

DATE: May 30, 1996  
SUBJECT: PHOENIX GYMNASTICS CLUB

Recommendation

THAT the request of the Phoenix Gymnastics Club for a rent subsidy be denied.

BACKGROUND

The Phoenix Gymnastics Club has been in existence for 26 years. The Club offer a broadly based program of gymnastics instruction from recreational to competitive levels.

The Club operates from leased facilities located at 3214 West 10th Avenue. Their annual rent is \$46,100.

The Club has submitted a proposal for the construction or acquisition of a new facility. This request is currently being evaluated, along with other projects, for inclusion in the 1997 - 1999 Capital Plan. In addition, the Club is requesting that the Board subsidize their current rent at the West 10th facility.

DISCUSSION:

The Club is asking the Board to subsidize the rent that they are currently paying at a level consistent with the subsidy provided to other youth sports who use the Board's facilities. Youth sports do not pay a fee for the use of natural turf playing fields or ball diamonds. Minor Hockey, Figure Skating and Ringette groups rent ice time at a rate approximate 2/3 less than the rate charged to adult users. Attached is an excerpt from an overall report submitted to the Board in February of this year. This excerpt clearly articulates the rationale behind the rent subsidy request.

Since the Board does not own the facility currently being used by the Club, and the Board is not permitted to give grants to any organization, the only way that a subsidy could be provided to the Club would be for the Board to take over the head lease with the owners of the facility, and sub-lease it to the Club at a subsidized rate. The Club is currently paying \$46,100 per year. A sub-lease to the Club at a 2/3 discount would cost the Board \$30,734.

Most municipalities allow youth sport groups to rent public facilities at a rate that is considerably less than what adult users pay. Vancouver is no exception.

However, these groups are the sole providers of the program and it is

considered in the public interest to insure that these services can be provided at the lowest possible cost.

The Phoenix Gymnastics Club provides an excellent program, and appears to have a broad base of support in the community. However, access to recreational gymnastics is not solely dependent on the program of this Club. Recreational gymnastic programs are offered at 16 of the Board's 21 community centres at a reasonable cost with qualified leadership. As is the case with most of the programs offered at the community centres, these gymnastic programs are mostly entry level or intermediate offerings. The Board does not normally offer programs at the elite or advanced level. While it is true that Minor Hockey and Figure Skating Clubs do provide advanced level programs, clearly there are no other organizations in Vancouver who provide minor hockey or figure skating programs.

The Board and the Community Associations offered a wide variety of programs in the area of visual and performing arts. Like gymnastics, these programs are mostly at the introductory level. There are several non-profit organizations in Vancouver who offer high level programs in the arts to children and adults. Arts Umbrella and MainDance are typical of these groups. These organizations rent facilities from which to operate their programs and charge whatever fees are necessary to sustain their operation. If the Board were to agree to subsidize the Phoenix Gymnastics Club, a precedent may be set that would make it difficult to turn down similar requests from other organizations.

If the Board were to agree to subsidize the rent of the Club, it will be necessary to find about \$30,000 from the existing operating budget or from new revenue sources. During the Budget Management Program the Board considered increasing minor sport rentals by 10%, charging children at 2nd Beach at Kitsilano Pool or charging youth sports for the use of playing fields. All of the proposed fee increases would produce between \$30,000 and \$40,000 annually. The Board declined to implement these increases.

Prepared by:  
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