

REQUEST FOR DECISION 018-2017

Title: Landmark East School Expansion
Date: 2017-03-07
Department: Community Development



SUMMARY

Landmark East School Expansion- One Time Capital Request

Landmark East Association is seeking financial support of \$100,000 from the Town of Wolfville as a contribution to a capital campaign to raise 2.4 Million to build a new learning center as an expansion on their current Landmark East School location. The new complex will include a high school size gym, a creative maker-space, cafeteria and kitchen. The new facility would be an expansion on the site of the current facility.

Landmark East School is maintained and operated by Landmark East Association, a non-profit Society registered under the Nova Scotia Societies Act. Landmark East Association is a registered charity, BN 11900 5015 RR 0001.

Council received a presentation from Landmark East School which submitted the application, received an information report from staff evaluating the proposal on February 7th, 2017 and are now receiving supplemental information to assist in its decision making.

As per the Grants to Organization Policy, 710-003, staff is not making a recommendation regarding the grant request. Staff is providing two motions for Council's consideration.

DRAFT MOTION:

Potential Motion #1

That Committee of the Whole forward the grant for Landmark East in the amount of \$_____ to the 2017/18 Operating Budget process.

Potential Motion # 2

That Council denies the request for a One-Time Capital Grant from the Landmark East Association for funding in the fiscal year 2017-18.

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1) CAO COMMENTS

Staff has provided information to assist Council with this decision. As per policy, there is no recommendation coming from staff. It is important that Council consider not only the criteria scoring of this application, but also the current financial situation of the Town and our ability to provide the grant.

2) LEGISLATIVE AUTHORITY

See attached Request for Direction.

3) STAFF RECOMMENDATION

No recommendation

4) REFERENCES AND ATTACHMENTS

- Request for Direction dated February 7th, 2017
- Application
- Financial Statements

5) PURPOSE OF REPORT

To seek a decision from Council regarding funding for the Landmark East Association under the Grants to Organizations policy 710-003.

6) DISCUSSION

Council received an information report and staff presentation on February 7th, 2017 regarding this request along with a presentation from the applicant in January. This RFD is largely based on the February 7th report and also provides supplemental information for Council's consideration.

At this time, it is unclear as to what other groups may wish to rent the facility. Landmark East School is very interested in making the new facilities a part of the town's community infrastructure. They are open to the use of all of the new facilities: gymnasium, cafeteria and maker space areas. They have a cooperative attitude and once it is determined at what times the town might potentially rent space, they will be open to making it work for both organizations. It is important to note that should the town wish to offer recreational programming, rental and staffing costs would need to be considered in budget discussions.

Location of students and staff

- Current student enrolment is 68. The new facilities will allow for 120 students. No child has been refused admission due to capacity issues.
- Current: 27 boarding students (39%) and 41 day students.

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- Current: 37 students are from the Valley and 6 of those students reside in Wolfville (9%), most of who have moved to attend the school.
- Landmark East School currently employs 49 people, 9 (18%) of which relocated to Wolfville specifically because of their employment at the school. Most other staff members reside in Kings and Hants counties. Additional staff will be required as enrollment increases.
- Although antidotal, it is estimated that families often move and stay in the area after having a child attend Landmark East. Estimate of 20 families in the last 7 years.

Information about public use of the new facility

The facility will be available for public use or town rental during the following dates/times:

Summer- Most times available

Christmas Break- Two weeks

Spring Break- Two Weeks

September to June, during the school year:

- Monday - Friday
- Available 7:00am-9:15am; 10:30am-12:00noon; 1:00pm-3:40pm; 9:00pm-11:00pm (a possibility) *
- Weekends: Not certain of school use at this time, but do not envision too much community time on Saturday or Sunday. There may be some early morning availability on these days.

*Note: The population of Wolfville residents able to use the facility throughout the day during working and school hours is estimated to be about 27% based on the 2011 census using the age cohort 55-79. There might be a small number of residents over 80 using the facilities.

Total - All age groups 2011 Census	4270	
55 to 64 years	560	0.131148
65 to 79 years	580	0.135831
80 years and over	355	
Age 55-79	1140	0.266979

Cost for rental

The cost for the town or other community groups to rent the facility would be “going rates” similar to the Louis Millet Centre. The current cost to rent the Louis Millet gym or multipurpose room is \$30/hour.

Access and security

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There will be a guest sign in system but because this building will be separate from the existing academic center they do not foresee having every guest completing a criminal records check before they can enter and use the facilities, even during school hours.

Fundraising

The entire amount is to be fundraised as Landmark East does not have reserves for infrastructure. They are a non-profit group with any annual surpluses used to provide scholarships to local students. They will apply to other local municipalities. Additionally, they may apply for federal infrastructure funds.

Financial Statements

Attached.

Contents of a Potential Memorandum of Understanding

If Council decides to fund the Landmark East Association, the contents of the MOU should include at minimum the following:

- Confirmation that the facility can be used for public access when the school is not using the facilities;
- Some level of detail on when the facility will be available;
- Ensure that the town's liability is waived and all insurance issues finalized;
- An outline of the time frame for construction;
- An explanation of what will happen to the funds if expansion is not built;
- Confirm the cost for the town rent the facilities;
- Clarify that the operation and maintenance after construction will be the sole responsibility of Landmark East; and
- Request annual financial and construction updates and a final financial report following project completion.

7) FINANCIAL IMPLICATIONS

The Request for Direction provided information on the financial implications. This \$100K request would equate to approximately a 2.5 cent increase in the tax rate. As this is not seen as acceptable, the funding could be taken from operational reserves so as not to impact the tax rate in 2017-18.

The option of reserve funding is constrained by the long term financial planning already developed for both the Town's 10 Year CIP and 4 Year Operating Budget Projections. As discussed during the budget process the last few years, there remains a shortfall in the 10 Year CIP funding, and this is now further impacted by anticipated use of operating reserves for Town initiatives over the next four years within the operating budget.

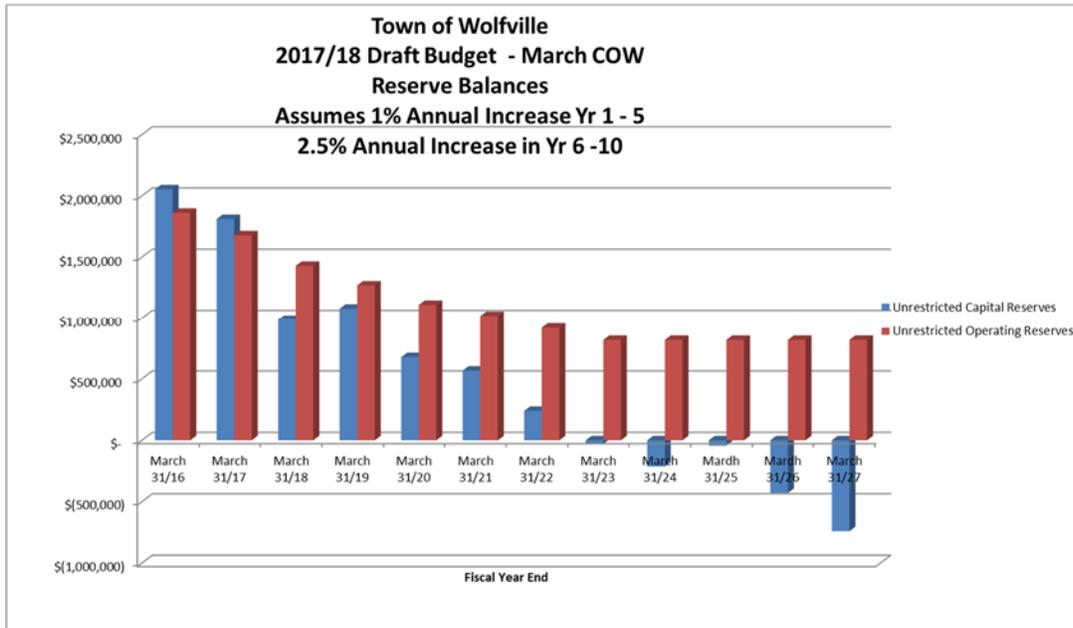
The following is an updated graphical depiction of the planned use of Town reserves:

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Key changes to the graph since it was last reviewed with COW include

- \$385,500 use of reserves for the operating budget projections over the next four years
- Correction in debt repayment projections over the next 10 years. The data for the 2013 debenture issue had been missed in the original analysis.

Further information is included in the budget RFD, but in summary any significant use of Operating Reserve balance for grants will create financial constraints by Year 3 as the Town will have dropped to the minimum required reserve balance according to provincial benchmark.

8) REFERENCES TO COUNCIL STRATEGIC PLAN AND TOWN REPORTS

See information report

9) COMMUNICATION REQUIREMENTS

The applicant will be notified of Council's decision.

10) ALTERNATIVES

To assist Council in its decision making, it may be useful to consider the following questions:

1. Does Council wish to provide funding?
2. If yes to question 1, what level of funding do you wish to provide?
 - a. 25K
 - b. 50K
 - c. 75K

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- d. 100K
- e. Some other amount?