



January 13, 2017

TO: Park Board Chair and Commissioners
FROM: General Manager - Vancouver Board of Parks and Recreation
SUBJECT: CCA Joint Operating Agreement Amendments

RECOMMENDATION

THAT the Vancouver Park Board receive the proposed amendments, as outlined in this report, for the final draft Joint Operating Agreement between the Park Board and Community Centre Associations that was received by the Board on December 12, 2016; and

FURTHER THAT the Special Board Meeting for Commissioners to hear feedback from the public and Community Centre Associations be rescheduled to February 8, 2017, and then reconvened on February 16, 2017 for Commissioners to discuss and vote on staff recommendations.

POLICY

The Vancouver Park Board has exclusive jurisdiction and control over public parks in the City of Vancouver and is responsible for establishing policy objectives as they pertain to parks and recreational facilities. Policy objectives are developed to ensure good governance of park operations and to benefit all Vancouver residents and, in some instances where appropriate, sub-groups of the public who may have particular needs through the delivery of recreational, social, cultural, educational, and other services.

As outlined in the December 12, 2016 staff report, a new Joint Operating Agreement (JOA) between the Park Board and Community Centre Associations (CCAs) will support the four foundational principles for the Community Centre Network established by the Park Board:

1. **Equity among Community Centres:** All Vancouver citizens have access to a core set of programs that lead to healthy living and ultimately, to healthy communities.
2. **Access to a Network of Community Centres:** System that allows for a universal membership or other system to be used for all rinks, pools, fitness centres and core programs across all community centres.
3. **Access for all Citizens:** Single policy and process that respects confidentiality to ensure all residents have access to basic recreation programs and services regardless of income.
4. **Operational Sustainability and Accountability:** An operating relationship for community centres that is sustainable, accountable and transparent.

BACKGROUND

On December 1, 2016, Park Board staff distributed a final draft of the JOA to the CCAs and the public. The final draft JOA resulted from significant efforts to update the agreement between the Park Board and the CCAs, including a fulsome consultation process of thirteen (13) consultation and feedback sessions.

Following distribution of the final draft JOA, Park Board staff held an information meeting with the CCAs on December 3, 2016. The intent of the meeting was to walk through the document and to discuss outstanding issues with any CCAs that chose to attend. During the information meeting, staff heard from some CCAs that there were remaining areas of concern in the final draft JOA.

On December 12, 2016, the Board received the staff report [“Community Centre Association Joint Operating Agreement”](#), which discussed the consultation process and outlined the proposed new CCA JOA. Park Board Commissioners asked a number of questions about the proposed agreement, many of which arising from their community and CCA liaison roles.

In light of the feedback received from some of the CCAs and the questions raised by Commissioners, Park Board staff revisited the proposed JOA. Staff determined that additional changes could be made to the JOA to address some of the outstanding concerns without impacting the fundamental principles of the agreement.

DISCUSSION

To ensure that the fiduciary duties of the Park Board Commissioners are met and the process of drafting a new JOA remains transparent and open to the public, Park Board staff are presenting the following amendments to the proposed JOA. The recommended amendments are outlined at a high level below and do not include formatting changes, such as changes to numbering, punctuation, clarifications, or changes to increase readability of the document. For a detailed view of all the recommended amendments in the context of the JOA, please see the [Lined Copy of the Amended Final Draft JOA](#) that is posted on the JOA Consultation webpage

The following summary organizes the amendments by section of the JOA.

1. Definitions

- (m) “Community Centre Investment Fund” definition has been clarified to specifically achieve Public Policy goals and/or increase equity across the Community Centre Network. This was specified based on CCA feedback.
- (r) The definition of “Facility-Generated Revenue” now excludes bequests, interest and investment income and rental deposits. This change was made as a result of CCA feedback. Revenue that is generated from Programming and services at Satellite Locations and offered independently by the Association (i.e., without the involvement or assistance of the Park Board or Park Board Personnel) is also excluded. This ensures that in addition to the previously stated types of revenue, bequests and Programming and Services not related to the Park Board are exempt from contribution to the Community Centre Investment Fund.
- (x) A definition of “Input” was added based on CCA feedback. The definition of input includes how input will be provided and considered by the parties. This term was added at the request of some CCAs, but has been amended to ensure that this process can be complied with in normal operations and is flexible based on the nature of an issue.

4. Association Governance

- The requirement that the Association be a not-for-profit society was moved from other parts of the agreement (previously used as a description) and specified in the Governance section. The wording currently listed (“the Association’s purpose will not include carrying on a business or for profit society”) is copied from the Societies Act. The request to move away from the term “not for profit” was at the request of some CCAs. The reference to society has been updated throughout the agreement.

7.3 System-wide Programs

- It was added that System-wide Programs will not begin before year 2 of the first Term of the Agreement (i.e., the second year the Agreement is in place). This is to allow time for the parties to develop and discuss the programs and collaborate in their implementation.

9. Use Allocation for Jointly Operated Facilities

- The reference to church groups was removed at the request of some CCAs.

12.1 Association Personnel and Volunteers

- References to “save harmless” were removed at the request of some CCAs.

12.5 Hiring Decisions

- At the request of some CCAs, wording was added to clarify that the Park Board will engage with the CCAs to discuss and consider its views on any potential lateral transfers to fill the Recreation Supervisor position. The process for lateral transfers may be different than new hires; this different wording reflects those processes.

13.1 Renovations, Upgrades and Maintenance of Jointly Operated Facilities

- A more detailed clause outlining the process for CCAs to provide input into annual priorities for maintenance, repair and upgrades at the Jointly Operated Facilities and Common Spaces was added. Based on further CCA feedback, the Park Board will “use reasonable efforts to engage the Association as a stakeholder when making decisions about priorities for maintenance, repair or upgrades to the Jointly Operated Facilities or Common Spaces.”
- The Park Board will consider the Association’s suggestions when determining the priorities. This was added in response to the CCAs request to be more involved in building upkeep decisions.
- Based on CCA feedback, the Park Board will work with the Association to facilitate optional enhancement projects not within the scope of the annual repair, maintenance and upgrade plans. Final decisions for optional enhancement projects rest with the Park Board. This was added in response to CCAs comments that they occasionally have projects they wish to fund at the facility and would like more Park Board support to get those projects done. An escalation process was included if the CCA is not satisfied that the Park Board is using reasonable efforts to facilitate the project.
- Language was added that clarifies the time period for maintenance or renovations to Jointly Operated Facilities used for Licensed Childcare. This clause was added in response to CCAs concerns that the work may need to be done on a more urgent basis

to ensure no licencing violations. The language states that maintenance or repairs will be carried out within a reasonable period of time or shorter as required by the licensing authority.

14.1 Revenue (c) Use of Revenue

- The use of revenue language was simplified to remove the requirement for reinvestment into the community as that was deemed too vague. Rather the goal and purpose of the society is simply not to generate and retain large financial surpluses. This change was made based on CCA feedback.

14.2 Expenses (c) Staffing Cost Recovery Payment

- Based on CCA feedback, the Park Board shall obtain, rather than seek the Association's approval for Staffing Cost Recovery Payment costs and the positions to be covered on an annual basis.
- Based on CCA feedback, the Park Board's right to adjust staffing levels to reflect a lack of funding and the impact on staffing levels was clarified.

14.3 Budgets and Records (a) Operating Budget

- It was added that the Association's budget is to include its estimated payment to the CCIF as a line item. This was in response to CCA concerns around unknown financial impact based on a percentage payment vs. a flat rate payment.

14.3 Budgets and Records (e) Surplus Revenue

- The requirement to spend Surplus Revenue within 5 years was deleted at the request of some CCAs. Instead, the CCAs are to report out publically on their activities, expenditures of and plans for Surplus Revenue so the public may see how this money is being spent.
- It was also clarified that the Association may allocate up to 3 months operating costs, or \$300,000 (whichever is greater) based on CCA feedback to ensure that at the dollar limit didn't conflict with the need for 3 months of operating costs.

14.5 Community Centre Investment Fund (a) Contribution to CCIF

- The Association will provide an annual payment rather than an annual contribution. This change was made based on CCA feedback.
- Based on CCA feedback, the purpose of the Investment Fund was simplified to achieving the Public Policy goals of the Park Board and/or increasing equity across the Community Centre Network.
- As requested by some CCAs, a definition of "financial hardship" was included in this section to clarify the circumstances under which a CCA can apply for an exemption to contribution. The Park Board has the right to review books of account and other information to assess claims of financial hardship.

17.2 Equipment and Assets

- It was clarified that association owned equipment and assets also includes those that were donated to the association. That specific reference was added based on CCA concerns regarding donated equipment not being clear.

20.3 Replacement of Jointly Operated Facilities

- This section now focuses solely on replacement of facilities and has new similar language to that of 20.1 on additions to facility. If a facility is being replaced that is similar to the scope and offerings of existing programming, then the JOA will be amended as needed and transferred to the new facility and the term of the agreement shall be unaffected. This replaces previous language that terminated the JOA upon replacement of a building.

20.04 Closure of Jointly Operated Facilities

- This section now focuses solely on closure of the jointly operated facilities. If the jointly operated facilities are closed during the term, then the JOA will terminate.

21.2 Breach by Park Board and Association's Right to Terminate

- At the request of some CCAs, the Agreement requires the Park Board to make reasonable and diligent efforts to resolve a breach that it is notified of by the Association. The Association may terminate the Agreement if the breach is not satisfactorily resolved.

Appendix A: Jointly Operated Facilities

- Additional wording provided by the CCAs was added to recognize the CCA's use common spaces for displays, ticket sales, special events etc.

NEXT STEPS

To ensure that the CCAs understand the proposed amendments and can ask questions of staff in advance of the Park Board Special Meeting where they will have the opportunity to provide feedback to the Commissioners, staff are holding another information meeting with the CCAs on January 28, 2017. This additional information meeting necessitates the rescheduling of the Park Board Special Meeting that was planned for January 25, 2017.

Park Board Commissioners will now hear from speakers on the proposed new Community Centre Association Joint Operating Agreement at a Special Meeting on February 8, 2017, with February 9, 2017 also held if needed to conclude hearing from speakers. To allow time for Commissioners to consider public feedback, the Special Meeting will be reconvened on February 16, 2017 for the Board to discuss and vote on staff recommendations.

SUMMARY

The [Amended Final Draft of the CCA JOA](#) reflects additional efforts to bring forward a workable document for all parties with changes that address as many outstanding issues as possible.

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