



Municipality of the District of Argyle

Item: YMCA request for partnership

Date: April 28, 2020

## VISION

We see Argyle as home to a healthy and thriving rural population. Our municipality promotes and supports economic and social opportunities for the region and engages in the active expression of our unique Acadian heritage. We are a place of choice for rural living and are widely recognized for our warm hospitality and joie de vivre. Surrounded by fresh air and cool ocean breezes, we work and play in the great outdoors. People choose to live in Argyle because of our commitment to each other, to our community and to our neighbors. Argyle is a place we are proud to call home.

## **Background:**

Council has received a request from the YMCA regarding a proposal to partner with a purpose to fund and support the YMCA operations over a longer term. The partnership proposal suggests a scenario where the municipalities would share in the ownership of the YMCA in its current location. With no foreseeable project in sight for a Mariners Center expansion, it is left the YMCA and the municipal units with uncertainty on the delivery of this recreation service.

Currently the YMCA is closed due to COVID, which adds complexity to their current situation. We are also in a time of complexity which makes the financial request ill timed.

As you are aware. The YMCA received funding from all three municipalities for an assessment of their current location. The result has been shared with Council. In short, A 20+ year solution would cost \$8,400,000. The cost would not include anything extra; it includes accessibility improvements and compliance with new regulations, but no new service.

The alternative solution, which is to address needs for years 1-10, would be about \$5,300,000, with \$1,500,000 of it needing immediate response. So in short, the YMCA would be in need of about \$1,500,000 to address immediate needs.

The Municipality of Yarmouth has discussed this request, and has refused to enter any agreement with the YMCA. I do not have the actual wording of the motion, and it is my understanding that the YMCA is reaching out to MODY to determine exactly what that decision means, and whether it means it is no longer interested in funding the Y operations.

The Town has discussed this partnership proposal but I do not have any decision to share with Council as of 4 pm today. It is clear that neither the Town nor the Municipality of Yarmouth are interested in ownership of that building at this time, as was suggested by councilors around this table at an earlier discussion.

I have reached out to the interim CEO, and the intention of the proposal was to present an option to the Municipalities and are open to alternatives. What they seek, as do many profit and non-profit organizations, is a sustainable, longer term plan. Each year, we ask the YMCA to present a request to three municipal units. Each year, the Y has no idea whether their funding

will continue or be cutoff, and with growing costs, and decreased revenue sources, this is becoming a large challenge for them.

The YMCA is a charitable organization, with multiple objectives, in recreation, in community support and spirit. They still receive endowments from estates that have a long history with the organization, and up until COVID, have successfully fundraised a minimum of \$100,000 annually through their Y-12 lotto and other means. Their fundraising success has waned as of late. We can presume the reasons, and they could include an aging facility that is taking priority over fund raising plans; an aging facility making the place look less attractive therefore less attractive of a fundraiser; increased competition amongst fundraisers; decreased membership; decreased community capacity; reduced community outreach ....

The YMCA has traditionally been supported by all three units to support the aquatic portion of their operations. For many years, the YMCA has led in swimming lessons and developed a strong team of competitive swimmers, thanks in large part to dedicated staff and volunteers.

Without some form of viable solution coming from one, two or all municipalities, the YMCA is likely to commence a process of closure. The YMCA has asked for a response by May 5<sup>th</sup>, 2020.

Any major retrofit of the YMCA in its current location would likely require provincial and/or federal support. With a new aquatic center seemingly far away in funding, the municipality is being asked to consider an interim solution to maintain a service to our residents.

The Municipality, therefore, should ponder the following: Is the service delivered by the YMCA important to our residents. If not, then the decision is clear. If so, is it Argyle's responsibility to assist in the financial issues of the YMCA, and if so, what is an acceptable magnitude.

**Accept the proposal as is, consider ownership of the asset in its current condition**

**Propose a modified funding solution to the YMCA, in collaboration with your partners**

**Reject any future financial contribution**

**MGA considerations:**

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As the YMCA is a non-profit organization delivering recreational services for a region, this consideration is Section 65 eligible. Council can own a building for the purpose of delivering this service if it so chooses. It is also able to contribute to a non-profit organization without ownership, if we disclose the amount in a local paper for taxpayers info.

**CAO's Recommendation:**

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Based on the condition of the current location, it would not be recommended to consider ownership. Which leaves the option of negotiating an alternate support, or rejecting the request. MODY has rejected the request, and we are unsure of the ramifications; other that the largest and wealthiest of the

three units just said no. This has implications on the remaining municipalities, and places some onus on the Town to come up with a plan. An individual plan of action is not advisable, unless your answer is no.

If you value the services of the Y, and know that these services are serving your residents, and that the service ranks high in your priorities for a healthy and sustainable community, my recommendation is to reach out to the Town and determine their intentions for an asset currently located in their downtown core. If they are uninterested in continuing, then we left alone with a significant funding issue for the Y.

I would not suggest a decision at this meeting, rather I would recommend we reach out to community users, and our municipal partners to further inform your decision. A special meeting may be called before the deadline.

**Suggested motion:**

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No suggested motion for the COW meeting.