



The Recreation & Culture Division continues to strive for fiscal accountability while ensuring the delivery of quality services to all residents. These services contribute to the quality of life in our community and the overall health of our residents. Research has proven that recreation contributes to physical and mental health, acts as a protective factor for youth-at-risk and helps improve the circumstances for those living in poverty.

While preparing the recommended fees for 2021, the impact of Covid-19 had to be taken into consideration. Since mid-March 2020, the city has had to shut-down most public services, and this had a particularly significant impact in the Recreation and Culture Division. As of March 13, 2020 all recreation and culture programs and services were cancelled and it has only been fairly recently that the city has been able to start a slow, phased in resumption of some services.

Per the direction of the city's Treasurer, the recommended 2021 user fees required greater sensitivities as residents and businesses recover from the COVID-19 situation. The core principles for the City's user fees continue to be:

- a) justifiable and reasonable for cost recovery;
- b) comparable with neighboring municipalities; and
- c) affordable to citizens/users, yet competitive

Further direction provided from the Treasurer stated that fees charged to residents for City programs (primarily in Recreation) should not be increased in 2021 as residents and the City adapt to COVID-19 related restrictions, as well as challenges of participation levels. With respect to other charges in the Tariff of Fees bylaw, staff were directed to look for opportunities to increase fees in light of being comparable to neighboring municipalities and necessary cost recovery.

Following these guidelines, staff continued to undertake a market competitive analysis of user fees to determine the City's position against other municipalities as comparators in preparation for the 2021 budget. The mandate has always been to benchmark the City's fees against a minimum of two municipal comparators, City of Markham and the City of Vaughan and others where appropriate, depending on service provided. Staff focused on rates that were significantly lower than our municipal comparators and assessed the impact of increasing rates on the users. Based on the benchmarking undertaken, and the direction to avoid increasing recreation fees due to Covid-19 where possible, the recommendation is to keep the majority of fees status quo, as approved through the 2020 Tariff Fee bylaw. In an effort to generate some additional revenue for the city, staff primarily focused on increasing fees in the non-resident and commercial fee categories. Fee increases in these categories have only been recommended if the city's current fees were deemed to be significantly lower through the benchmarking exercise.

## **OVERVIEW OF PRINCIPLES AND FEE CHANGES**

All fees listed in the fee by-law chart are pre-tax.

### **General recreation and culture registered and drop-in programs, events and advertising fees**

Staff verified that Richmond Hill's user fees are either within the same range of Markham and Vaughan, and per the direction provided by the Treasurer, no fee increases are recommended for the majority of services in these sections. Exceptions to this include:

- Programs delivered by organizations in partnership with the city have some percentage increases, based on the current agreements in place.
- Logo installation in arenas has been increased by 5% to assist with cost recovery.

### **Facility Rental Permits – gyms, meeting rooms, sports fields, park permits, Richmond Green Sports Centre and Dome**

The fee review did identify pricing opportunities that exist within the non-resident and commercial fee categories for facility and sports field permits. Staff have recommended a fee increase of 5% for rates within the Indoor Facility section, and 10% for rates within the Outdoor Parks and Sports Field section. These recommendations would keep Richmond Hill's fees comparable to Markham and Vaughan. In the few cases where the percentage increase is more than 10%, those recommendations are based on cost recovery.

### **Richmond Green**

Fees for Services that involve additional staff time have been increased between 2% and 11%, strictly due to cost recovery.

### **Richmond Hill Centre for the Performing Arts**

Staff conducted an analysis of current fees compared to similar sized venues including Markham, Oakville, Milton and Kingston. Each Theatre operation prices their services differently, some including base line costs in the building per day rental charge and others pricing out services separately,

- 1) Staff verified that Richmond Hill's user fees are either within the same range or are high in certain areas and have made recommendations on fee increase to remain competitive in the industry for the 631 seat venue. There are no proposed increases for any fees in the "Community Based - York Region Not for Profit Organizations" section of fees. This will allow for the local non-profit organizations to adapt to COVID-19 related restrictions they may have experienced throughout 2020.
- 2) The remainder of the fees have been increased between 0 and 10% where appropriate, based on market comparison. These fee increases would apply to non-local non-profit organizations, and commercial/private organizations.

### **New Programs and Services**

The programs and services delivered each year fluctuate based on community demand. The fee by-law captures new programs that were either added in 2020 (e.g. virtual programs) or are planned to be added in 2021.

### **FINANCIAL IMPACT**

The 2021 proposed operating budget will include the following revenue impacts as a result of the fee recommendations in this report.



General Programs (virtual)	\$4,000.00
RHCPA Programs (virtual)	\$4,000.00
RHCPA (performances, rentals)	\$8,500.00
Sports Fields, Parks (revenue goes to Parks budgets)	\$500.00
Indoor Facilities	\$6,900.00
Arena Ice Rental	\$5,900.00
<b>Total</b>	<b>\$29,800.00</b>

The additional revenue projections are primarily based on 2019 user statistics, and are based on an assumption that it will take some time to realize regular participation rates and normal operations due to Covid-19.

### COMMUNICATION

The City of Richmond Hill User Fees and Charges By-Law for all departments will be posted on the City website. The rate adjustments in recreation and program service delivery is communicated through the Community Recreation Guide.