



## **REPORT**

**REPORT TO:** Mayor Bonnette and Members of Council

**REPORT FROM:** Aaron Matthews, Director of Recreation Services

**DATE:** November 23, 2020

**REPORT NO.:** RP-2020-0028

**RE:** Ice/Floor User Group Rate Relief

### **RECOMMENDATION:**

THAT Report No. RP-2020-0028 dated November 23, 2020 regarding Ice and Floor User Group Minor Rate Reduction be received;

AND FURTHER THAT staff be authorized to reduce hourly facility rental rate of ice and floor by 50% for qualifying Minor ice and floor user groups from November 16, 2020 to March 31 2021 or end of season per the rationale outlined in Report RP-2020-0028.

### **BACKGROUND:**

On Friday November 13, 2020 the Province of Ontario announced that Halton Region would be placed into the Red/Control Zone of the COVID-19 Response Framework. Requirements within the Red Zone impact the Minor ice and floor user groups significantly in several ways including restricting all activity to skills and drills with no game play, eliminating access to dressing rooms, and reducing or eliminating spectators. Most critically, participant levels are drastically reduced to no more than 10 participants (including coaches) at any one time.

This reduction in participant levels has resulted in the Minor groups reducing the activity levels for its members to ensure that as many can continue to play. It has also resulted in cancellation of certain teams for some groups and modification of coaching and instruction for all. Consequently, groups are faced with decisions such as refunding dollars for participants that have had participation time reduced, collecting less registration dollars over the rest of the season or cancelling the season completely. Staff have worked with groups on how to best navigate these restrictions and changes and have been advised that a reduction in hourly rental rates would make a restricted/contracted season financially viable.

In response to challenges faced by community organizations as a result of COVID-19, the Town has supported local organizations and businesses earlier this year with loan deferrals and waivers of lease payments through Council Resolution No. 2020-0129 as well as rate relief for Aquatic User Groups through Council Resolution No. 2020-0180.

## COMMENTS:

The purpose of this report is to provide Council with the financial impact on the requested reduction of facility contract rates for Minor ice and floor user groups for the 2020-2021 season. Starting with the November 16 move to the Red Zone.

Participation rates for ice and floor user groups has traditionally been high. Over 3,000 children and youth are currently enrolled in minor hockey programs, learn to skate activities, figure skating and volleyball minor youth programs. These groups provide services from introductory instruction to competition level sport initiatives for all ages of children and youth from preschool to late teens.

These local groups are facing several challenges in order to continue training for the 2020-2021 season as a result of COVID-19 restrictions and most recently a move to the Red Zone, including:

- **Limited capacity** on the ice and floor as determined by Province of Ontario Framework requirements – approximately 50% of previous capacity for training sessions and no game or scrimmage opportunities. Multiple teams often shared the cost of ice, mandated occupancy restrictions have resulted in the cost of an hour of ice being shared between a smaller number of participants. In order to satisfy this reduced capacity requirement, organizations must operate with fewer members, rent additional floor and ice to accommodate participants or reduce registration fees for participants.
- Limited or no capacity in the changerooms as per indoor gathering limits in order to maintain physical distancing. This creates the need for **staggered start times** therefore increasing the amount of rental time required for fewer participants.
- **New business processes** for registration, many of which must be designed to occur 'virtually' or are staged at different designated points in the season.
- Increased demand on coaches and staffing resources to support **enhanced supervision** and implement new procedures related to COVID-19 risk management
- Clubs have reduced the number of programs, levels and/or teams operating putting **pressure on the remaining resources** to fund costs.

As Provincial directives and sporting governing bodies allow, ice and floor user groups are hopeful that the 2021/22 season will be a return to normalcy at which time the Town would return facility permit rates for ice and floor to full rates.

A summary of projected facility contract payments from the start of the Red Zone period (November 16) through to the end of the season, March 31, 2021 with a comparison to the Proposed Rate Relief is summarized below:

(NOTE: in a non-COVID year 6 pads of ice are available. As part of the phased reopening of facilities during this COVID season only 4 pads are currently in operation and, in addition, there have been buffers scheduled in between rentals for required disinfection. This has already impacted on the amount of ice available for the minor groups to rent and, consequently, the revenue generated to date and projected to be generated in winter 2021.)

**Projected and Potential Revenues from Adjusted Minor Rates (4 pads/1 floor)**

<b>Group</b>	<b>Projected Revenues, Red Zone to year end (Nov 16 – Dec 31)</b>	<b>Financial Impact with 50% rate relief</b>	<b>Projected Revenues (Jan-March 31, 2021)</b>	<b>Financial Impact with 50% rate relief</b>	<b>Total Projected Revenues</b>	<b>Total Financial Impact with 50% rate relief</b>
Halton Hills Minor Hockey (Thunder)	\$69,600	\$34,800	\$174,000	\$87,000	\$243,600	\$121,800
North Halton Girls Hockey Association (Twisters)	\$50,900	\$25,450	\$127,250	\$63,625	\$178,150	\$89,075
Acton House League (AHL)	\$22,700	\$11,350	\$56,750	\$28,375	\$79,450	\$39,725
Georgetown Skate Club (GSC)	\$12,400	\$6,200	\$31,000	\$15,500	\$43,400	\$21,700
Acton Skate Club (ASC)	\$4,700	\$2,350	\$11,750	\$5,875	\$16,450	\$8,225
Impact Volleyball	\$11,000	\$5,500	\$27,500	\$13,750	\$38,500	\$19,250
<b>TOTAL</b>	<b>\$171,300</b>	<b>\$85,650</b>	<b>\$428,250</b>	<b>\$214,125</b>	<b>\$599,550</b>	<b>\$299,775</b>

Staff is recommending that along with area municipalities such as Milton (50%) Burlington (25% and further 25% projected by year end) and Oakville (25% projected by year end) the Town should support the local minor ice and floor groups who do not have the financial capacity to continue to operate due to the regulatory restrictions resulting from COVID-19 and the placement of Halton Region in the Red Zone.

As outlined in the 2020 Rates and Fees Review by Watson and Associates, ice and floor rentals recover 24% of the total cost of operation and represent approximately 46% per cent of the total Department's revenue. Using the community benefit model contained in Watson and Associates report, the use of ice and floor by registered groups represents a balance of both community and individual benefit.

**CONSULTATION:**

Staff consulted with the Town Treasurer/Director of Accounting during the preparation of this report.

**PUBLIC ENGAGEMENT:**

Staff has engaged with representatives of the minor groups referred to in this report.

**SUSTAINABILITY IMPLICATIONS:**

The Town is committed to implementing our Community Sustainability Strategy, Imagine Halton Hills. Doing so will lead to a higher quality of life.

The report's recommendations are not applicable to the Strategy's implementation.

This report supports the pillars of Sustainability:  
Economic Prosperity and Social Well-being

**COMMUNICATIONS:**

All Minor ice and floor user groups will be informed of Council's decision regarding the disposition of this report.

**CONCLUSION:**

The impact of COVID 19 has affected the ability of Minor ice and floor user groups to financially support the hourly rate of Town facilities for their return to sport. Based on the ice and floor user groups capacity to respond and adhere to Provincial guidelines and the Town's desire to support the continued viability of sports groups through community rebuilding efforts, staff recommends that the Town reduce the registered ice and floor rental rate by 50% for the 2020-21 season. Assuming restrictions lighten over the next year, rental fees will return to full rate as per the Town's annual rate report.

Reviewed and Approved by,

A handwritten signature in black ink, appearing to read "Warren Harris".

Warren Harris, Commissioner of Recreation and Parks and Acting Chief Administrative Officer