



REPORT TO

CORPORATE SERVICES, STRATEGIC PLANNING AND PROPERTY COMMITTEE

NOT-FOR-PROFIT YOUTH SPORTS ORGANIZATIONS PERMIT RATE CONCERNS

*“For my thoughts are not your thoughts, neither are your ways my ways,”
declares the Lord. Isaiah 55:8 | NIV |*

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RECOMMENDATION REPORT

Vision:

At Toronto Catholic we transform the world through witness, faith, innovation and action.

Mission:

The Toronto Catholic District School Board is an inclusive learning community uniting home, parish and school and rooted in the love of Christ. We educate students to grow in grace and knowledge to lead lives of faith, hope and charity.



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A. EXECUTIVE SUMMARY

The Board encourages and promotes the use of Toronto Catholic District School Board (TCDSB) School facilities, and issues permits to organizations who require space for a variety of community activities and functions. In order to recover the costs associated with permitting of TCDSB facilities, including labour, maintenance, renewal, and utilities, the Board amended *Policy B.R.05 Permits* by approving an increase to Permit Rates on October 15, 2015.

Since its implementation in May 2016, the Community Use of Schools (CUS) department have received 12 complaints from not-for-profit youth sports organizations regarding the increased rates. The total number of organizations in this rate category are 225. Based on the Toronto District Schools Board's (TDSB) permit rate categorization, youth sports organizations permit holders are eligible for a more heavily subsidized rate than our facilities. An analysis conducted by CUS and Business Services staff have concluded that adjusting these permit rates will result in a reduction of \$992,303 in permit revenue.

However, the TCDSB recognizes the positive impact youth sports organizations have to children and families in the community, therefore, staff have considered providing an alternative option for concerned permit holders in Category B2. Rather than decrease the rates for Category B2 to Category B1, eligible permit holders can apply for a fee reduction using the TCDSB's Community Use of Schools application form.

B. BACKGROUND

1. On October 15, 2015, the Corporate Affairs, Strategic Planning, and Property Committee approved a new per-hour fee structure and rate schedule in order to fully recover the costs associated with permitting Board facilities. This new rate structure replaces the former "per-use" rate structure, with the new rates applying to all permits occurring after May 1, 2016.
2. These changes were required due to the combination of the increased number of permit bookings and the fixed Ministry funding amount resulting in grants depleting sooner, reducing the amount of funding available to address increasing operational and maintenance costs.

3. Since its implementation in May 2016, new rates have been effective in successfully recovering costs associated with permitting out our facilities. However, the Community Use of Schools (CUS) department has received 12 complaints from not-for-profit youth sports organizations out of 225 regarding the impact of the increased Permit Rates.

C. EVIDENCE/RESEARCH/ANALYSIS

1. The concerned youth sports organizations have informed Community Use of Schools staff that they will be unable to run their programs in our facilities unless the rates are reduced. They have indicated that the TDSB's definition of Category (i) permits include Children/Youth/Seniors Sport, recreation, arts and leisure providers. TDSB's Category (i) permit holders receive the highest subsidy.

TCDSB's definition of Category B1 and B2 permits are as follows:

Category B Permits are provided at a reduced rate to Not-for-Profit organizations and registered charities funded by Community Use of Schools from the Ministry of Education.

Category B1:

- Not-for-profit Youth-Related Community Groups run by local youth groups such as Scouts, Guides, and Cadets.

Category B2:

- Not-for-profit recognized youth sport and recreation service providers and registered charities such as local service clubs, community health associations, seniors Groups or local youth groups where the activities are intended for participants under the age of 18 (or where the participants are under a disability then under age 28).

2. Based on the aforementioned definitions, TCDSB's permit rates for Category B2 are significantly higher than TDSB for youth sports organizations. Other comparable rates are approximately 10% lower than the TDSB rates.
3. Community Use of Schools and Business Services staff have collaborated to assess the financial impact of an across the board fee reduction for all Category B2 permit holders to Category B1 and the impact the reduction would have on the Board's ability to recover annual operating costs. The table on the following page shows the impact of charging all B2 permit holders the lower B1 rates.

Financial Impact Analysis											
Reclassification of Permit Holders from Category B2 to B1											
2015-16 SCHOOL YEAR							Category B2		Category B1		
	Gym Size	Hours	# Permits /Uses	Charge Per Use	Caretaking Cost	Hourly Rate	RATES	TOTAL	RATES	TOTAL	DIFFERENCE
Monday to Friday	Single	40,460	6,328	\$ 10.00	N/A	\$ 1.56	\$ 15.00	\$ 606,894	\$ 7.50	\$ 303,447	\$ (303,447)
	Double	6,232	989	\$ 20.00	N/A	\$ 3.17	\$ 30.00	\$ 186,948	\$ 15.00	\$ 93,474	\$ (93,474)
							Total:	\$ 793,842	Total:	\$ 396,921	\$ (396,921)
Saturday	Single	50,575	12,656	\$ 5.00	\$ 15.43	\$ 16.68	\$ 35.26	\$ 1,783,257	\$ 27.76	\$ 1,403,948	\$ (379,309)
	Double	7,790	1,978	\$ 10.00	\$ 15.43	\$ 17.97	\$ 50.26	\$ 391,500	\$ 35.26	\$ 274,658	\$ (116,843)
							Total:	\$ 2,174,757	Total:	\$ 1,678,606	\$ (496,151)
Sunday	Single	10,115	2,110	\$ 5.00	\$ 20.57	\$ 21.61	\$ 42.01	\$ 424,927	\$ 34.51	\$ 349,065	\$ (75,862)
	Double	1,558	330	\$ 10.00	\$ 50.57	\$ 52.69	\$ 57.01	\$ 88,816	\$ 42.01	\$ 65,447	\$ (23,369)
							Total:	\$ 513,743	Total:	\$ 414,513	\$ (99,230)
Total Hours		116,728									
							Grand Totals:	\$ 3,482,342	\$ 2,490,039	\$ (-992,303)	

Assumptions

- 1 Hours from permit system for B1 and B2 facilities are for 2016
- 2 Assumes none of the hours were subsidized
- 3 Rates include caretaking where applicable
- 4 All caretaking rates are assumed to be a regular hours and not overtime
- 5 Analysis is restricted to single and double gyms only and total permit hours in the system

4. By reducing the fee for all category B2 permit holders who have used our gym facilities to B1, it will represent a total loss of \$992,303 that would otherwise be used to recover costs associated with the operations, maintenance, and renewal of our facilities.
5. However, given youth sports organizations positive effect on our communities, and after reviewing potential options for groups that are experiencing financial duress, staff have considered a course of action for concerned permit holders in Category B2. These permit holders can apply for a fee reduction using the TCDSB fee reduction form (*APPENDIX 'A'*) to instead be charged the Category B1 rate. This form requires the following mandatory documents in order to be eligible for fee reduction:
 - Copy of Letters Patent;
 - Audited fiscal financial statements;
 - Affidavit from the Executive Director (or equivalent) confirming status as a not-for-profit organization;
 - List of postal codes and age of participants; and
 - Percentage of TCDSB students in the program.
6. Once completed, the form will be submitted prior to June 30, 2017 deadline, to the attention of the Community Use of Schools department, who will review the documents in collaboration with Business Services for eligibility.

7. Permit holders eligible for fee reduction will receive a rebate in the form of a credit for Permits booked on, and after January 1, 2017. This rebate can be used for any future permit needs at their newly assigned rate. This fee reduction must be requested annually.

B. STAFF RECOMMENDATION

1. That Category B2 youth sports organizations permit rates not be adjusted.
2. That Category B2 youth sports organizations Permit holders who have claimed financial hardship be invited to apply for a fee reduction as outlined in this report.