
HALDIMAND COUNTY

Report CDP-08-2020 Community Halls Program – Pandemic Financial Relief For Consideration by Council in Committee on November 17, 2020



OBJECTIVE:

To approve relief funds for partner groups within Haldimand County's Community Halls Program due to the Haldimand-Norfolk Health Unit mandated closure of all facilities from March 14 through July 24, 2020.

RECOMMENDATIONS:

1. THAT Report CDP-08-2020 Community Halls Program – Pandemic Financial Relief be received;
2. AND THAT the incorporated volunteer Boards of Directors, operating Haldimand County's 18 Community Halls, be provided with pandemic relief funding—based upon actual utility costs—for the period the halls were closed by order of the Haldimand-Norfolk Health Unit;
3. AND THAT operating funding be approved to an upset amount of \$36,350, representing the total actual utility costs for the Community Halls during the closure period of March 14 to July 24, 2020.

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Reviewed by: Katrina Schmitz, Manager, Community Development & Partnerships

Respectfully submitted: Mike Evers, MCIP, RPP, BES, General Manager of Community & Development Services

Approved: Craig Manley, MCIP, RPP, Chief Administrative Officer

EXECUTIVE SUMMARY:

For almost twenty years, Haldimand County has partnered with incorporated, community-based Boards of Directors to operate and maintain 18 of its Community Halls. The Community Halls Program—administered through Policy 2003-01—has allowed the groups, and their communities, to create the types of facilities which best meet the needs of local residents in a cost-effective, grassroots manner. Groups are responsible for generating revenues through rentals and other fund-raising activities in order to cover operating costs. This unique way of delivering recreational and community focused services is approximately one-third the cost the County would incur if it directly delivered them.

As a result of the COVID-19 global pandemic, the Halls were forced to close from March 14 to July 24—a period of 132 days—to comply with directives from Haldimand-Norfolk Public Health. During this period of zero revenue opportunities, the 18 Hall Boards incurred total utility bills in the amount of \$36,350. The inability to generate revenue created significant hardship to the point where some volunteers had to use personal funds to cover costs, while other Halls have almost depleted their limited contingency funds. Almost all the Community Halls groups approached Staff to request County assistance to cover these expenses.

Given that these volunteer Boards occupy a unique position within Haldimand County in that they partner with the municipality to operate and maintain County assets, Staff are recommending the County reimburse the groups for actual utility costs incurred during this closure period.

BACKGROUND:

Since 2002, Haldimand County has partnered with incorporated volunteer Boards of Directors to operate and maintain municipally-owned Community Halls. When the Program was developed following amalgamation, it reflected the County's expectation that each community would be actively engaged in the sustainability of its Halls. Boards were tasked with significant autonomy in maintaining and operating their Halls, and have continued to operate and enhance their respective facilities with great success.

Currently, there are 18 Community Halls in Haldimand County being operated by volunteer Boards of Directors. Through the Community Halls Policy (2003-01), these groups are responsible for all operations and enhancements to these municipal buildings, including making the facilities available to the community at a reasonable rate, generating revenue (through rentals or fund-raising events and activities), maintaining their facilities and paying utility and general maintenance bills. Haldimand County is responsible for capital repairs and replacements associated with the structural integrity of the Halls as well as legislated life/health/public safety matters.

In light of the success of the Program and the high levels of use of the Halls, the County reinforced its commitment to the groups by making significant capital investments in these buildings in recent years (over \$3.5 million between 2015 and 2019 for building code and fire safety compliance). Much of this commitment was driven by a 2014 presentation to Council about use of the Community Halls and the engagement they foster. At that time, data collected from the groups indicated more than 2,100 rentals per year and more than 95,000 visits.

The Community Halls partnership model has worked very well—to the benefit of both the communities and the County—and has been identified by many other municipalities as a unique, engaging and cost-effective approach to operating rural community centres.

The response of the provincial and municipal health authorities to the COVID-19 pandemic mandated the complete closure of all Community Halls from March 14 through July 24, 2020. This directive significantly impacted the financial viability of the Community Halls groups, as their revenues are generated almost entirely through rentals of, and fund-raising activities at, their facility. The Halls groups approached the County requesting assistance with the utility bills during the closure period and, following review by Senior Management, Staff are requesting Council's approval of the recommendation.

ANALYSIS:

Request for Immediate Financial Assistance

The Community Halls Program allows 18 County-owned community centres to be operated and maintained by volunteer groups. There has consistently been substantial public support to keep these facilities operational and available for community use, particularly in the rural communities.

Through this model, the Hall Boards generate revenue to not only further their own activities and community engagement but also to pay for building maintenance requirements, including all utility bills. Without revenue generation possibilities, Halls are under enormous pressure to meet these obligations.

The majority of the Community Halls groups reached out to Staff to express their concerns about meeting ongoing operating costs, particularly as the pandemic and its related restrictions (facility closures until well into the summer and continuing significant limitations to indoor public gatherings since then) continue now into the ninth month. Based on direction from Senior Management, Community Development & Partnerships staff asked each Hall group to submit its actual utility expenses (hydro, gas & water, other urgent matters) for the closure period (March 14 to July 24), amounting to approximately \$36,350 in total.

Community Hall	Actual Utility Costs (March 14 – July 24, 2020)
Caledonia LIONS Community Centre	\$7,850
Canboro Community Centre	\$750
Canfield Community Centre	\$1,100
Cayuga Kinsmen Community Centre	\$1,500
Cayuga Seniors Drop-In Centre	\$1,050
Cheapside Community Hall	\$950
Dunnville Community Lifespan Centre	\$2,400
Fisherville Lions Community Centre	\$3,500
George Shippey Music Centre	\$900
Hagersville Community Centre	\$3,150
Haldimand Agricultural Community Centre	\$2,000
Jarvis Lions Community Centre	\$2,000
Lowbanks Community Centre	\$950
Nanticoke Community Hall	\$750
Rainham Centre Community Hall	\$600
Selkirk Centennial Community Centre	\$4,600
Seneca Centennial Hall	\$1,200
Townsend Lions Hall	\$1,100
Total:	\$36,350

The pandemic shutdown in the spring/summer of 2020 was intended to be a ‘reset’, with the hope that the curve of infections would flatten and municipal operations would return to normal. The basis for the suggestion to Council to approve reimbursement of actual utility costs is that the Halls deliver municipal service via an Agreement with the County and, if this arrangement was not in place, the County would have incurred lost revenue (similar to other recreational services).

While the Community Halls were able to reopen at the end of July, the Health Unit restrictions on indoor public gatherings—as well as the fact the public hasn’t generally been interested in renting facilities for events or gatherings of any kind—has resulted in continued revenue generation challenges. Some of the Halls have been using alternative fund-raising ideas (i.e. takeout dinners); however, that revenue falls far short of normal levels, while other Halls are unable to do so due to physical layout of the building and/or minimal volunteer resources. Staff are actively engaging Hall Boards to think creatively to generate revenue under the new protocols, with mixed and limited success.

The reimbursement of utilities is intended to offset unavoidable costs during the defined period under which the Halls could not operate. As noted above, staff have been advised since July—the time period the County has been in Stage 3—despite staff actively engaging the Hall Boards to pursue alternative fund raising activities, rental activity and revenue generation has not returned to pre-shut down levels which is exacerbating a difficult financial situation as operating and maintenance costs continue. Off-setting the costs incurred during the shut-down will assist in continued viability of the Halls but will not necessarily address all the fiscal challenges currently being faced.

FINANCIAL/LEGAL IMPLICATIONS:

The Council approved 2020 Tax Supported Operating Budget does not include any funds related to this situation.

In October of 2020, Haldimand County received approximately \$2.5 million in funding from the provincial Safe Restart program. It is expected that County costs, excluding Public Health and Social Assistance, will not exceed this grant funding for 2020. If the funding exceeds the municipality's 2020 operating costs, the province's expectation is that it will be utilized to offset any additional costs in 2021.

The Community Halls reimbursement expenditures (estimated at \$36,350) will result in a negative variance in the Grants to Organizations line for the Community Development & Partnerships Division's Administration cost centre. Corporately, the deficit or surplus for the Tax Supported Operating Budget is funded from or contributed to the Contingency Reserve.

STAKEHOLDER IMPACTS:

The request from the Community Halls groups was reviewed by the Senior Management Team as well as Finance Division staff.

REPORT IMPACTS:

Agreement: No

By-law: No

Budget Amendment: No

Policy: No

ATTACHMENTS:

None.