

Applying an Affordability Lens to the Crystal Pool

NPNA Request that City Council and Staff apply an affordability lens to the siting, design, and amenity selection of the Crystal Pool.

City Staff's 2018 Proposed Design

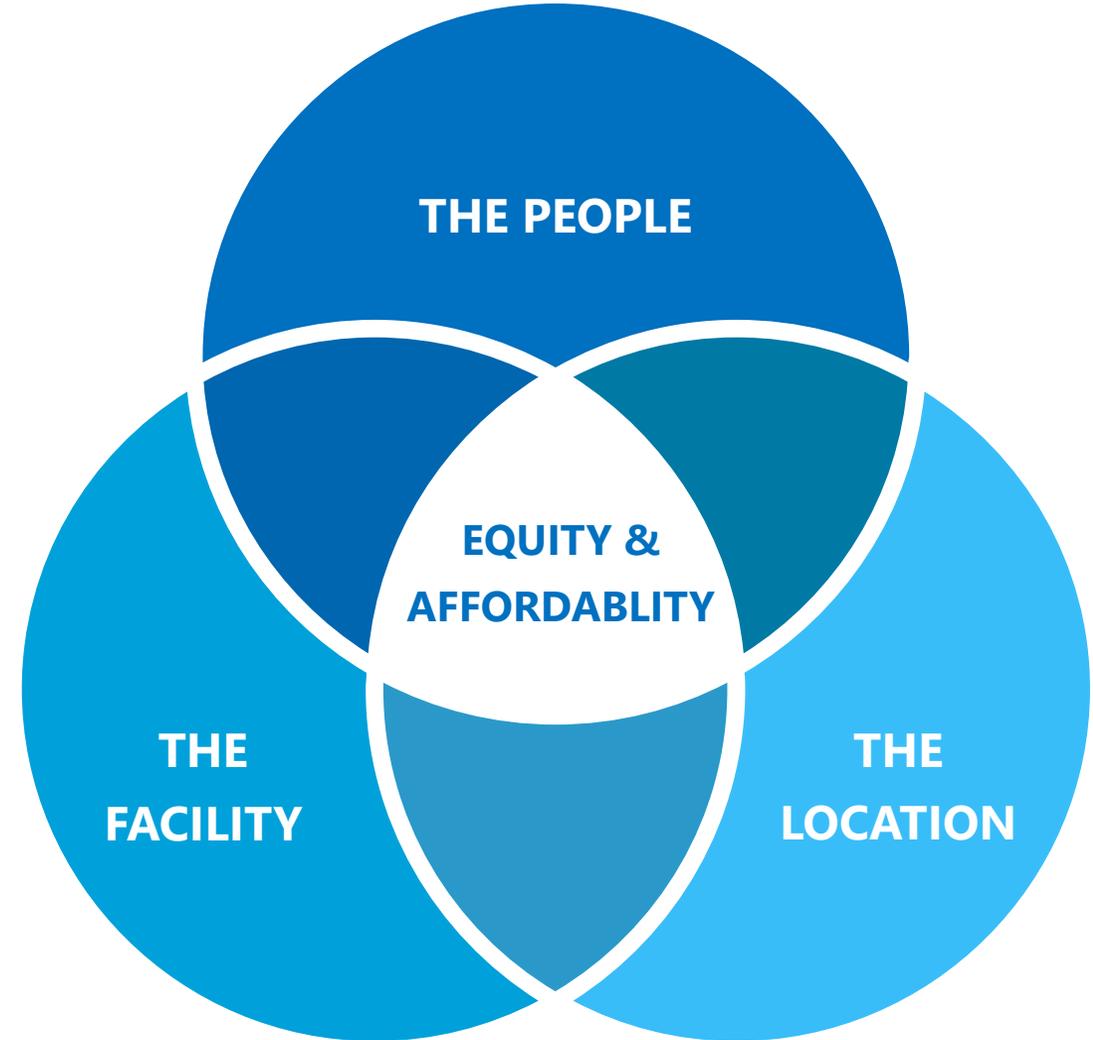
City staff and their design team have not:

- Estimated the capital cost of various amenities to determine value for money from each major service component of the rec centre.
- Projected operating and maintenance costs of different amenities to determine total cost of ownership beyond their initial capital cost.
- Projected demand for different amenities.
- Estimated revenues or determined the appropriate revenue models that will ensure access and inclusion to public recreation for all residents regardless of their means to pay.
- Done any targeted engagement of underserved communities who face additional barriers to accessing recreation above and beyond financial barriers.

Based on documented best practice in recreation facilities and our enquiry of other rec centre facilities in the region, pools are money losers and 50m pools are in low demand compared to warmer pools offering therapeutic benefits and pools with play features for families. Moreover, research cites an industry benchmark of one 50m per 350,000 population. At present there are two 50M pools at Commonwealth (only one used as a 50m pool due to demand other than during competition). The facilities in the highest demand, with the lowest cost and greatest revenue/rental potential are gymnasiums and art centres.

RECOMMENDED
APPROACH TO
DEVELOPING A CIVIC
RECREATION AND
WELLNESS CENTRE –

APPLY AN EQUITY AND
AFFORDABILITY LENS TO
ALL STAGES OF DECISION-
MAKING





Affordability considerations associated with the siting of the recreation centre facility

→ **Household Affordability:** Locate the facility to be convenient to the greatest number of people and the most underserved:

- High growth and density areas and employment centres.
- Demographic and socio-economic indicators

→ **Transportation access:** Locate the facility to be convenient to transit and active transportation routes.

- Transit, walking and cycling are more affordable options for visitors
- Reduce need for parking infrastructure

→ **Climate and energy:** Locate the City's most expensive and energy intensive facility next to low carbon, low cost energy sources

- Waste heat recovery from ice rinks and industrial loads and other renewable district energy options



OPERATING COSTS – Perform and report on analysis of lifetime operating and maintenance costs associated with the facility design. Assess amenity options using Total Cost of Ownership

a) Do we know the cost implications of a 50% increase in water volume (i.e. 50m pool vs 25m pool) to the facility's four largest costs:

- Energy: heating and ventilation
- Water
- Pool filtration
- Staffing costs (# of employees)

b) Have we prepared a Triple Bottom Line cost benefit analysis or life cycle costing analysis over the life of the asset to measure the impact of different options related to siting, amenity selection, service delivery/partnership models, etc.?

c) What is the appropriate mix of profitable and non-profitable services and amenities to reduce subsidization through property taxes. Which programs and amenities should be subsidized and for who?

The current facility is subsidized by taxpayers to the tune of \$1.6M annually. This subsidization is required largely because swim clubs reserve the majority of the pool's prime use hours and lane rental



Affordability considerations associated with the people using the recreation centre

▶ **Consider affordability of the facility and services to underserved:**

- Go beyond the LIFE program, it's too restrictive re eligibility and insufficient for those who are eligible (50 visits per year and \$50 program credit per year).
- Consider free and discounted memberships in exchange for volunteer hours at front desk (Y model).
- Operating costs of the facility are sunk, little incremental cost from increased visitors, no reason to be restrictive.

▶ **Consider value for money:**

Utilize this significant investment in social infrastructure to:

- Deliver on crime reduction and police savings or redirections (the annual police budget is \$26M or 1/4 of City's operating budget),
- Improve social determinants of health for Victoria's most vulnerable population
- Enhance community connections and sense of wellbeing for marginalized populations (seniors, youth, newcomers).
- Serve as resilience hub to respond to shocks (emergencies) as well as stressors throughout the year for neighbourhoods and populations that are more vulnerable to shocks and will require more support to respond and recover from them.



Affordability considerations associated with the people using the recreation centre

- ▶ **Bundle amenities to reduce overall costs while maximizing community benefit:**
 - Gymnasiums and arts centres are profit centres and can help to subsidize the costs of valuable community assets like community kitchens and childcare to fulfill critical local needs
- ▶ **\$1.6M/year in direct losses from the current facility are absorbed by Victoria taxpayers**
 - Could a partnership with a service agency (eg: YMCA/Native Friendship centre / ICA) reduce these losses and costs to taxpayers while delivering more services to a wider variety of people? Is the City of Victoria the best and most cost-effective operator of a specialized facility and services like a recreation centre?
 - If so, what critical community development and social planning needs could \$1.6 M in annual operation savings be re-assigned towards?