

ISSUES ARISING PERTAINING TO THE COMMUNITY CAPITAL CONSERVATION GRANT

Over the course of the year, two issues have arisen in regards to implementation of the Agreements, both in respect to the Community Capital Conservation Grant. Resolution of these issues require amendments to the Community Capital Conservation Grant and are outlined below:

Amendment 1 – Amenities on School Board Lands

During the review to update the new Agreements, there were six tri-party agreements with community associations that were solely on school board property. It was determined in consultation with the Law Department that if a community association or social recreation group is on land owned solely by a school board, any occupation agreement for such amenity should be between the group and the associated school board only. This new procedure also reduces risk to both The City and the school boards as they are names on fewer titles. As The City is not an owner of those lands, it is not in a position to grant a lease or license. As a result, amenities on school board lands now require a lease/licence of occupation directly with the school board, rather than a tri-party agreement that had been used in the past. The six sites that are affected are as follows:

Community Partner Name	Amenity on School Board Title
Albert Park-Radisson Heights Community Association	Parking lot area with the Calgary Catholic School Board.
Brentwood Community Association	Parking lot adjacent to the sportsplex with the Calgary Board of Education
Palliser Bayview Pumphill Community Association	Community association is part of school building so the main building will be an agreement with the Calgary Board of Education only.
Forest Heights Community Association	Calgary Board of Education to develop an agreement for their portion of parking lot. The remainder is in the agreements with The City.
Haysboro Community Association	Calgary Board of Education only on title for 2% of parking lot. The remainder is in the agreements with The City.
Varsity Community Association	The rink behind the main hall is on Calgary Board of Education lands.

An unintended consequence of this lease/license change was that these amenities became ineligible for the Community Capital Conservation Grant as outlined in Policy #CSPS006. It is desirable for The City to continue to support these organizations to provide amenities to their neighbourhood. An adjustment to this policy is recommended under the eligibility criteria to grandfather these community associations so that they continue to remain eligible for the grant.

Therefore, Administration is seeking approval from Council to amend the eligibility clause of the Capital Conservation Grant provided in Attachment 1, Page 3 to include “operate amenities with a current lease or licence of occupation agreement with the Calgary Board of Education, or the Calgary Catholic School District, that are managed by a community association or social recreation organization and adhere to the Public Use Policy.” This will make certain the infrastructure of these facilities and amenities continue to have access to lifecycle funding. Currently there are only six amenities on school board land and funding lifecycle maintenance does not implicate The City for any legal liability or risk exposure. The amenity is owned by the organization, and the land is owned by the school board. Funding merely ensures important community assets are maintained.

Amendment 2 – Lifecycle Plans and Professional Engineering Consultant Reports

To ensure sound investment decisions are made to promote continued public use of community facilities and decrease public safety issues on community facilities, under the new agreements, community organizations are required to have lifecycle plans completed by a certified engineering company every five years. This plan is funded 100 per cent through the Community Capital Conservation Grant. As these buildings and amenities continue to age, capital projects are becoming increasingly complex requiring structural, mechanical and electrical system upgrades. While lifecycle plans provide an indication that these projects need to be undertaken, it does not provide a detailed analysis of the issues and scope of work. As the majority of these facilities are managed by volunteers, it has become apparent professional engineering consultant reports are required to provide the necessary scope of work to move projects forward. This adds an additional financial burden to The City’s partners.

Lifecycle reports tend to utilize life expectancy to determine when certain components (e.g. a furnace) will need to be replaced. Engineering consultant reports are utilized to determine the cause of complex system failure. For example, if large facility experiences failures in maintaining heat, instead of simply replacing a furnace, this type of report would be useful to determine which part of the system was failing (the furnace, air flow, poor insulation, etc). These types of consultant reports are often recommended by industry professionals and are becoming a best practice for complex facility issues.

It is in the best interest of The City, as landlord, to ensure community organizations on City land have the right information available to make good investment decisions to effectively resolve facility lifecycle issues and to make the best use of limited financial resources. To that end, Administration is recommending that Council approve an amendment to Policy #CSPS006 Community Capital Conservation Grant to fund engineering consultant reports at 100 per cent. This amendment is outlined in Attachment 1, page 3 by adding “Lifecycle Plans *or Engineering Consultant Reports* that establish an opinion of condition and probably cost...” and page 4 by adding “Lifecycle *and engineering consultant reports* plans will receive 100 percent funding”.