

Subject: Review of City of Ottawa Gymnasium Rental Pricing Structure

File Number: ACS2025-RCF-GEN-0004

Report to Community Services Committee on 22 April 2025

and Council 30 April 2025

Submitted on April 9, 2025 by Emily Baxter, Director of Community Recreation and Services, Recreation, Cultural and Facility Services

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Ward: Citywide

Objet : Examen de la structure tarifaire de location des gymnases de la Ville d'Ottawa

Numéro de dossier : ACS2025-RCF-GEN-0004

Rapport présenté au Comité des services communautaires

Rapport soumis le 22 avril 2025

et au Conseil le 30 avril 2025

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Quartier : À l'échelle de la ville

REPORT RECOMMENDATION(S)

That the Community Services Committee recommend Council approve the revised gymnasium rental pricing structure.

RECOMMANDATION(S) DU RAPPORT

Que le Comité des services communautaire recommande au Conseil d'approuver la structure tarifaire de location des gymnases modifiée.

BACKGROUND

The gymnasiums that are part of several municipal community centers and recreation complexes host a variety of recreation and sports programs on a year-round basis. This includes direct participatory and instructional programs provided by the City, drop-in sport activities, as well as use by external community sports leagues and private clubs.

In order to facilitate the use of municipal gyms by external groups, the City developed a rental policy to fairly and efficiently administer access. The current policy was approved in 2002 to harmonize the approaches taken by legacy municipalities and to establish new fees that reflected the new municipality's pricing policy. For this first policy, gymnasiums were included in a broader policy that covered the rental of halls, meeting rooms and similar community spaces. As part of the ongoing process to update older departmental policies, staff initiated the review of the Hall, Meeting Rooms and Gyms rental policy in 2024, and determined that gymnasiums should be separated from the other types of spaces to provide a more focused approach to the primary purpose of gyms and the need to accommodate and prioritize the vital role they play in hosting community sports. This report proposes creating a simplified pricing model specific to gymnasium rentals. The proposed model will implement a structure that aligns with the current allocation of arenas, sports fields and ball diamond rentals, and better reflect the needs of current gym users. These changes were developed to maintain existing revenue targets for gymnasium rentals.

A broader policy review, including updates to the allocation of gymnasium space, will be done through an indoor court strategy to be initiated following this update. As well, the policy for the rental of halls and meeting rooms is currently under review and will be the subject of a separate report.

DISCUSSION

The new gymnasium pricing structure recommended in this report consists of three rental categories: minor, standard and premium. The category of the rental determines how the rental is priced, based on factors like the age of participants, time and day of use, potential for profit generation and the inclusion of alcohol. Due to the high community demand for gym rental time, and the limited number of gymnasiums and availability, a primary objective of this review is to establish a rental structure that prioritizes gymnasium space for the purpose-built recreational and sports use over the non-sporting rentals, which could otherwise be accommodated in halls or studios. Gymnasiums currently being used as halls will no longer have the hall rental rate applied to them and will transition to the new gymnasium fee structure.

The new recommended rental activity types for gymnasium bookings will be as follows:

1. Gym-Minor-Rental: bookings for participants 18 years and under (with select exceptions).
2. Gym-Standard-Rental (Prime/Non-Prime rates): bookings for participants 19 years and over, and activities of a private nature such as family events, children's birthday parties, ect..
3. Gym-Premium-Rental (not subject to Prime/Non-Prime rates): commercial activities and bookings where alcohol is served.

Affordable and accessible gymnasium space has been a growing concern among minor sports groups and leagues. Responding to this concern, the recommended gymnasium rental structure provides more affordable gymnasium time to minor groups with the creation of a reduced rate. This approach mirrors the existing affordability provisions built into arena ice time rentals and rentals for sports fields and ball diamonds. Minor user groups, defined as a group with participants aged 18 years and under, aligns with many minor sports groups who have U19 teams at the upper end of their organization age range.

Proposed city rental rates in the local gym market

Reviewing 2025 rates from a representative sample of Ontario municipalities, the City of Ottawa's gymnasium rental rates consistently remain among the most affordable. In comparable scenarios, such as adult rentals during prime hours, Ottawa's rates tend to fall on the lower end of the spectrum. While not all municipalities were included, the City's rates are among the most competitive in the province. For example, the proposed

City of Ottawa prime standard rate for an adult, of \$67.95, is about 9% below the Mississauga rate of \$75 and 20% below the Hamilton rate of \$85.29.

The benchmarking for Ottawa gym providers included schools, post-secondary institutions, the Boys & Girls Club, and religious facilities. The average gym rental rate was approximately \$80 per hour. For context, church rentals typically ranged from \$50–\$75, while the Boys & Girls Club charges \$60 for non-profit groups, \$78 for private users, and \$120 for commercial rentals. School boards offer the lowest rates in Ottawa supported by Provincial subsidies aimed at encouraging affordable community use outside school hours. Prices range from \$6 per hour for minors, \$21 per hour for non-profit rentals, and up to \$60 per hour for commercial rentals. The proposed change maintains similar rate amounts within new categories. Costs are similar to benchmarked municipalities and local gym providers and continue to provide affordable access to community members.

The review of gym rental categories and rental rates aligns with the City Service Review direction to ensure that user fees reflect the recovery of cost to deliver services, while aligning with Council's priority to enhance accessibility for target populations and optimize facility use.

Prime and non-prime rental hours

The standard category is subject to non-prime and prime hours. For gym rentals, non-prime hours are defined as Monday to Friday, from facility opening until 3:59 pm. Prime hours are defined as Monday to Friday, from 4 pm to midnight, and all day on Saturday and Sunday. This structure is designed to encourage gymnasium usage during off-peak hours, with a reduced rate between opening and 3:59 pm. Offering affordable and accessible recreation is a core component of the department's mandate. This will provide more affordable gymnasium options to groups looking to rent during the daytime, such as senior-focused groups. The minor rate in both prime and non-prime hours remains the same to reflect the same family friendly subsidy for gym rentals.

The new pricing model will bring consistency across facilities while allowing the City to optimize the use of facilities. A standard designation of prime and non-prime is proposed to implement this new policy but it may be beneficial to adjust these timeframes using delegated authority based on a facility by facility consideration of local needs and rental demands in order to further optimize use.

Establishing standard and consistent gymnasium sizes

An important factor in determining the rental fee for a gym is the amount of space a group will receive for their exclusive use. Because not all gyms are the same size, and some gyms can be subdivided into different configurations, there is a need to simplify and standardize the City's approach. This policy recommends that only two gym sizes exist going forward: regular and small. Space that is currently categorized as "half gymnasiums" will be categorized as small gymnasiums, and full gymnasiums, with two or three sections, will be categorized as a regular gymnasium. This will ensure clarity and uniformity across all facilities while continuing to charge a fee that is proportionate to the size of the space provided.

Impact of changes

The review of existing gymnasium bookings indicates that most minor groups will transition from the not-for-profit or private rate to the new minor rate. Many minor sport organizations, such as minor basketball, volleyball and badminton, will see a reduction in their rental rates. Groups who currently book during non-prime hours will also see a reduced rate as day time hours will be reclassified as non-prime.

Adult-focused bookings, who are currently charged either private or not-for-profit, will now be charged the standard rate, which is subject to prime and non-prime hours. The standard prime rate was determined based on the current private activity rate.

A small number of adult groups will see a significant increase in their rental rate, when transitioning from the not-for-profit rate to the standard rate during prime hours. A 'phased-in' approach for the fee increase will be available for existing clients in this situation to ease the financial impact as groups transition to the new rates. Clients booking 40 hours or more, who see an annual permit increase of \$200 or more, will have their rate adjustments phased in over two years. For the 2025-26 season, permit rates will increase approximately halfway between the current and final rate. For example, a client currently renting a full gym at the not-for-profit rate and transitioning to the prime rate would see an increase from \$47.53/hour to \$67.95/hour, a difference of \$20.42/hour.

Commercial groups and events with alcohol will now be charged the premium rate. The premium rate was determined based on the current 'Private Special event with Alcohol, Large Hall B', rate.

All rental rates are subject to annual cost of living increases through the budget process. These changes were developed to maintain existing revenue targets for gymnasium rentals.

Implementation timelines

With the approval of Council, staff would begin allocating gymnasium space using the new fee structure immediately for any bookings beginning in September of 2025. Any bookings made on or after September 1, 2025, will be subject to the new proposed gymnasium fee structure. Clients will be notified of this change promptly and existing contracts made under the previous fee structure will be honoured as per established practice.

By streamlining processes, ensuring consistency across facilities, and providing a more equitable and user-friendly pricing framework, this model offers significant improvements to residents. It focuses on aligning pricing structures, expanding access, and optimizing facility use. Following implementation, staff will begin work on an indoor sports court strategy that will review other gymnasium allocation considerations.

FINANCIAL IMPLICATIONS

There are no financial implications as a result of this report.

LEGAL IMPLICATIONS

There are no legal impediments to approving the recommendations of this report.

CONSULTATION

Staff met with Councillors on the Community Services Committee and participated in a consultation with Ottawa Sport Council to outline the proposal to interested stakeholder groups. An Engage Ottawa page was created to provide a description of the new gymnasium rental model and includes a devoted email address for residents to submit comments and questions. Staff will continue to monitor this email inbox throughout the implementation phase.

ACCESSIBILITY IMPACTS

As outlined in its Accessibility Policy, the City of Ottawa is committed to ensuring equitable access to the use and benefit of its services, programs, and facilities for persons with disabilities, in a manner that respects their dignity and that is equitable in relation to the broader public.

All actions outlined in the gymnasium rental pricing structure will also comply with the requirements outlined in the *Integrated Accessibility Standards Regulation (IASR)* of the *Accessibility for Ontarians with Disabilities Act, 2005*.

This new structure is designed to enhance accessibility by providing clear, affordable and flexible options for all clients, including persons with disabilities and older adults, wanting to rent the City's gymnasium facilities.

DELEGATION OF AUTHORITY IMPLICATIONS

As reflected in the delegated authority by-law, the General Manager of Recreation, Cultural and Facility Services has the ability to adjust the designation of prime and non-prime hours as needed.

RURAL IMPLICATIONS

There are no implications specific to rural areas.

TERM OF COUNCIL PRIORITIES

The recommendations in this report are aligned with the following 2023-2026 Term of Council priorities:

A City that has affordable housing and is more livable for all.

Investing in recreation and cultural opportunities affects the lives of all residents, including those most in need, is a key priority for the City.

SUPPORTING DOCUMENTATION

Document 1 – Gymnasium Pricing Structure

DISPOSITION

With the approval of Council, staff would begin allocating gymnasium space using the new fee structure immediately for any bookings beginning in September of 2025.