

**To:** **COUNCIL**

**Meeting Date:** **11/23/2021**

**Subject:** **Request to Waive Community Holding Fees and Approval of Community Group Rental Rate**

**Submitted By:** **Lesley Head, Director of Recreation & Culture**

**Prepared By:** **Rachel Fraser, Manager of Recreation, Sport and Culture**

**Report No.:** **21-311(CD)**

**File No.:** **C1101**

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## **Recommendations**

THAT Report 21-311(CD) Request to Waive Community Holding Fees and Approval of Community Group Rental Rate be received;

AND THAT as a result of the Covid-19 pandemic impacts Council approve waiving the Community Holding Fee on all applicable rentals until 2022, as outlined in this report;

AND THAT any Community Holding Fees already received during the 2020-2021 rental period be returned to those applicable community groups;

AND FURTHER THAT Council approve the implementation of a new Community Group Rental Rate and approval criteria as part of the Municipal Fees & Charges By-Law

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## **Executive Summary**

### **Purpose**

- To seek Council's approval to waive the current Community Group – One Regular Monthly Meeting (Holding Fee) until 2022.
- To seek Council's approval to refund Community Holding Fees received during the 2020 and 2021 rental period to applicable community groups.
- To implement a new Community Group Rental Rate for those that meet the criteria to support access to municipal space at a reduced cost.

## Key Findings

- The Community Group – One Regular Monthly Meeting (Holding Fee) in the current Municipal Fees and Charges By-Law and the related Meeting Room Flat Fee for CSD Facility Use policy (CSD 10.070) provide for Not-For-Profit (NFP) organizations to rent meeting space for a flat fee.
- The purpose of this Fee and policy are intended to provide flexible, affordable and a predictable option for rental opportunities. For the fee of \$94.42, a NFP organization can receive one rental (up to three hours in length) of meeting room time each month. Pandemic regulatory shutdowns, in addition to differing comfort levels of groups to return to meeting spaces, have resulted in the Holding Fee not offering the intended benefit to our NFP organizations.
- Staff are recommending that these fees be waived until 2022, and those fees collected in 2020 and 2021 be returned so as not to unduly penalize our NFP partners.
- Many NFP's need to meet more than once per month. As such, the current rates for meeting rooms are cost-prohibitive for many NFP groups who are accustomed to receiving low- or no-cost rent. Many neighbouring municipalities offer a separate, highly subsidized community group rental rate.
- Most traditional low to no cost rental environments available to NFP community groups have become inaccessible during the pandemic (ie. schools, churches etc). As a result, an increased number of groups have requested municipal space at a reduced premium.
- Staff recommend a new 50% reduced room rental category rate for non-sport community groups be introduced during regular facility operating hours at Recreation and Culture Centres and Older Adult Facilities.
- The subsidized rate of 50% was chosen as this is comparable to School Board room rental rates and other municipal models that offer a Community Group rate. This limited charge will facilitate in accountability and coverage of additional cleaning costs.
- The extension of the Community Group rental rate will increase the utilization rate of facilities while offering our NFP groups a required, affordable space opportunity.

## Financial Implications

- The implementation of a 50% Community Rental Rate is estimated to increase rentals by 1-2 permits each session. This equates to approximately \$4,800 additional revenue annually.

- The 2021 Council-approved Community Group – One Regular Monthly Meeting (Holding Fee) recognizes the importance of NFP groups to have regular meetings. A 50% Community Rental Rate, applied maximally, would provide a current subsidization rate between 91-94% (depending on room size). The 2021 Council approved Holding Fee Rate is \$94.42.
- As the recommendation is to offer the subsidized room rental rate only during available facility operating hours, the financial impacts are limited.
- The proposed waiving of Community Group Holding Fees for the rental period of 2020-2021 are estimated to total \$4,200, and would be considered as part of the City's overall surplus/(deficit).

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## Background

- In 2020, 29 NFP groups were permitted using the Community Group Holding Fee and in 2021, nine groups applied for the fee with an additional seven permits expected prior to the end of the year.
- Due to shutdowns and the apprehension of many community groups to return to Recreation Centres during the pandemic, organizations have not received the intended benefit of the Community Holding Fee. As such, most groups held one to three meetings in the 2020 and 2021 fiscal years, as opposed to 10-12 meetings as in past years.
- In March 2020, both the Public and Separate Waterloo District School Boards confirmed they were not permitting community use of space rentals. There is no expected date of return at this time.
- Service Cambridge, the Mayor's Office and the Recreation and Culture division have received an increasing number of requests from displaced NFP groups from our community. These groups have traditionally rented through either the school boards or other local low- or no-cost rental facilities such as churches. The current approved rates and charges structure is cost prohibitive to the continuation of these clubs/organizations who have at this time not resumed programming.

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## Analysis

### Strategic Alignment

PEOPLE To actively engage, inform and create opportunities for people to participate in community building – making Cambridge a better place to live, work, play and learn for all.

## Goal #1 - Community Wellbeing

Objective 1.2 Support and facilitate community access to services related to health, wellness and personal development.

The Community Holding Fee intends to provide our NFP groups affordable, flexible space rental opportunity for in-person meetings.

Offering our NFP community groups a subsidized rental rate in our facilities during regular operating periods provides affordable space to these important, community building organizations and also increases facility utilization rates.

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### Comments

Waiving the Holding Fee for the 2020 and 2021 fiscal years provides an opportunity for NFP community groups to resume in-person meetings without concern of forfeited funds during a time when many groups have faced financial strain and hardship.

The Community Group rate will be offered to NFPs that support community involvement. These groups specifically provide services which keep Cambridge residents active, healthy and engaged in their communities.

The current approved rate of a small or large meeting rooms is cost prohibitive for most NFP groups who are accustomed to receiving low or no cost rent. Many neighbouring municipalities offer a separate, highly subsidized Community Group rental rate. Staff are suggesting that a 50% reduced room rental category rate for non-sport community groups be introduced during regular facility operating hours at Recreation and Culture Centres and Older Adult Facilities to help bridge this gap. The same verification of providing NFP status required to receive the Community Holding Fee will be used to access the Community Group Rental Rate.

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### Existing Policy/By-Law

CSD-10.070 Meeting Room Flat Fee for CSD Facility Use

City of Cambridge Municipal Fees By-Law

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### Financial Impact

The below chart outlines the number of contracts permitted using the Community Holding Fee during the last two years and the corresponding revenues received from these bookings.

#### Community Holding Fee

Facility Type	# of Permits (2020)	# of Permits (2021)*	Amount
Arenas	17	5	\$1,983
Recreation & Culture Centres	4	3	\$ 661
Older Adult Centres	9	7	\$1,511
Total			\$4,154

*\*includes estimated returning organizations*

### **Community Group Rental Rate**

As there are no current rental permits affected by the introduction of the Community Group rental rate, there will be limited financial impact. Offering space at the more affordable rate may prompt greater rental revenue from this previously underutilized market. There is the potential that an NFP organization could book time that a non-subsidized user group could permit, resulting in the loss of the differential.

Many NFP agencies apply to a number of grants and funding opportunities. Rent is an approved cost of operation for most funding applications. For both organizations that are successful in receiving support and those that are not, the City of Cambridge aims to be an affordable option.

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### **Public Input**

Posted publicly as part of report process.

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### **Internal/External Consultation**

Consultation was conducted with the Recreation and Culture Department, Office of the City Manager – Community Outreach Coordinator; and Finance Department.

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### **Conclusion**

Providing a full credit to account to groups who paid the Community Holding Fee for the 2020 and 2021 fiscal years demonstrates continued support for our NFP community group partners who have faced financial strain and hardship throughout the pandemic. Waiving of this charge recognizes that groups either did not or will not receive the intended benefit of the Community Holding Fee with most permits not being enacted or using only a fraction of their entitled rental times.

With respect to the introduction of a Community Group rental rate, the pandemic continues to place a challenge on space for NFP community groups who have traditionally operated with low or no cost rent. Providing a discounted rate to our NFP groups during regular facility operating hours best serves the needs of our community while maximizing the utilization of space within our centres.

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## Signature

### Division Approval



Reviewed by the CFO

Reviewed by Legal Services

**Name: Lesley Head**

**Title: Director of Recreation & Culture**

### Departmental Approval



**Name: Hardy Bromberg**

**Title: Deputy City Manager, Community Development Department**

### City Manager Approval



**Name: David Calder**

**Title: City Manager**

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## Attachments

- Appendix A - CSD-10.070 Meeting Room Flat Fee for CSD Facility Use

## VISION

A place for people to prosper -  
alive with opportunity

## MISSION

Working together  
Committed to our values  
Serving our community

## VALUES

INTEGRITY  
RESPECT  
INCLUSIVENESS  
SERVICE



POLICY TITLE	Meeting Room Flat Fee for CSD Facility Use
CATEGORY	Corporate
POLICY NUMBER	CSD-10.070
DEPARTMENT	Community Services
DIVISION	CSD Administration
AUTHORITY	Corporate
APPROVED BY	Not Listed
EFFECTIVE DATE	02/10/2014
REVIEW DATE	Not Listed

## POLICY STATEMENT

Not Listed

## PURPOSE

Not Listed

## DEFINITIONS

N/A

## AUTHORITY

CSD Administration

## SCOPE

Community Services Department, Meeting Room Bookers

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# POLICY

## A. Definition Of Applicable Users

For the purposes of this policy, a not for profit organization is one which has no capital stock and no provision for making dividends and profits, but derives its funds mainly from public and/or private charity, and holds them in trust for the objects and purposes expressed in its charter; or, is an organization conducted not for profit, but for the promotion and welfare of others.

Any Cambridge-based not for profit community organization, as described above, is eligible to request subsidized facility rates for any alcohol-free event, subject to the guidelines outlined in Part B of this policy.

The On-line “Information Cambridge and North Dumfries Community Services Database” (<http://informationcnd.cioc.ca/>) will be the resource used to determine eligibility for the Meeting Room Flat Fee option.

### Exclusions:

Faith based, educational, and political organizations are excluded from this policy.

Facility use for the purposes of raising funds to support an organization’s operations or other charitable causes will NOT be considered for subsidized use and will be billed at the appropriate rental rates as established through the rate review.

## B. Guidelines

1. As a general policy, CSD will assess fees in accordance with the Council approved rate review.

### Exceptions:

i. Council directs staff to waive or reduce fees

ii. At the discretion of a manager or designate, fees may be waived or reduced in order to resolve a customer service issue where the City is partially or entirely culpable.

2. Flat Fees for meeting rooms allow for one meeting of no more than 3 hours in length per month per calendar year. Meetings must be scheduled during regular facility operating hours and are subject to facility availability.

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Incremental operating costs incurred by the City as a result of a meeting will be billed back to the organization (i.e. clean-up, equipment rental, etc.)

The annual Flat Fee for one meeting (1 – 3 hours in length) per month for 12 months (see annual rate review – applicable only for the public hours posted for each facility) applies. . Additional monthly meetings are subject to the hourly rate as identified in the rate review.

Exception:

i. There is no charge for not for profit groups which meet the definition as described in Part A. for a once per year, one time, unscheduled use of a meeting room. Bookings must be made no more than one month in advance subject to availability. (Applicable only for the public hours posted for each facility). There will be an additional charge for set-up, security or rental of equipment as outlined by each facility.

### 3. Subsidized Use Of Cambridge Centre For The Arts

The City of Cambridge acknowledges the importance of arts groups and their ability to access affordable space in facilities.

The City of Cambridge will provide 10 free days of use, per calendar year, to those non-profit arts based organizations wishing to use the Cambridge Centre for the Arts.

For the purposes of this policy, “arts-based” refers to the following artistic media: drawing and painting, sculpture, ceramics, pottery, textiles, dance, music, theatre, literature, poetry, cinematography and photography.

#### Criteria

- a. The definition of “facility booking” will mean up to one days usage of any part of the facility
- b. Space will be made available to non profit arts based organizations or groups residing in the City of Cambridge and its reason for requesting the use of the Cambridge Centre for the Arts must be compatible with the nature of the facility such as a public arts event (e.g. performance)
- c. Facility rental costs will be waived to qualifying applicants
- d. Applicants will be responsible for paying any staffing and incremental operating costs or out of pocket costs incurred by the City of Cambridge (e.g. room set up, clean up)
- e. Any promotion or advertising related to an event under the “free” use agreement through the City of Cambridge must identify that the City of Cambridge and the Cambridge Centre for the Arts are co-sponsors (e.g. “in co-operation with”)

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- f. The applicant is entirely responsible for the event, and no liability will be assumed by the City of Cambridge for that applicant's usage
- g. The applicant is responsible for having adequate insurance to cover their event
- h. No one applicant may have more than 2 bookings in any given calendar year. The granting of such use does not automatically guarantee the same privilege in subsequent years

### Procedures

- a. All requests are to be made in writing to the Area Recreation Manager and are subject to facility availability (all regular programming will take priority). If a charge is to be levied for the event, a clear indication must be noted as to how the funds will be dispersed
- b. The applicant must be responsible for prior payment of a deposit, which will be used to offset the fees required to staff the facility while in use. The Cambridge Centre for the Arts will be responsible for providing the appropriate labour that it deems necessary for the efficient and safe use of the facility
- c. The individual signing the agreement on behalf of the applicant must be present during the actual usage of same
- d. The applicant understands and agrees that the Community Services Department may revoke or cancel the permit at any time, with cause, and in the event of such revocation or cancellation there would be no claim or right to damages whatsoever

## POLICY COMMUNICATION

Not Listed