



STAFF REPORT ACTION REQUIRED

Establishment of a Reserve Account for Parks Improvements - Vermont Square Fundraising Committee

Date:	April 26, 2010
To:	Executive Committee
From:	General Manager, Parks, Forestry and Recreation Deputy City Manager and Chief Financial Officer
Wards:	Ward 20, Trinity-Spadina
Reference Number:	P:/2010/Cluster A/PFR/EX44-051710-AFS#12042

SUMMARY

The purpose of this report is to obtain authorization to establish a reserve account to receive cash donations from the Vermont Square Fundraising Committee in order to enhance the \$500,000 in funds the City has committed to Vermont Square improvements in 2011. The report will also request authority for the City of Toronto to issue receipts for income tax purposes for eligible donations in accordance with the Income Tax Act.

The Vermont Square Fundraising Committee wishes to raise funds to improve Vermont Square. The funds raised will be used to provide additional enhancements to the new waterplay feature which were identified in the masterplan which was created in consultation with the local community. The actual features to be added to the capital project will depend on the total amount of funds raised.

The fundraising target is \$50,000 to be used entirely in 2011 as a supplement to the \$500,000 City Council has approved for this park in the 2010 Parks, Forestry and Recreation Capital Budget.

The goals and objectives of the Vermont Square Fundraising Committee are in keeping with Parks, Forestry and Recreation's mandate to provide active recreation opportunities.

RECOMMENDATIONS

The General Manager of Parks, Forestry and Recreation and the Deputy City Manager and Chief Financial Officer recommend that:

1. in order to enhance the \$500,000 in funds the City has committed to Vermont Square improvements in 2011, the Deputy City Manager and Chief Financial Officer be authorized to establish a reserve account called the “Vermont Square Reserve” for the purpose of receiving cash donations from the Vermont Square Fundraising Committee to fund further park enhancements in Vermont Square;
2. Municipal Code, Chapter 227, Reserves and Reserve Funds, be amended by adding the Vermont Square reserve account to "Schedule 5 – Donations Reserves";
3. all donations received by the Vermont Square Fundraising Committee and by the City for Vermont Square enhancements to be held separately in the Vermont Square reserve account designated for this purpose, and receipts for income tax purposes be issued by the City of Toronto to donors for eligible donations in accordance with the Income Tax Act and City policy in this regard;
4. authority be granted to Parks, Forestry and Recreation to enter into an agreement, if necessary, with the Vermont Square Fundraising Committee to allow the Vermont Square Fundraising Committee to fundraise on behalf of the City of Toronto for enhancements in Vermont Square, in a form and content satisfactory to the General Manager, Parks, Forestry and Recreation and the City Solicitor; and
5. the appropriate City officials be authorized and directed to take the necessary action to give effect thereto; and that leave be granted for the introduction of any necessary bills in Council to give effect thereto.

Financial Impact

This report recommends the creation of a reserve to support fundraising for the purchase of a new waterplay and various park enhancements at Vermont Square. The fundraising target is \$50,000 to be used entirely in 2011 as a supplement to the \$500,000 City Council has approved for this park in the 2010 Capital Budget and 2011-2019 Capital Plan for Parks, Forestry and Recreation [CPR119-40-08]. In 2011 there will need to be a change of scope request for this project in order to increase the authorized spending to include the amount raised through donations.

No additional costs are anticipated in the Operating Budget to support these planned improvements, as new waterplay installations require the same level of Operating Budget support as the old wading pools with no additional Operating Budget costs arising from the other planned enhancements.

The Deputy City Manager and Chief Financial Officer has reviewed this report and agrees with the financial impact information.

ISSUE BACKGROUND

Vermont Square is located in the Bathurst Street and Dupont Street area of Ward 20. Parks, Forestry and Recreation staff is currently consulting with representatives from the community for the planning and implementation of park improvements comprising of waterplay improvements, walkway improvements, turf rehabilitation, playground improvements and irrigation improvements. A major scope of the work will be the replacement of the old wading pool, constructed circa 1970.

Discussions with the community regarding the waterplay project have taken place since 2009. In March 2010, representatives from the Vermont Square Fundraising Committee formally approached the Ward 20, Trinity-Spadina Councillor's office and Parks, Forestry and Recreation (PF&R) to request assistance in identifying the means for implementing a waterplay and other related park improvements funded by community contributions.

The Parks Branch of PF&R is in support of the proposed fundraising initiative and is prepared to work with the committee to design and construct the new waterplay; the actual project scope will be dependent on the actual amount of funds raised by the community.

COMMENTS

The master plan design and cost estimates for this new waterplay and park enhancement project have not been completed, but it is likely that the fundraising target of \$50,000 combined with the \$500,000 the City has committed to the park in 2011 will be adequate to enhance this project.

It is being recommended that the Vermont Square Fundraising Committee be authorized to raise the necessary funds on the City's behalf. Therefore, it is necessary to establish a donation reserve to hold the funds until such time as the PF&R Capital Budget can be adjusted. Such a reserve would be called the Vermont Square Reserve and would have the following criteria:

- (a) **Statement of Purpose:**
To receive cash donations from the Vermont Square Fundraising Committee to fund further park enhancements in Vermont Square.
- (b) **Service Area or Beneficiary of the Program:**
Parks, Forestry and Recreation shall have primary responsibility for the reserve account.
- (c) **Contribution Policy:**
Funds from donors will be deposited as received in the reserve account and the City will provide income tax receipts to all donors pursuant to City policies.

- (d) **Withdrawal Policy:**
Funds will be withdrawn as part of the normal capital budget process (allocation to projects) for the purposes of constructing park enhancements in Vermont Square. Capital enhancements may include, but not limited, to:
- the construction of the waterplay plus all related, supporting elements (i.e. benches, waste receptacles, landscaping, play equipment) in Vermont Square, as well as any consulting costs required to implement the work.

Any new assets will be assumed by Parks, Forestry and Recreation.

- (e) **Review Cycle:**
The reserve will be closed when the Vermont Park enhancements are completed or the donated funds are all spent.
- (f) **Fundraising Target:**
The fundraising target for the Vermont Square Reserve is \$50,000. The degree of enhancements to Vermont Park will be solely based on the funds raised.

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SIGNATURE

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