



STAFF REPORT ACTION REQUIRED

Etobicoke Olympium Anchor Sport Clubs: Hardship and Loss from Toronto 2015 Upgrade Closure

Date:	April 1, 2014
To:	Community Development and Recreation Committee
From:	Acting General Manager, Parks, Forestry and Recreation
Wards:	Various Wards – 2, 7, 12, 13, 14, 16, 17, 19, 38
Reference Number:	P:\2014\Cluster A\PFR\CD28-071714-AFS#18090

SUMMARY

This report responds to separate and unsolicited requests from three anchor sport clubs operating out of the Etobicoke Olympium (EO), requesting relief for losses incurred as a result of the year-long closure for Toronto 2015 Pan Am/Parapan Am Games facility upgrades.

To prepare the Etobicoke Olympium as a practice facility for the 2015 Pan Am/Parapan Am Games, numerous renovations and upgrades are underway. Full closure of the facility was required to allow for the work to be completed. The upgrades and renovations at the site include a new competition pool; an upgraded dive tower; improved mechanical and electrical systems; and a redesigned and renovated lobby. The Etobicoke Olympium closed in July of 2013 and is scheduled to re-open in the summer of 2014.

The temporary closure of the Etobicoke Olympium as a training facility had a detrimental impact on the EO anchor clubs leading into the most critical training season for the 2015 Pan Am/Parapan Am Games themselves. The Etobicoke Diving Club, Etobicoke Swimming, and the Olympium Synchronized Swimming Club have demonstrated hardship including loss of members, loss of fundraising opportunities and difficulty in securing adequate training facilities within reasonable proximity to the Etobicoke Olympium. The hardship faced by the clubs as a result of the EO closure has had significant impact on the Clubs' operations for the year and will extend into the future.

This report was informed by consultations with respective board representatives from each of the anchor clubs, as well as a review of financial and membership data submitted by each club. Representatives from the anchor clubs are in agreement with the recommendation in this report.

RECOMMENDATIONS

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

1. City Council authorize the General Manager of Parks, Forestry and Recreation to provide \$0.181 million dollars in permit credits at the Etobicoke Olympium as follows for the Etobicoke Diving Club, Etobicoke Swimming, and the Olympium Synchronized Swimming Club.

Anchor Club	2014 Credit	2015 Credit
Etobicoke Diving Club	\$38,500	\$38,500
Olympium Synchronized Swim Club	\$22,000	\$22,000
Etobicoke Swimming	\$30,000	\$30,000
Annual Total	\$90,500	\$90,500

Table 1 - Permit Credit Annual Distribution

Financial Impact

In 2013, Parks, Forestry and Recreation realised savings from staffing costs and utilities related to the closure of the Etobicoke Olympium. As the facility remains closed for six months in 2014, further savings are anticipated in the 2014 operating budget. In 2014, the allocation of permit credits will be partially offset by an estimated savings of \$46,600 with a net impact of \$43,900 to be absorbed within the Parks, Forestry and Recreation budget.

The net financial impact of \$90,500 in 2015 will be submitted for consideration as part of the 2015 operating budget process.

(\$000's)	2014 Impact	2015 Impact	Total
Net Expenditure Savings	46.6	0.0	46.6
Proposed Credits	90.5	90.5	181.0
Net Expenditure Impact	43.9	90.5	134.4

Table 2 - Financial Impact Summary

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

DECISION HISTORY

At its meeting on February 23 and 24, 2011, City Council approved the 2012-2020 Recommended Capital Plan for Parks, Forestry and Recreation including \$8.19 million dollars in funds allocated for the 2012-2014 Etobicoke Olympium retrofit in preparation for the 2015 Pan Am/Parapan Am Games.

<http://app.toronto.ca/tmmis/viewPublishedReport.do?function=getCouncilDecisionDocumentReport&meetingId=4428>

ISSUE BACKGROUND

The Etobicoke Olympium is a high-performance aquatic training and competition facility which opened in 1976. It has remained the only aquatic centre of its kind in Toronto and the Greater Toronto Area, where high-performance athletes and Olympians in the disciplines of diving, synchronized swimming and competitive swimming are developed. Community members, young learners and high-performance athletes have benefited from the facilities available at the EO.

The Etobicoke Diving Club, Etobicoke Swimming, and the Olympium Synchronized Swimming Club are founding "anchor clubs" at the Etobicoke Olympium, having operated out of the facility since its opening in 1976. At the EO, there is one "anchor club" per sport, representing one of the four Olympic disciplines (swimming, synchronized swimming, diving and water polo). Anchor clubs make significant use of the pool; contribute to equipment and building improvements that benefit both the club and other facility users; and serve as partners in developing children, youth and high-performance athletes in competitive aquatic disciplines.

Etobicoke Olympium anchor clubs are volunteer-driven, self-sustaining and led by non-profit boards. All three clubs form an integral part of the aquatic athlete development cycle in Toronto by offering programs that PFR does not. The anchor clubs offer introductory instruction and high-performance training in their respective sports. The clubs also host major competitions and events out of the EO. The clubs have all produced world-class athletes who have ranked nationally and internationally. The hardship experienced by these clubs as a result of the EO closure has had a significant impact on their long term financial viability.

The use of the Etobicoke Olympium as a training facility for the 2015 Pan Am/Parapan Am Games was announced in 2009 and resulted in the closure of the facility from July 2013 through the summer of 2014 to undergo major renovations. The closure was communicated to the anchor clubs in 2010. The City assisted clubs in finding alternate training facilities wherever possible, through PFR and other providers, before the closure in 2013.

In 2012, representatives from three of the four anchor clubs submitted separate written requests to the City for financial relief related to the closure of the Etobicoke Olympium,

as the closure significantly impacted the ability for the clubs to operate. These clubs included the Etobicoke Diving Club, Etobicoke Swimming, and the Olympium Synchronized Swimming Club. The water polo anchor club (Mavericks Water Polo) did not request any assistance related to this closure, as the impact on this club was minimal.

City staff embarked on an extensive review, since 2012, of the financial and operating statements of each club and agrees that each club has experienced a different but credible level of financial hardship as a result of the closure and that the onus is on the City to ensure the clubs remain financially viable and are able to continue operations in the future. City staff evaluated the hardship on the basis of three main indicators: loss of memberships, proximity and access to alternate training facilities, and the revenue losses due to the lack of ability to fundraise, all of which have led to the financial hardship of these anchor clubs. Based on the evaluation of each club's financial hardship and in accordance with the criteria noted above, staff assigned appropriate relief to each club and arrived at a combination of partial and full relief for each club. The proposed credits were reviewed with each Club and they are in agreement with the approach.

COMMENTS

Contribution

These three anchor clubs are required to pay permit fees for the use of pool space at the Etobicoke Olympium. The clubs have also contributed to the acquisition and maintenance of training equipment that both club members and other EO users have benefited from. Etobicoke Swimming has made capital purchases including a scoreboard, starting blocks, replacement touch pads, lane ropes and pace clocks. Additionally, the Etobicoke Diving Club purchased an on-deck sideboard, on-deck trampoline and dry-land training mats, as well as the annual purchase of diving boards which have also benefited others using the facility.

Hardship

The three anchor clubs operating out of the Etobicoke Olympium offer differing levels of membership, have varying facility requirements and have different abilities to recuperate expenses by hosting events and competitions at the Etobicoke Olympium.

Etobicoke Diving Club

As a result of the EO closure, the Etobicoke Diving Club is facing significant challenges to maintain operations. There are no sufficient training facilities in the Greater Toronto Area (GTA) that offer the same pool depth, diving heights and apparatuses as the EO, essentially eliminating dive training for their members in the GTA, causing high-performance athletes to travel significant distances to train. The most comparable facility available for dive training is the Wayne Gretzky Centre in Brantford. The club has been

able to secure some training time at Scarborough Centennial Pool, the University of Toronto, and Markham Centennial Pool. Travel to these facilities has added significant costs to both club staff and the families of remaining divers in training.

As a result of the significant distance to training facilities, the Etobicoke Diving Club has lost 187 members, representing 96% of its members, including the loss of the entire Learn-to-Dive program. Some members have been sent to other provinces to train while others simply cannot travel to the alternate training locations.

The Etobicoke Diving Club has also temporarily lost the ability to host fundraising events and meets. Camps, events and competitions which are usually hosted at the Etobicoke Olympium supplement membership revenues for the club. The Etobicoke Diving Club typically hosts one of only three Provincial qualifying meets in Ontario annually and offers diving camps during the summer. None of these opportunities have been available for the Club during the closure. It is clear that without financial relief, the Etobicoke Diving Club will be forced to shut down operations.

Based on a review of the Etobicoke Diving Club's financial statements, level of hardship experienced, and capacity to recover, it is recommended that the City provide a total of \$77,000 in permit credits to the club's account at the Etobicoke Olympium (\$38,500 in each of 2014 and 2015).

Olympium Synchronized Swimming Club

The Olympium Synchronized Swimming Club (OSSC) is facing significant challenges to maintain operations. Synchronized swimming requires pools with significant depth for safety and adequate training. As a partner with the Toronto District School Board's High Performer Program, the OSSC needed to find training facilities within reasonable distance of the Etobicoke Olympium. The club has been able to relocate its High Performance athletes to the Elms Pool. Unable to accommodate all practices in one location, the OSSC relocated additional practices to pools at George Harvey Collegiate, Bishop Marrocco Catholic Secondary School, and Keele Street Public School. The relocations required the club to cover additional transportation costs, including bussing athletes from their practices at alternate facilities to school.

Of significant concern is the club's loss of one of their veteran National stream coaches. The loss of the coach, in addition to the relocated practices, is believed to be the reason for the loss of two National swimmers from the program. The OSSC has lost 44% of its members since the closure. For example, recreational membership dropped from 80 to 20 members. These losses have impacted membership revenues and the capacity of the club.

Like the Etobicoke Diving Club, the Olympium Synchronized Swimming Club also hosts camps and events at the EO to supplement membership revenues. The OSSC typically hosts one Provincial or National meet annually, in addition to summer camps and supplemental fundraising. The OSSC also undertook new fundraising methods to mitigate the losses incurred as a result of the EO closure. Despite these new initiatives,

the OSSC is still facing a significant financial burden to continue in their development of synchronized swimmers in Toronto.

Based on a review of the Olympium Synchronized Swimming Club's financial statements, level of hardship experienced, and capacity to recover, it is recommended that the City provide a total of \$44,000 in permit credits to the club's account at the Etobicoke Olympium (\$22,000 in each of 2014 and 2015).

Etobicoke Swimming

As the largest club operating out of the Etobicoke Olympium, Etobicoke Swimming needs significant pool space and times to accommodate its swimmers. General competition for space in large pools and the Etobicoke Swimming's membership complement made it challenging to find training locations that could accommodate full training groups for standard training hours. Etobicoke Swimming has had to relocate to a number of facilities to accommodate its program: the Elms Pool; George Harvey Collegiate; Bishop Marrocco Catholic Secondary School; Western Technical and Commercial School; Westview Centennial Secondary School; Glenview Senior Public School; University of Toronto; Carleton Village Junior and Senior Sports and Wellness Academy; Glen Forest Pool, Cawthra Pool, Terry Fox Pool and Lifetime Fitness in Mississauga. The need to book multiple locations has significantly increased permit fees for Etobicoke Swimming and has also caused additional transportation and staffing costs.

As the largest Anchor Club in the EO, Etobicoke Swimming typically hosts eight swim meets annually that fully utilize the Etobicoke Olympium and generate significant revenue for businesses in the area. The revenue generated from the meets also contributes to the club significantly and helps keep the cost of membership down. The inability to host any of these meets during the EO closures has created significant financial losses for Etobicoke Swimming.

Without the ability to host events at the EO, attending meets outside the province is estimated to cost each Etobicoke Swimming family an additional \$2,000 for this season. This increase, in addition to travel expenses and the need for some families to take their children to different pools for training has impacted the club's membership significantly. For example, introductory membership levels have dropped from 170 to 120 members. Overall, the club has lost 24% of its members as a result of the closure.

Over the years, Etobicoke Swimming had built a strong contingency fund. Despite their efforts, the increases in permit fees, staffing costs, transportation costs, loss of members, and loss of meet revenue has created a deficit for the club.

Based on a review of the Etobicoke Swimming's financial statements, level of hardship experienced, and capacity to recover, it is recommended that the City provide a total of \$60,000 in permit credits to the club's account at the Etobicoke Olympium (\$30,000 in each of 2014 and 2015).

CONCLUSION

The year-long closure of the Etobicoke Olympium has had a significant impact on the three anchor clubs operating out of that location. This report responds to separate written requests from three anchor sport clubs operating out of the Etobicoke Olympium (EO), requesting relief for losses incurred as a result of the year-long closure for Toronto 2015 Pan Am / Parapan Am Games facility upgrades. All three anchor clubs have demonstrated hardship related to loss of members, loss of fundraising opportunities and difficulty in securing adequate training facilities in close proximity to the Etobicoke Olympium. As relief for the hardship incurred related to the closure, it is recommended that the anchor clubs receive \$0.181 million dollars in permit credit. Etobicoke Diving Club would receive a \$77,000 credit; Olympium Synchronized Swimming Club would receive a \$44,000 credit; and Etobicoke Swimming would receive a \$60,000 credit toward future permits with the City of Toronto. In 2014, the funds for the allocation of permit credits will be off-set against savings in and the net amount of \$43,900 will be absorbed within the PFR operating budget. PFR will include the 2015 net financial impacts of \$90,500 as part of the 2015 budget process for consideration.

CONTACT

Janie Romoff, Director, Community Recreation, Tel: 416-392-7252
jromoff@toronto.ca

Aydin Sarrafzadeh, A/ Manager, Aquatics, Tel: 416-395-6191, asarraf@toronto.ca

SIGNATURE

Richard Ubbens
Acting General Manager, Parks, Forestry and Recreation