



CITY COUNCIL

AGENDA

Wednesday, June 17, 2020 – Council Chambers, City Hall

Call to Order:	1:30 PM
Recess:	5:00 PM to 6:00 PM

1. IN CAMERA MEETING (to last approximately 1.5 hours)

1.1. Motion to In Camera

1.1.a. Social Housing Sites Disposition - FOIP 23(1)(a) Local public body confidences

1.2. Motion to Revert to Open Meeting

2. REPORTS

2.1. River Bend Golf and Recreation Society Extension of License and Operating Agreement

(Agenda Pages 1 – 3)

3. ADJOURNMENT



June 17, 2020

River Bend Golf and Recreation Society Extension of License and Operating Agreement

Prepared by: Shelley Gagnon, Manager
Department: Recreation Parks & Culture

Report Summary & Recommendation

The City has a 5-year License and Operating Agreement with the River Bend Golf and Recreation Society for the operations of the River Bend Golf and Recreation Area that expires December 30, 2020.

Administration is recommending a one-year extension of the current Agreement, until December 31, 2021, to provide additional time for deliberations to occur on future agreement provisions for the operations of the River Bend Golf and Recreation Area.

Proposed Resolution

Resolved that Council of The City of Red Deer having considered the report from Recreation Parks & Culture dated June 17, 2020 re: River Bend Golf and Recreation Society Extension of License and Operating Agreement hereby agrees to a one-year extension of the current Agreement, until December 31, 2021, to provide additional time for deliberations to occur on future agreement provisions for the operations of the River Bend Golf and Recreation Area.

Background

The River Bend Golf and Recreation Area (RBGRA) was developed in 1987 as part of the Waskasoo Park system in the city of Red Deer. Approximately 58% of the total 420 acres is related to the golf course while 42% is related to non-golf amenities. As owner of the RBGRA, The City holds the ultimate authority for the long term preservation and enhancement of these assets.

The Society records more than 30,000 people annually at the golf course. The mini links and driving range draw a further 10,000 people, while Discovery Canyon estimates annual visits of more than 40,000 people. It is estimated that more than 100,000 people use the trails for both summer and winter activities. The Society employs more than 100 people (90 on a seasonal basis). The estimated economic spin-off of the Area is approximately \$7.8 million annually to the Red Deer economy.

The City has held an Agreement with the River Bend Golf and Recreation Society (the Society) since 1989, upon the original development of the area. The current 5 year agreement is set to expire December 31, 2020, with a 6 month notice provision.



Current Situation

In late December 2019, The City contracted Deloitte LLP to conduct a financial and operational review of the River Bend Golf and Recreation Area and to make recommendations related to sustainability, service provision, and governance. This review was meant to inform future agreement negotiations, and was underway, when COVID-19 hit Alberta.

On March 19, 2020, due to COVID-19, The City closed all city owned facilities and amenities to the public, including the River Bend Golf and Recreation Area. In early May, the Chief Medical Officer lifted restrictions and permitted the operations of golf courses, with restrictions. For the past 10 weeks, the unprecedented impact and response required by COVID-19, has been The City's number one priority. Unfortunately, this has impacted the capacity of Administration, as well as the Society, and as a result, the Deloitte review has not been completed.

Legal Agreements:

The City has held a License and Operating Agreement with the River Bend Golf and Recreation Society (the Society) since 1987 when the River Bend Golf and Recreation Area (the Area) was first developed. The current agreement expires December 31, 2020 and does not permit a renewal without Council approval. The City must also provide six months notice to the Society.

Further, The City and Society entered into a Loan Agreement on March 26, 2019 to provide funding assistance specific to operations from January through April 2019. This loan (\$100,000 with an annual interest rate of 3.3%) is to be paid back in three equal annual installments beginning October 15, 2019. The Society has remitted one of the three installments (2019) with another installment in October of 2020 and 2021.

All Board members of the Society are appointed by Council including a Council representative on the Board.

Operational Impacts

Financial:

A one year extension to the current License and Operating Agreement would result in the following financial impacts:

- Continuation of the Fee for Service (\$289,501) paid to the Society by The City (this does not include any increase from the 2020 Fee for Service)
- Continuation of the License Fee (2.5%) paid to the City by the Society (this is the same License Fee as 2020)
- Continuation of the Operating Loan repayments (as per the March 26, 2019) agreement



- Deferral of the debt payment on the building loan for an additional year, with the loan repayment to commence in 2022.

Analysis

Administration is recommending that Council approve a one-year extension of the current License and Operating Agreement. This provides additional time for the Deloitte review to be completed and for further operating discussions of Council.

DATE: June 22 2020

TO: Shelley Gagnon, Recreation Parks & Culture Manager

FROM: Frieda McDougall, Legislative Services Manager

SUBJECT: River Bend Golf and Recreation Society Extension of License and Operating Agreement

Reference Report:

Recreation Parks & Culture, dated June 17, 2020.

Resolution:

At the Wednesday, June 17, 2020 Regular Council Meeting, Council passed the following Resolution:

Resolved that Council of The City of Red Deer having considered the report from Recreation Parks & Culture dated June 17, 2020 re: River Bend Golf and Recreation Society Extension of License and Operating Agreement hereby agrees to a one-year extension of the current Agreement, until December 31, 2021, to provide additional time for deliberations to occur on future agreement provisions for the operations of the River Bend Golf and Recreation Area.

Report back to Council:

No.

Comments/Further Action:

None.

“Frieda McDougall”

Frieda McDougall
Manager

- c. General Manager Community Services
Chief Financial Officer

DATE: June 22 2020

TO: Sarah Tittlemore, General Manager Community Services
Tricia Hercina, Social Planning Manager

FROM: Frieda McDougall, Legislative Services Manager

SUBJECT: Social Housing Sites Disposition

Reference Report:

Social Planning Services, dated June 17, 2020.

Resolution:

At the Wednesday, June 17, 2020 Regular Council Meeting, Council passed the following Resolution:

Resolved that Council of The City of Red Deer, having considered an In Camera item on June 17, 2020 re: Social Housing Sites Disposition, hereby endorses the recommendations as presented and agrees that the contents of the report will remain confidential, as protected by the Freedom of Information and Protection of Privacy Act, Section 24(1)(a) Advice from officials.

Report back to Council:

No.

Comments/Further Action:

None.

“Frieda McDougall”

Frieda McDougall
Manager