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Report To: General Government Committee

Date of Meeting: October 7, 2024

Report Number: PUB-014-24

Authored by: George Acorn, Director Community Services

Submitted By: Lee-Ann Reck, Deputy CAO, Public Services

Reviewed By: Rob Maciver, Deputy CAO/Solicitor

Resolution Number:

By-law Number:

File Number:

Report Subject: Hall Board Sustainability Project – Update

Recommendations:

1. That Report PUB-014-24, and any related delegations or communication items, be received;
2. That Council rescind Resolution GG-460-20 which authorized the extension of the head-lease agreement with the Kendal Community Centre and sub-lease agreements with Kendal Lions Club and Kendal Postal Outlet until December 31, 2025, and the CAO be authorized to terminate the leases;
3. That Council authorize the CAO to execute Municipal Capital Facility Agreements (MCFA), in a form acceptable to the Deputy CAO/Solicitor, once confirmation has been received of registered Not-For Profit status of the entity for the operation of the following: Hampton Community Hall
 - a. Brownsdale Community Centre
 - b. Memorial Park Clubhouse
 - c. Newtonville Town Hall
 - d. Kendal Community Centre
 - e. Orono Town Hall
4. That the Kendal Community Centre MCFA include provisions to permit the party to enter into sub-lease agreements with Kendal Lions Club and Kendal Postal Outlet;
5. That all subsequent agreement extensions be executed by the CAO, in accordance with the Delegation of Authority By-Law;

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6. That Council authorize staff to work with Haydon Community Association to develop a community partnership engagement framework;
 7. That staff assess the operation of the Haydon Community Hall and manage operating costs within the 2025 Community Services operating budget, and those ongoing costs be included in the 2026 operating budget update; and
 8. That all interested parties listed in Report PUB-014-24, and any delegations be advised of Council's decision.

Report Overview

This report is seeking Council approval to enter into Municipal Capital Facility Agreements with six local community hall boards upon their incorporation as not-for-profit organizations. The report will also provide some background and context as well as highlight the work necessary to get to this point.

Through the execution of these agreements, the roles and responsibilities of both parties will clearly be articulated. Within the parameters of the agreements, the boards will retain independence in the management and operation of the community halls, with the Municipality remaining responsible for keeping the building and equipment infrastructure in a state of good repair.

Since the topic of long-term sustainability for the local volunteer hall boards arose during the pandemic, the goal was to work with each group and develop a work plan toward incorporation. Through the dedication of the volunteers and their collaboration with staff through formal operating agreements, these essential community hubs will remain the site for programs, activities, and events in the future.

1. Background

- 1.1 At the December 14-15, 2020, Council meeting, arising out of Report [FND-052-20](#), Council approved the Resolution #[GG-460-20](#). This approval provided for the extension of head-lease agreement with the Kendal Community Centre and sub-lease agreements with Kendal Lions Club and Kendal Postal Outlet. All agreements were scheduled to expire on December 31, 2025.
- 1.2 At the October 25, 2021, Joint committee meeting, Report [FSD-049-21](#) was presented. The report provided a roadmap for continued sustainability for local community hall boards recognizing that each board is in a different position and may have unique needs to address. The four-step roadmap provides clarity in direction, treatment, and funding for the boards and is meant as a guide to the relationship between the Municipality and the community partners that work with the facilities.
- 1.3 At the June 19, 2023, General Government Committee meeting, staff received approval to work with all Non-Consolidated Community Hall Boards, to develop work plans for their incorporation as not-for-profits, which would facilitate entering into formal Municipal Capital Facility Agreements with the Municipality.

- 1.4 Since that time, Community Services staff worked collectively with each of the non-consolidated hall boards to better inform all parties on the benefits of incorporation and the requirements of maintaining status as not-for-profit organizations. This was achieved through information sessions with experts, and consultation with each board individually and collectively. While this process did take more time than expected, it did result in receiving agreement from six of the boards to pursue incorporation.
- 1.5 Throughout this process, the commitment of these hall board volunteers was evident and the value they bring to their communities significant. While we are formalizing the operating arrangements between the groups and the municipality, we are committed to support the services these groups provide their communities.
- 1.6 The Municipal Capital Facility Agreement, specifically for the Kendal Community Centre will have provision for party to enter into new lease agreements with the Kendal Lions Club and the operator of the Kendal Postal Outlet.

2. Municipal Capital Facility Lease Agreements

- 2.1 For context, Council had directed staff to work with the seven local community halls, which do not currently function as Municipal Service Boards or operate under a Municipal Capital Facility Agreement (MCFA). The aim of this work was to support their incorporation as not-for-profit corporations, formalize operating parameters and responsibilities of both parties, and effectively manage liability and risk, while allowing each board to continue to operate independently and service the residents of their communities. The agreements will document the parameters for ongoing municipal funding support.
- 2.2 Provincial regulations outline which properties may be eligible for a Municipal Capital Facility Agreement. Under section 2 of the regulations, municipal community centres are an eligible facility as are municipal facilities used for cultural, recreation or tourist purposes. The hall boards and arena boards could be considered community centres, as well as recreation centres and are therefore eligible for this type of agreement.
- 2.3 The Municipality may enter into an agreement with an individual or an organization to provide the services that would be offered by Clarington, in these facilities. There would be no requirement for Council representation and the boards of directors of these organizations are independent of the Municipality. The Municipality has similar agreements in place including the Bowmanville Older Adult Association for the Clarington Beech Centre.

- 2.4 Following ratification of this report, MCFAs will be negotiated with boards and execution of the agreements will be scheduled to ensure a smooth transition from their current operating models. Given there are existing lease and sub-lease agreements for the Kendal Community Centre, provisions in their agreement will permit them to sub-lease space in the building to the Kendal Lions Club and Kendal Postal Outlet.
- 2.5 To address the need to better serve our rural communities, the Municipality will be negotiating improved access to these community halls for municipal purposes including municipal elections, PICs, municipal events, and recreation/leisure programs. The details and associated costs are still to be considered.

3. Haydon Community Hall

- 3.1 In recent months staff were advised the Haydon Board has voted not to pursue not-for-profit incorporation. This decision came after hearing from experts in this field and assessing what future commitments would be required from their Board. While this is unfortunate, staff remain committed to work with the group and develop a plan to continue to provide community events that are best held by members of the community.
- 3.2 The long-term goal would be for staff to develop a community partnership framework that would not only be helpful in Haydon but could also be expanded to other communities. Through a partnership model, the Municipality could effectively support the valuable work accomplished by various volunteer groups in Clarington.
- 3.3 Following the decision of the Board, staff have been working with them on a transition plan for assumption of the hall operation by the Municipality. At this time, it is expected this will be effective November 1. This date accommodates previously scheduled community events including a popular Halloween event. As mentioned, staff will work with the group to sustain such popular community events in the future.
- 3.4 While plans for re-purposing the Haydon Community Hall have not been finalized, the Municipality is applying for the Seniors Active Living Center (SALC) Program funding. This program expansion into rural locations in Clarington will help older adults to stay active and fit by making these programs accessible in rural communities. If successful, this location could be a hub for rural older adult activities.

4. Financial Considerations

- 4.1 In 2024, the Municipality provided a one-time grant of \$5,000 to each community hall to assist with costs of incorporating as not-for profits. The funds were provided from unallocated community funding in the approved 2024 budget. The ongoing costs to maintain not-for-profit incorporation will be the responsibility of the community hall board.

- 4.2 Three-year funding requests have previously been received and were approved in the 2024-2027 operating budget. The detail of the approved funding is listed in the table below.

	2025	2026	2027
Hampton Community Hall	\$5,000	\$5,000	\$5,000
Brownsdale Community Centre	0	0	0
Memorial Park Clubhouse	0	0	0
Newtonville Town Hall	5,000	5,000	5,000
Kendal Community Centre	5,000	5,000	5,000
Orono Town Hall	5,000	4,800	4,800
Total	\$20,000	\$19,800	\$19,800

Note: Brownsdale Community Centre and Memorial Park Clubhouse did not submit funding requests for the 2024-2027 budget.

- 4.3 Council had previously directed staff to assume the cost for winter snow maintenance and grass cutting for all municipally owned buildings and has been included in the 2024-2027 operating budget. This commitment will also be included in the MCFAs for the six community halls listed prior.
- 4.4 The Municipality, as the owner of the community halls, will remain responsible for the integrity of the building and mechanical/electrical components. This will be accomplished through the completion of building condition audits and the development of infrastructure renewal plans that will inform future capital budgets and forecasts. As recommended in the recently released draft Parks, Recreation, and Culture Master Plan, maintaining these rural community hubs is a priority.
- 4.5 Upon incorporation, these community halls will become eligible for new sources of funding including the Ontario Trillium Foundation. Municipal staff will be available to support with these processes. Grants could include funding for operating and capital betterment projects.

5. Strategic Plan

The recommendations in this report align with Council's objective to cultivate a strong, thriving, and connected community by strengthening existing partnerships with local community groups.

6. Climate Change

Not Applicable.

7. Concurrence

This report has been reviewed by the Deputy CAO/Treasurer who concurs with the recommendations.

8. Conclusion

It is respectfully recommended that Council approve the recommendations in this report and direct staff to take actions necessary to facilitate the timely execution of Municipal Capital Facility Agreements as indicated.

Staff Contact: Stephen Myers, Manager Recreation Services, 905-623-3379 ext. 2503 or smyers@clarington.net.

Attachments:

Not Applicable

Interested Parties:

Bowmanville Memorial Park Clubhouse

Brownsdale Community Centre

Hampton Hall

Haydon Community Centre

Kendal Community Centre

Newtonville Hall

Orono Town Hall