

**LEGISLATIVE ASSEMBLY OF THE
NORTHWEST TERRITORIES
5TH COUNCIL, 32ND SESSION**

**RECOMMENDATION TO COUNCIL
NO. 1-32**

TABLED ON JANUARY 25, 1966



3rd November, 1965.

Confidential - Not
for release before
tabling during the
32nd Session of
Council.

NORTHWEST TERRITORIES

RECOMMENDATION TO COUNCIL NO. 1
(First Session, 1966)

PROPOSED EXTENSION TO THE COMMUNITY CENTRES
GRANTS PROGRAM

DISPOSITION

Accepted as Read.....
Amended.....See Text
Rejected.....See Text
Deferred.....See Text
Not Considered.

PROPOSED EXTENSION TO THE COMMUNITY CENTRES
GRANTS PROGRAM

Briefs were tabled at the 30th Session of the Council held in Yellowknife, June, 1965, requesting an extension to the grants presently payable under the Community Centres Program. Copies of the briefs are attached.

1. Present Terms of the Program

The Community Centres Grants Program provides assistance to the capital costs of approved community centres erected by municipalities or incorporated community societies on the following basis:

- (a) The Territorial Government provides matching grants towards the first \$100,000 in cost of an approved project. The maximum Territorial grant now payable is therefore \$50,000.
- (b) No community or society is eligible for a grant under the program for a period of five years after a grant has been made, except where a project is spread over more than one year. The five years would then be counted from the first year in which a grant is made.
- (c) Municipalities are expected to provide by direct contribution of cash, labour or services, or a combination of these, at least 12-1/2% of the first \$50,000 of shareable cost and 25% of any excess of shareable cost over the first \$50,000 and up to \$100,000.
- (d) The balance of the 50% share of a municipality can be financed through loans secured by debentures. Debenture financing is, of course, not available to societies existing outside the boundaries of incorporated municipalities.

2. Summary of Hay River Request

The Hay River brief, tabled as Document No. 11 at the June, 1965 Council Session, requests that the Territorial grants under the program be increased for larger projects as follows:

<u>Total Outlay</u>	<u>Territorial Grant</u>	<u>Local Share</u>	
		<u>Non-Debenture</u>	<u>Debenture</u>
\$100,000.00	\$ 50,000.00	\$18,750 pledges	\$31,250.00
\$200,000.00	\$100,000.00	\$18,750 pledges \$18,750 Mun. funds	\$62,500.00
\$300,000.00	\$150,000.00	\$18,750 pledges \$37,500 Mun. funds	\$93,750.00

3. Summary of Fort Smith Request

The Fort Smith request, tabled as Document No. 6 at the June, 1965 Council Session, presented similar terms to those received from Hay River, with the exception that the basic philosophy of approach was broader. The rationale supporting the request for increased grants was based on a concept of "telescoping" the five-year waiting periods between projects which now form a part of the community centre program. It is further keyed to the maximum debenture period allowed for municipal borrowing under the Municipal Ordinance. The Municipal Ordinance presently allows fifteen-year debentures, and the Fort Smith request, therefore, calculates the maximum 50% grant for a project at three "units" of five years, or \$150,000. This would allow a maximum approved project of \$300,000. Under proposed changes to the School and Municipal Ordinances, however, local debenture borrowing could be extended to a maximum of twenty years. If the Fort Smith brief was accepted in principle, the application to revise terms of the Ordinance would, therefore, allow a maximum project of \$400,000, upon which a 50% grant would be payable.

4. Provincial Assistance Programs of a Similar Nature, Where Existing

The following are the assistance programs currently offered for similar purposes in the Prairie Provinces and Ontario:

- (a) Alberta - The Province of Alberta provides up to four grants annually throughout the province, to a maximum of \$7,000 each to assist municipalities in the construction of swimming pools. There is no continuing program for other community recreational facilities, although a "one shot" \$10.00 per capita grant was paid in 1960 to municipalities in Alberta, other than the cities of Edmonton and Calgary.
- (b) Saskatchewan - The Province of Saskatchewan does not make grants available under any program similar to the Northwest Territories Community Centres Program.
- (c) Manitoba - The Province of Manitoba does not make grants available under any program similar to the Northwest Territories Community Centres Program.
- (d) Ontario - The Province of Ontario provides 25% grants to a maximum of \$5,000 for capital costs of approved recreational facilities. The grant may be raised to a maximum of \$10,000 when both a community hall and a swimming pool, or skating arena, are involved.

It is seen from the above that the present maximum grant of \$50,000 under the N.W.T. Community Centres Program is ten times as generous as Ontario, the only province which has a continuing program of a similar nature.

5. Local Implications of Increasing the Maximum Size of Projects

Since no one has questioned the 50% basis upon which costs are shared under the Community Centres Program, our observations are based on the assumption that this cost sharing arrangement would continue if the allowable costs of a local project were increased. The implications of any increase from the local standpoint appear to be as follows:

(a) Unincorporated Settlements

Any upward revision in the size of projects and maximum grants allowable would have virtually no effect on unincorporated settlements since such small settlements cannot afford projects of the magnitude contemplated in the Hay River and Fort Smith briefs.

(b) Towns and Villages

- (i) Although we agree that overall construction costs could be lowered somewhat by allowing larger maximum projects (or abandoning the five-year waiting period as suggested by Fort Smith), the danger would then arise that large recreational facilities would be constructed which would prove to be "white elephants". This would particularly apply at Fort Smith until such time as the choice of a capital of the Territories is settled. While the present five-year waiting period might be criticized as inhibiting local aspirations and adding to the ultimate costs of large projects, it provides the benefit of a proving period in which local residents can verify that the facilities being constructed will in fact be fully utilized and that the community can support the costs of operation and maintenance.
- (ii) Debenture borrowing -- Large projects of a magnitude contemplated by Fort Smith and Hay River could tie up municipal debenture funds on secondary needs and might jeopardize primary debenture requirements for essential municipal services, such as water-sewer, fire protection, town halls, hospitals, education, etc.
- (iii) In spite of the comments in (i) and (ii) above, however, the present high cost of construction coupled with the requirement to provide adequate community recreational and cultural facilities of a suitable and modern appearance would suggest the advisability of a compromise proposal. Because of the need to ensure communal participation and prevent lavishness it is not felt that a grant of more than 50% of cost would serve this purpose.

The compromise would be to increase the allowable amount of construction for the five-year period to \$150,000 from the present \$100,000 with the same terms, i.e. a 50% grant, not exceeding \$75,000 for approved projects during the five-year period.

6. Financial Implications from the Territorial Government's Viewpoint

- (a) The present terms of the Community Centres Program are tied to the 1962-67 Federal-Territorial Financial Agreement and any upward revision of grants would have to be approved by Treasury Board unless the Territorial Government could

find extra capital funds within its five-year budget.

- (b) If the compromise noted in 5 (iii) is acceptable, it is likely that within the period 1967-72, only three locations would be in a position to undertake such a project, namely, Hay River, Fort Smith and Yellowknife. This would increase the amount of grant funds by \$75,000 over the term of the Agreement.

7. Recommendations

- (i) No change be made in the matching grant of 50% towards the cost of an approved project.
- (ii) The total cost of all projects for any one locality under the program during the forthcoming Federal-Territorial Financial Agreement be \$150,000 with the matching grant not exceeding 50% or not more than \$75,000 in the five-year period.



NORTHWEST TERRITORIES

TABLED DOCUMENT NO. 6

The attached brief regarding Territorial Financial Assistance -
Municipal Community Centres is submitted by the Fort Smith Community
Society.

FORT SMITH COMMUNITY SOCIETY

Mr. S.A. Dodds,
Chairman,
Fort Smith Village Council,
Fort Smith, N.W.T.

May 26, 1965.

Dear Mr. Dodds:

Territorial Financial Assistance - Municipal Community Centres

Recently the costs of providing adequate social and physical community recreational facilities on a scale sufficient for the minimum year-round needs of our larger incorporated communities has for a number of reasons grown beyond the grant system founded to assist in their construction. This has created a barrier to the completion of integrated multi-purpose facilities on a joint, or at least, an accelerated basis.

The program in its present concept calls for re-eligibility for grants up to the \$50,000 maximum at the end of any given period of 5 years.

The result has been a bottleneck in the completion of comprehensive facilities have a broad appeal to the entire family in the community. While it is possible, for example, to build a skating arena for just under the maximum eligible costs of \$100,000, or a Community Centre-Care containing club rooms, meeting rooms and social facilities or, to complete a suitable three to five sheet curling rink, it is impossible under the present grant system to complete all of these facilities at the same time and still operate under full benefit of the program. Incorporated communities have the necessary population and adequate potential with respect to financing a fair proportion of costs at reasonable debenture rates not available to other communities, and it is for this reason that this brief is submitted with respect to communities who are now; or who subsequently become incorporated.

For a number of reasons it is therefore suggested that: (a) the present restriction of a 5 year waiting period now in force before further grants can be applied for be revoked. Also (b) that the grant maximum, or ceiling, as presently constituted, be replaced by a figure based on an equivalent number of renewable periods of eligibility equal to the allowable length of term of the debenture portion of the cost - provided of course that the estimated life of the centre equals or exceeds the term of the debenture. The present maximum debenture period allowable is 15 years, however, it may be changed. A 15 year debenture period equals 3 x 5 years; or 3 periods. Thus grants of \$150,000 would be proposed on projects proposed. In recognition of the vital position of the ratepayers of the community, it is further suggested that (c) the portion of costs to be raised from local contribution permit a direct contribution out of the revenues of the municipality for the local cash portion in excess of the present program maximum requirement of \$18,750 for any amount of total cost in excess of the present program maximum. This is further illustrated in the following table:

Total Outlay	Territorial Grant	Local Share	
		non-Debenture	Debenture
\$100,000	\$ 50,000	\$18,750 pledges	\$31,250
200,000	100,000	18,750 pledges	62,500
		18,750 Mun. funds	
300,000	150,000	18,750 pledges	93,756
		37,500 Mun. funds	

While the present program does not specify the source of local contributions and re-definition is not sought; approval in principle to the above method of financing is suggested to assure both a realistic local campaign and practical assurances that the integrated facilities proposed can in fact be programmed for completion within a reasonable and economical period of time. It is hoped thereby to avoid a crippling pledge campaign, or one whose total requisition would make impossible the proposed concentration of programs which we have set out here.

The rapid rate of growth of our northern communities, the necessity to overcome isolation boredom and the awkward barriers against proper and desirable social integration of all the peoples of the north, the need to attract a more responsible type and a more permanent stable semi-skilled and professional element--all these reasons in the emerging strong free north make facilities for the social and recreation needs of the families of all the people essential for positive development of our organized communities. This will allow community development to occur in a way which allow our local and our native people especially to participate more fully, decently, and equally. To do this competently requires community planning in the sense of building the services of each community phase by phase beginning with the simple urgent requirements. These include shelter, utilities, community services, employment and, not least, good wholesome recreation. We are concerned with recreation as a key to better, more stable community life.

Living as we do in a territory which "boasts" one of the highest venereal diseases rates in Canada, as well as an alcoholic consumption that is astronomical as well as "High", and with the highest death rate from the exhaustion diseases of the unfit--including pneumonia--we have cause to view with serious concern the lack of suitable and enjoyable as well as adequate social and sports recreation facilities to make our communities healthy, physically fit, morally and socially well adjusted. We know of no other way by which this end could be better achieved than as proposed.

It is therefore submitted to the Members of the Territorial Council that present legislation be amended to permit maximum development of long-term multi-purpose local recreation facilities to take place as outlined above over a reasonably short period of time.

To ensure maximum use and minimum net operating costs to the communities, it is further recommended that (d) communities which agree to erect a multi-purpose recreation centre be made eligible for receipt of physical fitness directorate grants for 50% of the cost of hiring adequate, qualified recreation managers. There would be no objection if it were made a requirement of the capital construction grant that an approved recreation Manager be employed to ensure maximum return for the investment of the people of Canada and of the Territorial Council in the future and well being of its people.

Finally, it is recommended that to implement the program, (e) funds be approved in principle for projects now proposed or which could be completed as under the enlarged terms of the program at Hay River and Fort Smith, respectively. For construction as soon as acceptable plans and financing proposals are obtained; together with the approval of local ratepayers.

Yours sincerely,

P. Ferguson,
President,
Fort Smith Community Society.

B R I E F

To the Commissioner and Members
of the Northwest Territories Council

From the Council of the Town of Hay River

With regard to Regulations
governing grants to communities for
construction of Recreational Facilities.

Hay River, N.W.T.

June 12, 1965.

BRIEF TO THE COMMISSIONER AND
MEMBERS OF THE NORTHWEST TERRITORIES
COUNCIL FROM THE COUNCIL OF THE TOWN
OF HAY RIVER WITH REGARD TO REGULATIONS
GOVERNING GRANTS TO COMMUNITIES FOR CON-
STRUCTION OF RECREATIONAL FACILITIES.

In 1962 the town of Hay River undertook the building of a community centre, consisting of an arena, centre core, and a curling facility at an estimated cost of \$100,000.00. A grant of \$50,000.00 was received from the Territorial Council to defray half the cost of the capital expenditure. The \$50,000.00 remaining was raised by a debenture of \$31,250.00 and local subscriptions of \$18,750.00.

With the funds available, the town of Hay River has managed to construct the arena and some materials are on hand to partly complete the centre core. It will be impossible to carry out this project as originally planned under the present plan of financing. The reasons for finding ourselves with insufficient funds are as follows: (1) Although estimates were obtained from a reputable firm of architects, it is now obvious that the estimate of costs made by that firm of architects was too low. (2) The actual construction was considerably delayed by the Hay River flood which made it necessary to relocate the community centre after the foundations had been constructed. During this period of approximately two years, the cost of material and labour increased considerably and although the Territorial Government very generously reimbursed the town of Hay River for its loss due to the flood, the loss of material and labour could not be replaced for the same price at the later date.

Hay River has certainly received full value for the money spent on the recreation centre project to date. Both in the amount of the physical plant that has been completed and in the effect that the arena has had on the life of this community. The arena building proper was completed to the extent that it could be put into use by January 15th., 1965. The attached extract from the report of Mr. Mansell, Chairman of the Hay River Recreation Board, to the

Director of Recreation at Fort Smith shows the extent to which this arena was used by the people of the community. It is the consensus of opinion among school authorities, service groups and the R.C.M.P. in the town that the recreation afforded by the arena has had a marked effect on the conduct and attitude of the people of Hay River as a whole and on the young people in particular. It is obvious that if we are able to complete the community centre as originally planned, it will have an effect on this community far in excess of the cost in dollars. Unfortunately, under the present Territorial grant structure, it will be impossible to complete this project as planned.

We therefore request that the Territorial Grants Regulations be amended to make provision for increased grants for larger projects as follows:

<u>Total Outlay</u>	<u>Territorial Grant</u>	<u>Local Share</u>	
		<u>non-debenture</u>	<u>Debenture</u>
\$100,000.00	\$ 50,000.00	\$18,750 pledges	\$31,250.00
\$200,000.00	\$100,000.00	\$18,750 pledges \$18,750 Mun. funds	\$62,500.00
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We submit that this new schedule of grants would have a number of advantages.

1. The cost in grants to the Territorial Government, although larger at the outset, would not be larger in the total grants over a period of fifteen years, for a project costing \$300,000.00, built in stages. For example, should it be necessary for Hay River to wait five years for the second grant of \$50,000.00 and another five years for the third grant of \$50,000.00, the community centre, which is required now, will be in a constant state of construction and will not fully serve the purposes for which it is being constructed. We realize that, if this suggested plan is adopted, further grants for recreational purposes would only be available

after a period of fifteen years.

Although our arena, as we have pointed out, has been of immense benefit to the town, it loses some of its value because the dressing rooms, waiting rooms, etc. which were planned for the centre core, are not yet available. The limited facilities of the arena, without the centre core, have been taxed so greatly that it became a matter of real concern to the Recreation Board this past winter.

2. The suggested schedule of grants leaves the amount to be pledged locally at \$18,750.00. We contend that this is the maximum which a small community may logically be expected to raise by local subscription. It amounts to \$10.00 per head for every man, woman and child in the community and would be comparable to an amount of four million dollars for a city the size of Edmonton. Such an amount, we believe, would present quite a challenge to such a community, even though it would have larger commercial and industrial resources to call on and we feel that the record of Hay River in regard to raising funds for this project is as good as can be expected.

The people of Hay River are enthusiastic about this recreation centre project and are convinced that it is and will fulfil an essential requirement and need in this community. The consideration which Hay River has always received from the Territorial Council is gratefully acknowledged and it would lead us to believe that careful and sympathetic consideration will be given to this brief.

Respectfully submitted.

THE MAYOR AND CORPORATION
OF THE TOWN OF HAY RIVER

per _____
(D.M. Stewart) Mayor

NORTHWEST TERRITORIES

office of
Regional Co-ordinator of Recreation
Hay River, N.W.T.

May 2nd., 1965.

Mr. J. van Felt,
Director of Recreation,
Fort Smith, N.W.T.

Dear Jack:

Re: Recreation - Hay River.

As you are aware, recreation in Hay River, from the standpoint of the Recreation Board, is still predominately concerned with hockey and baseball. We hope to get some activity going next fall in badminton and in basketball but these, too, are in the line of sport and the other side of the recreational field has not progressed very far as yet. However, we feel that if we can get a few activities organized and properly active, we are on the right track.

You are familiar with the hockey activity during the past winter. I have a copy of the report of Mr. L. Makepeace to the Hay River Community Society on the winter's operation and you might be interested in the statistical information:

<u>PROGRAM</u>	<u>NUMBERS OF PEOPLE</u>
1. Girls Figure Skating 16 years and under	26
2. Girls Hockey 14 years and under	22
3. Girls Hockey over 14 years	42
4. Boys Hockey 4 to 7 years	32
5. Boys Hockey 8 to 10 years	36
6. Boys Hockey 11 to 14 years	60
7. Boys Hockey 15 to 18 years	30
8. Mens Hockey	<u>45</u>
	Total 293
9. Public Skating - estimated maximum attendance in one day	375

In addition to the above statistics, I might add that over 30 people gave freely of their time and energy to coach the teams listed above. #3 above includes quite a number of married and single women who were interested in getting out for a little competitive sport and this activity created much interest. I think that the most serious hockey of all was played by the boys, aged 4 to 7 years. These little fellows, as did every other group, showed amazing improvement in their ability to skate and drew constant crowds of spectators. The result of the activity in the arena this winter was that it became the centre of community activity and there was a noticeable lessening of other, less savory, activity in the town. By and large, the conduct of the public at the arena was exemplary and it was possible for families to

send their children to the arena without fear of their getting into trouble.

Our native children were included in the arena activities to whatever extent they themselves desired without any discrimination. However, I think there was some reluctance on the part of some of the Indian children to get involved, whether because of lack of funds to buy equipment or other reason, I don't know. The Recreation Board will have to look into this aspect this coming fall. The natural athletic ability of the Indian people is recognized and it is one way in which this group of our people can secure the necessary sense of achievement.