club consists mainly of seniors and retirees. Their season operates from the beginning of October to the end of April, approximately 30 weeks. The hours of operation are Saturdays from 1:00 to 5:00 p.m. and Sundays and Mondays from 10:00 a.m. to 3:00 p.m. The Club operated at the Fort Rouge Leisure Centre from 1979 until 2000 when renovations at the Fort Rouge Leisure Centre resulted in the need for a new location to be found. While at the Fort Rouge Leisure Centre, the Club had approximately 50 members. With the move to the Aquatic Hall of Fame, the membership fell to 26 for the 2000-2001 season.

The facility space that the Winnipeg Indoor Lawn Bowls Club uses at the Aquatic Hall of Fame sits vacant for a large percentage of the operating hours of the Pan Am Pool. The use of the space by the Club and the related revenue is additional to what the space generated in the past. When there are functions occuring at the pool that require use of the space, the Club has its time reduced or cancelled to accommodate the function. Therefore, the group's use of the

Aquatic Hall of Fame does not prevent other groups from renting it and the City from gaining revenue.

During the time that the Winnipeg Indoor Lawn Bowls Club used the Fort Rouge Leisure Centre, their annual rental fee was based on $25.00 per member. When the Club established and charged their members a membership fee for the 2000-2001 season it was based on the same rate they paid per member ($25.00) when they used the Fort Rouge Leisure Centre. Due to that, the Club determined that for the 2000-2001 season they would only be able to afford to pay $695.00 (26 members X $25.00 plus GST) of the $17,600.00 rental fee as determined by the Fees and Charges Policy.

The Winnipeg Indoor Lawn Bowls Club feels that they will never be in a position to cover the entire rental fee of $17,600.00 as determined by the Fees and Charges Policy. The Community Services Department wants to encourage active participation by seniors and older adults in a variety of activities. A rental fee of $17,600.00 would be beyond the group's means and would potentially result in the group's demise. Therefore, it was suggested that the rental fee be viewed along the lines of an admission fee. The indoor lawn bowling season lasts approximately 30 weeks. The Department sells 30-visit passes to the City's facilities at a current reduced rate of $88.29. It was therefore proposed to the group that an incremental increase in the basic cost per member per year be implemented until it reached the equivalent value of a 30-visit facility pass. The annual incremental increase would be $5.00 per member per year. Discussions were held with the Club President who agreed that it was more realistic to have the group work toward the cost of the 30-visit pass than the proposed $17,600.00 rental fee. It was further agreed that an increase of $5.00 per member per year was not likely to have a negative impact on the group's membership while increasing the revenue brought into the City. Appendix A provides a synopsis of what the rental charge and subsidy would be over the next 5 years. Payment for the 2000-2001 and 2001-2002 seasons is currently outstanding pending confirmation of rental fees.

The request for a long-term lease of the Aquatic Hall of Fame was discussed with the Planning, Property and Development Department. It was agreed that a long-term lease for use of the Aquatic Hall of Fame by the Winnipeg Indoor Lawn Bowls Club was not recommended. Two reasons for not entering into a lease are as follows:

1. No agreement is currently in effect between the Aquatic Hall of Fame and Museum of Canada Inc. and the City. This group's plans could potentially affect the use of the space by the Winnipeg Indoor Lawn Bowls Club in the long term.

2. In a situation such as this, where a group does not have exclusive use of the facility space, the City utilizes standard Facility Use Agreements that relate specifically to the dates and hours that the group uses within the facility.

A standard Facility Use Agreement would be utilized to formalize their temporary, seasonal use of the space. The group is in agreement with this approach.

A copy of a Financial Impact Statement is on file in the Office of the City Clerk.

The Standing Policy Committee on Protection and Community Services therefore recommends:

1. That the City enter into standard Facility Use Agreements with the Winnipeg Indoor Lawn Bowls Club, for use of the Aquatic Hall of Fame at the Pan Am Pool on an annual basis.

2. That the current Fees and Charges Policy be waived in order that the Winnipeg Indoor Lawn Bowls Club receive a rental fee reduction for the use of the Aquatic Hall of Fame at the Pan Am Pool as outlined in Appendix A.

Appendix A

The following chart outlines the rental fee to be paid by the Winnipeg Indoor Lawn Bowls Club and the declining subsidy they would receive for the 2001/2002 to 2005/2006 seasons.

SEASON	RENTAL PAYMENT	RENTAL SUBSIDY
2000/2001	$695	$16,905
2001/2002	$780	$16,820
2002/2003	$910	$16,690
2003/2004	$1040	$16,560
2004/2005	$1170	$16,430
2005/2006	$1300	$16,300

Note 1:
The rental payment amount is based on a per member charge with an annual incremental increase of $5 as follows –

2001/2002 - $30
2002/2003 - $35
2003/2004 - $40
2004/2005 - $45
2005/2006 - $50

The illustration in the chart assumes a consistent membership of 26. Should that increase or decrease the rental payment would also be adjusted.

Note 2:
The rental subsidy amount is based on the current annual rental rate of $17,600, less the rental payment amount.

The following chart outlines the fiscal distribution of the rental fee to be paid by the Winnipeg Indoor Lawn Bowls Club as outlined in the Financial Impact Statement.

	Year of Receipt					
SEASON	2002	2003	2004	2005	2006	RENTAL PAYMENT
2000/2001	$695					$695
2001/2002	$780					$780
2002/2003	$455	$455				$910
2003/2004		$520	$520			$1,040
2004/2005			$585	$585		$1,170
2005/2006				$650	$650	$1,300
	$1,930	$975	$1,105	$1,235	$650	