



STAFF REPORT ACTION REQUIRED

Designating community centres where programs are free (Priority Centres)

Date:	November 20 , 2013
To:	Community Development and Recreation
From:	General Manager, Parks Forestry and Recreation
Wards:	All
Reference Number:	P:\2013\Cluster A\PFR\CD25-120413-AFS#18211

SUMMARY

Toronto City Council adopted Parks, Forestry and Recreation's 2013-2017 Recreation Service Plan in November 2012. The Plan will guide the City of Toronto's planning and delivery of recreation programs and services over the next five years. Council approved the Implementation Plan in July 2013.

The City of Toronto currently has 23 Priority Centres where recreation programs are free. These centres reduce financial barriers for Toronto's low-income families.

This report recommends designating 16 existing community centres as new Priority Centres following the approved 2013-2017 Recreation Service Plan. It also addresses the need for special considerations for revitalization areas.

RECOMMENDATIONS

The General Manager of Parks, Forestry and Recreation recommends that:

1. City Council refer the designation of 16 existing community centres, as community centres where programs are free (formerly known as Priority Centres), effective April 2014, as outlined in this report and as per the approved selection criteria in the Recreation Service Plan, to the 2014 budget process for consideration.
2. Free programming continue to be provided at existing Priority Centres in Toronto Community Housing revitalization areas, and delay the review of their designation until after two Census cycles (approximately 10 years) following the revitalization's completion.

FINANCIAL IMPACT

The implementation of 16 existing community centres as community centres where programs are free (formerly known as Priority Centres) in spring 2014 will result in net annual financial impacts of \$2.31 million in 2014, \$4.25 million in 2015, and \$4.42 million in 2016 and future years.

As noted in the table below, the financial impact includes a total \$5.42 million reduction in budgeted revenue by 2016. This revenue reduction will be offset by a Welcome Policy subsidy expenditure reduction (citywide allocation) of \$1.0 million by 2015, resulting in the overall ongoing net cost of \$4.42 million. The reduction to the Welcome Policy subsidy arises from an anticipated reduction of demand for Welcome Policy access resulting from the increase in free program offerings at the newly designated community centres where programs will be free. The estimated reduction of the Welcome Policy budget will be reviewed once the new locations are implemented, and after a full year of operation history is known.

Priority Centre Implementation Financial Summary			
Description	2014	2015	2016
Annual Revenue Loss	(3,010,000)	(5,250,000)	(5,420,000)
Welcome Policy Subsidy Expenditure Reduction	700,000	1,000,000	1,000,000
Net Impact	(2,310,000)	(4,250,000)	(4,420,000)

The decision to implement 16 community centres where programs are free as of April 2014, and the associated additional \$2.31 million of required net funding in 2014, is subject to consideration by City Council as part of the 2014 Operating Budget process.

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

EQUITY IMPACT

Parks, Forestry and Recreation values inclusion, respect and diversity and aims to improve the quality of life of all Torontonians through the provision of programs and services that are welcoming and accessible. Priority Centres reduce financial barriers to participation faced by low-income families. Equitably expanding the opportunity for free programming will allow more low-income families to access recreation programs. Increased access to recreation programming benefits Toronto residents individually, socially, environmentally and economically.

DECISION HISTORY

On November 27, 2012, City Council adopted new criteria for selecting Priority Centres in the 2013-2017 Recreation Service Plan, with direction to implement in spring 2014 based on new Census data and projected operating budget impacts. City Council also directed Parks, Forestry and Recreation to report to the Community Development and Recreation Committee in fall 2013 on:

- Replacing the term "Priority Centre" with a new name;
- Implementing Priority Centre designation to all new facilities in Regent Park as they open;
- Retaining Priority Centre designation for facilities in neighbourhoods that are revitalized into mixed-income communities and where the percentage of low-income families is reduced by the introduction of new residents; and,
- Examining a potential partnership with the East Scarborough Storefront in the creation of a Priority Centre.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2012.CD17.2>

On July 16, 2013, City Council adopted the 2013-2017 Recreation Service Plan Implementation Plan, and requested a report on minimum requirements for Priority Centre programming, including capacity and hours, and applied to all current and future Priority Centres.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2013.CD22.1>

ISSUE BACKGROUND

Toronto City Council introduced the Priority Centre program in 1999 as a way to increase access to recreation in neighbourhoods with high incidence of low income by eliminating program fees. Today, there are 23 Priority Centres located across the city (see Appendix A). Parks, Forestry and Recreation reviewed the Priority Centre program as part of the 2013-2017 Recreation Service Plan. As described in the Plan, a Priority Centre is a community centre where selected recreation programs and services are available at no charge in communities with high incidence of low income. The objectives of Priority Centres are to:

1. Reduce barriers to recreation in communities with high levels of poverty by eliminating fees and reducing administrative hurdles;
2. Enhance community development through outreach and the mixing of community residents with different needs, cultures and incomes; and,
3. Provide opportunities to increase participation from the local community in recreation.

Priority Centres are an important response to the effects of concentrated poverty. Providing free programs at designated Priority Centres advances the Recreation Service Plan principle of equitable access, and its overall goals to increase participation in recreation, decrease financial barriers, and improve local access.

Priority Centres are one of four ways in which Parks, Forestry and Recreation reduces financial barriers to recreation. In addition to Priority Centres, Parks, Forestry and Recreation offers the Welcome Policy, a fee subsidy for low-income residents to use on recreation services at any location. There are also a wide range of free drop-in programs available at centres across the city, and reduced fees for seniors.

Priority Centres are an effective way to enhance access to recreation for people facing affordability barriers. The original method for designating Priority Centres resulted in an inequitable geographic distribution, since their placement was dependent on an appropriate facility being physically located within a qualifying Census tract. The approved Recreation Service Plan identified a new equitable and consistent method for designating Priority Centres.

The new approach, approved by Council in November 2012, is designed to serve the highest number of low-income Census tracts with the fewest Priority Centres. Under this method, eligible Census tracts are those where at least 30 per cent of families are low income (below the Low Income Cut Off). A Census tract is considered "served" if it is within 1.5km of a Priority Centre. This criteria is based on research that shows that residents travel short distances outside of their Census tract – but usually within their local area – to participate in recreation. To provide stability of supports in low-income neighbourhoods, a community centre will continue to be a Priority Centre until no Census tract within 1.5km has greater than 25 per cent incidence of low-income families. This requires a significant reduction in local poverty levels before supports are removed. Parks, Forestry and Recreation will review Priority Centres every five years using updated Census information to remain current and ensure fair application over time.

COMMENTS

Priority Centres are meeting the objectives set out for them in 1999 and confirmed in the Recreation Service Plan: reducing financial barriers, encouraging social inclusion, enabling local access, and increasing overall participation in recreation. The Recreation Service Plan demonstrated that visitors to Priority Centres use them in similar ways to other community centres. On average, users travel less distance to Priority Centres than to other community centres. Moreover, participants register for roughly the same number of programs at both types of centres. Priority Centre participants also face reduced administrative barriers. Overall, Priority Centres are a successful tool to improve equitable access.

Table 1: Comparing Priority and non-Priority Centres (2011)

	Priority Centres	Non-Priority Centres
Average distance traveled (in kilometers)	1.8	2.7
Program utilization rate (per cent)	84	79
Average registrations per participant	2.7	2.8

Almost every service at a Priority Centre is without a fee, regardless of a participant's ability to pay. The few exceptions where a fee is charged help meet goals of fairness, efficiency, and consistency with the corporate User Fee Policy. For example, registered programs are not free for residents of other municipalities, because Priority Centres are intended to serve Toronto residents.

Many of Toronto's Priority Centres host community-run programs. To maintain affordable access to these programs, Parks, Forestry and Recreation partners with non-profit groups, exchanging no-cost permits for community-delivered programs. This facilitates access to community space, and helps the division deliver on the Recreation Service Plan direction to "maximize the use of recreation facilities as core community assets." Permit fees are charged, however, for specialized facilities such as pools, arenas, outdoor ice rinks, dry-pads, sport courts and tennis clubs.

Table 2: A summary of what is free at Priority Centres

	Free	Not free
City-delivered programs	– All registered and drop-in programs for all age groups	– Registered programs for residents of other municipalities
Memberships and passes	– Passes and memberships for all age groups to fitness centres and weight rooms	– Memberships to tennis clubs and other sport clubs
Permits and rentals	– Permits for local non-profit groups in rooms, gyms, and kitchens for all age groups*	– Permits and rentals to private and commercial groups – Permits and rentals in pools, arenas, ice rinks, dry-pads, sport courts, and other unique facilities – Permits to Boards of Education

*Non-profit permits at Priority Centres may incur staffing and insurance costs.

The Recreation Service Plan's in-depth public and stakeholder consultation indicated that Torontonians experience barriers to recreation. Two of the ten most-stated comment themes at these consultations were "reduce cost barriers" and "improve geographic access." Statistics Canada data shows that Toronto has a higher incidence of low-income individuals (19.3 per cent) than municipalities in the region (11.5 per cent), Ontario (13.9 per cent) and the rest of Canada (14.9 per cent). Moreover, Toronto has many Census tracts with high concentrations of low-income households.

The Recreation Service Plan also illustrated that the currently funded Priority Centres serve less than half of Toronto's low-income Census tracts (42 of 89), using 2006 Census data. Expanding Priority Centres across the city can considerably reduce barriers to accessing recreation in Toronto. More Toronto residents will have improved access to recreation, as more low-income Census tracts will be closer to Priority Centres. Even for those Census tracts that will not have one nearby, a Priority Centre will be much closer to their home than before.

Using the Low Income Measure to identify low-income Census tracts

Designating Priority Centres requires an identification of low-income Census tracts. The traditional method used to identify low-income Census tracts – and used in the Recreation Service Plan – relied on Statistics Canada's Low Income Cut Off (LICO). LICO became unavailable when the 2011 National Household Survey replaced the mandatory long-form Census, because Statistics Canada derived LICO partially using the long-form Census. Parks, Forestry and Recreation will now have to use a new measure of low income to identify Census tracts eligible for Priority Centres.

Statistics Canada replaced LICO with the Low Income Measure (LIM) to calculate low income using data from the year 2010. Using Statistics Canada's LIM, a family whose income is less than half of the median family income for a family of the same size is considered low income. For example, if the median annual after-tax income for a couple with two children is \$43,320, a family of the same size would be considered low-income using the LIM measure if they earned less than \$21,660. The table below compares LICO and LIM.

Table 3: Comparing the Low Income Cut Off (LICO) and the Low Income Measure (LIM)

Measure	LICO	LIM
Background	– Established measure of low income in Canada	– Most commonly used measure of poverty, and internationally comparable
Basis of measure	– Based on the relationship between income and necessities	– A strictly relative measure, based on the current income of Canada's population
Data source	– Various, including long-form Census; base data updated with Census, but measure adjusted annually for inflation	– National Household Survey; base data updated annually using tax data; a strict relative measure, no inflation adjustment required
How the measure is calculated	– Set at the income level below which a family is likely to spend 20 per cent or more of its income on food, shelter and clothing	– Defined as less than half of the median family income of a family of the same size
Cost of living and community size	– Adjusted to reflect the higher cost of living in larger communities	– No regional variations to account for cost of living differences: all households in Canada face the same line (adjusted to household size)
Family and household	– Set for different family sizes; Based on economic families (extended family living in the same household)	– Set for different family sizes; based on households (persons who share a dwelling)

The LIM is an internationally recognized measure of low income. The Governments of Canada, Ontario and the City of Toronto, among other organizations, all use LIM as a way to measure low income. Although LIM is different from LICO, it can be used in similar ways, such as identifying concentrations of low income. Along with other City divisions including Social Development, Finance and Administration, City Planning, Toronto Public Health and others, Parks, Forestry and Recreation will apply Statistics Canada's LIM for policy development and program implementation.

The Recreation Service Plan indicated that 89 of Toronto's Census tracts had a concentration of low income at 30 per cent or above, using the 2006 LICO measure. Using the National Household Survey's (2011 LIM) data, only 70 Census tracts meet the original 30 per cent threshold. However, other income-related data suggests that it is very unlikely that the concentrations of low-income between the last two Censuses would have decreased so substantially. For instance, Toronto Employment and Social Services' case loads increased by nearly 29 per cent over that time, partly due to the recession. The reduction from 89 to 70 Census tracts is most likely attributable to the change from LICO to LIM.

Unlike LICO, LIM does not account for the high costs of living associated with living in a large city. Toronto residents carry a greater burden with respect to the high costs of shelter, food and other necessities, compared to other areas in Canada, yet Statistics Canada's LIM is based on all Canadian households. The effect is that LIM can be considered a good *relative* measure of poverty within the city, but it understates the absolute level of poverty in Toronto compared to others and compared to the old LICO measure.

To compensate, Parks, Forestry and Recreation has adjusted the threshold of what constitutes a low-income Census tract from the 30 per cent (under LICO) to 28 per cent (under LIM). Similarly, the threshold at which Priority Centres are removed will be reduced from 25 to 23 per cent. This measure better defines the threshold of low income required to meet the Priority Centre designation criteria as set out in the Recreation Service Plan.

Table 4: Comparing the effect on the number of low-income Census tracts with different measures of low income

Measure of low-income	Per cent concentration of low-income to identify eligible Census tracts	Number of low-income Census tracts identified
LICO (2006)	30	89
LIM (2010)	28	89

Using this method, equitably expanding Priority Centres across the city serves more low-income Census tracts and households. As seen in the chart below, there are currently 39 Census tracts citywide at a significant distance from a Priority Centre. With the addition of 16 new Priority Centres, the number of unserved low-income Census tracts falls to 10.

Even those Census tracts left unserved by Priority Centres would now be much closer to Priority Centres than they were previously. By serving more low-income Census tracts with Priority Centres, Parks, Forestry and Recreation will improve access to recreation for all of Toronto's low-income households.

Table 5: Comparing the number of low-income Census tracts served by the current Priority Centres, and all Priority Centres as applied through the new method

	Etobicoke York	Toronto & East York	North York	Scarborough	Citywide
Low-income Census tracts (using LIM)	14	26	28	21	89
Low-income Census tracts served with current centres (23)	6	25	17	2	50
Low-income Census tracts served with current and new centres (39)	13	25	23	18	79

See Appendix B for a map with the application of this method, and Appendix A for the complete list of current and new Priority Centres.

Considering revitalization areas

Toronto has various Toronto Community Housing (TCH) revitalization projects underway, such as in the Regent Park, Lawrence Heights, and Alexandra Park neighbourhoods, with others planned. Priority Centres serve each of these areas. Revitalization areas require particular consideration in Priority Centre designation. The TCH-led revitalization areas introduce new market-rate housing within neighbourhoods that were exclusively social housing. Some revitalization areas that experience significant public and private investment may see rapid increases in the average income of residents in a neighbourhood, yet the number of social housing units will remain the same. Revitalization areas typically have Census tracts with very high concentrations of low-income – some with more than 60 per cent. With investment, it is possible that some revitalization areas will no longer be eligible for a Priority Centre under the current method, which could undermine the revitalization's goals of encouraging private investment, mixing incomes, and continuing current services. This would contradict both the Priority Centre program's goals and the principles of neighbourhood revitalization.

For the purposes of designating Priority Centres, a revitalization area is a delineated area where a TCH-initiated, long-term planning project to improve the area's physical, social, and economic characteristics is underway. These revitalizations have social development plans either in development or approved by Council.

The method for removing Priority Centres, approved as part of the Recreation Service Plan included a caveat that they be removed only when all Census tracts within a Priority Centre's catchment have less than 25 per cent (now 23 per cent using LIM) incidence of low-income. The intent is to maintain the positive benefits of Priority Centres until the neighbourhoods surrounding a Priority Centre are no longer low income. Similarly, in TCH revitalization areas, existing Priority Centres will continue to provide free programming for at least two Census cycles (or 10 years) after the revitalization is complete. Even after this time, if a Priority Centre continues to serve a Census tract with an incidence of low-income at 23 per cent or more, the designation will remain. This additional consideration ensures the delay of a potential loss of Priority Centre status if revitalization efforts tip the low-income threshold below 23 per cent. Ensuring access in revitalization areas preserves access for low-income residents, and provides opportunities for new and existing residents to recreate together, contributing to community development.

The East Scarborough Storefront

City Council requested that Parks, Forestry and Recreation examine a potential partnership with the East Scarborough Storefront in the creation of a Priority Centre. The East Scarborough Storefront is a 12-year-old project of Tides Canada, and a partnership of approximately 40 community groups, funders and social service providers working to create a thriving community in East Scarborough. The Storefront, in the Kingston-Galloway/Orton Park community, serves three low-income Census tracts.

The Storefront's current indoor space provides recreation opportunities for mostly children, youth and seniors. Its partners, including Parks, Forestry and Recreation, provide, among other programs, free after-school recreation opportunities for children and youth. The Storefront will shortly complete an outdoor sports pad for recreational programming, where over 500 individuals will have access to space for physical activity.

Programs at non-City locations are not part of the core Priority Centre model. This is because Parks, Forestry and Recreation focuses on recreational programs at its community centres, whereas locations like the Storefront serve many organizations and many purposes. The City is also better able to ensure program quality and accountability in City-run programs than at partner locations, and because the City already supports affordable recreation through Community Service Partnership (CSP) Program grants. The East Scarborough Storefront has received similar grants. Non-City community centres like the Storefront, and other locations, are key stakeholders in Toronto's broader recreation sector, which also includes 10 Association of Community Centres (AOCCs), and nine Arena Boards of Management (ABOMs) that provide community recreation and social service programs, as well as access to ice-based activities. Although funding models are different, City Council supports recreation partnerships through grants to CSPs totalling \$17.2million, and AOCCs and ABOMs deliver services totalling \$7.1million (gross) and \$7.2million (gross) respectively in 2013.

Removing the name Priority Centres

Community centres, whether programs are free or not, are still community centres. Similarly, a childcare centre, regardless of what subsidy it receives, is still a childcare centre. In 1999, when the Priority Centre programs began, Toronto's communities were not consulted on the terminology. Since then, some community members have expressed concern that the term "Priority Centre" can contribute to negative perceptions of the area where these community centres are located. Similarly, Council requested in 2011 that "Priority Neighbourhoods" be renamed due to the stigma this designation triggers. To remove any chance of negative perception, and to solidify the community-responsiveness of the program, this report recommends no longer using the term "Priority Centre". Rather, Parks, Forestry and Recreation will refer to these facilities as "community centres." This may seem a symbolic change, but it is consistent with the program's intent of removing barriers to participation.

Future reports

Parks, Forestry and Recreation will report back on a consistent and fair approach to levels of service in community centres where programs are free. These centres vary in their size and amenities, their programs and services, and the communities they serve. Some receive thousands of visits per year, while others receive hundreds-of-thousands. Improving consistency between centres and even establishing a minimum standard for levels of service at community centres where programs are free can be a challenge because every recreation facility is different. Due to the complexity of this challenge, improving consistency requires a phased approach over the course of the 2013-2017 Recreation Service Plan. As such, Parks, Forestry and Recreation will report in 2015 on a plan to establish minimum levels of service at community centres where programs are free, including considerations such as facility capacity, hours and range of programming, as well as special services such as front-desk staff and Youth Outreach Workers.

CONCLUSION

Community centres where programs are free work to meet the goals of the Recreation Service Plan: to increase overall participation in recreation, to improve geographic access and to reduce financial barriers. This report, using new low-income data, identifies new eligible Census tracts and designates 16 new community centres where programs will be free. By doing so, Parks, Forestry and Recreation will spread the benefits of accessible recreation equitably throughout the city. Adding special consideration for revitalization areas will maintain the positive benefits of access to recreation as neighbourhoods transition out of concentrated low income. Removing the name "Priority Centres" will have the added benefit of reducing perceptual barriers, alongside the financial ones.

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ATTACHMENTS

Appendix A –Current and new community centres where programs are free
Appendix B – Map of community centres where programs are free

APPENDIX A – CURRENT AND NEW COMMUNITY CENTRES WHERE PROGRAMS ARE FREE

#	Current community centres where programs are free	Ward	District	Highest per cent of low-income for Census tract within catchment (LIM)
1	Antibes CC	10	North York	36.0
2	Chalkfarm CC	7	Etobicoke York	27.0
3	Dennis R Timbrell RC	26	North York	56.3
4	Driftwood CC	8	North York	45.4
5	Elmbank CC	1	Etobicoke York	33.8
6	Falstaff CC	12	Etobicoke York	28.9
7	Harrison Pool	20	Toronto & East York	45.8
8	Jimmie Simpson RC	30	Toronto & East York	50.1
9	John Innes CRC	27	Toronto & East York	50.1
10	Kingsview Village CS	2	Etobicoke York	29.9
11	Lawrence Heights CC	15	North York	28.2
12	Masaryk-Cowan CRC	14	Toronto & East York	37.4
13	North Kipling CC	1	Etobicoke York	33.8
14	Oakdale CC	8	North York	40.9
15	Oakridge CRC	35	Scarborough	59.9
16	O'Connor CC	34	North York	34.6
17	Regent Park Aquatic Centre	28	Toronto & East York	50.1
18	Regent Park North RC	28	Toronto & East York	50.1
19	Regent Park South CRC	28	Toronto & East York	50.1
20	Rockcliffe MS	11	Etobicoke York	42.8
21	Scadding Court Pool	20	Toronto & East York	40.1
22	Secord CC	31	Toronto & East York	59.9
23	Wellesley CC	28	Toronto & East York	50.1
#	New community centres where programs are free			
1	Cedarbrook CC	38	Scarborough	44.6
2	Centennial RC – Scarborough	38	Scarborough	38.8
3	Don Montgomery CRC	35	Scarborough	41.3
4	Emery Collegiate SS	7	Etobicoke York	31.7
5	Grandravine CC	9	North York	37.3
6	Heron Park RC	44	Scarborough	34.6
7	Islington CS	5	Etobicoke York	29.2
8	Jenner Jean-Marie CC	26	North York	56.3
9	John English CS	6	Etobicoke York	36.6
10	L'Amoreaux CRC	39	Scarborough	33.8
11	Malvern RC	42	Scarborough	28.2
12	Oriole CC	33	North York	32.7
13	Scarborough Village RC	36	Scarborough	44.6
14	Stephen Leacock CRC	40	Scarborough	35.4
15	The Elms CS	2	Etobicoke York	28.6
16	York CC	12	Etobicoke York	42.8

Staff report for action on Designating community centres where programs are free

