



**SUBJECT: Joint Ventures**

**TO: Committee of the Whole - Workshop**

**FROM: Parks & Recreation Department**

Report Number: PR-13-19

Wards Affected: all

File Numbers: 900-04

Date to Committee: November 7, 2019

Date to Council: November 18, 2019

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### **Recommendation:**

Receive and file Parks & Recreation department report PR-13-19 providing background on the city's joint venture policy and joint venture organizations.

### **Purpose:**

A Healthy and Greener City

- Healthy Lifestyles

An Engaging City

- Community Building through Arts and Culture via Community Activities

The purpose of this report is to provide background information related to the Joint Venture Policy and Joint Venture organizations for the Committee of the Whole workshop on November 7, 2019.

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### **Background and Discussion:**

There are a number of long-standing non-profit organizations that offer recreation services to the community through agreements with the City of Burlington (City) referred to as Joint Venture organizations (JVs). JVs were developed and operate under the principles of the Joint Venture Policy (JV Policy) (Appendix A).

The concept of JVs is supported as a collaborative approach in the delivery of programs and services through the Leisure Services Policy and through the Parks, Recreation and Cultural Assets Master Plan.

JV agreements establish an arrangement between a community organization and the City that involves the exclusive use and operation of a City-owned facility and/or land base. A list of JVs is contained in Appendix B.

In these agreements JVs do not pay rent to the City but are responsible for the administration of programs and services as well as the operation and renewal of a facility. These responsibilities are clearly defined in the JV Agreement along with City responsibilities, insurance and indemnity, rights and obligations, conflict resolution, etc.

### **Joint Venture Policy:**

In response to a previous Council's direction, a staff team was formed in 2009 to undertake a comprehensive review of the JV Policy and report back with recommendations. Staff undertook the following initiatives as part of the review:

- Reviewed details of current agreements
- Considered past comments, discussions and examples of roles and responsibilities of the JV and City
- Reviewed existing policies and procedures related to the JV Policy
- Obtained feedback from members of Council
- Obtained information from JVs through a questionnaire
- Contacted other municipalities to inquire about partnerships and trends in agreements

The new JV Policy that was approved by Council in 2010 reflected similar principles as in the previous policy. JVs will continue to have exclusive use of a municipal asset and be responsible for the operation and administration of the facility and related costs including renewal. As well, the down payment for a JV Loan for both new and renovated infrastructure was reduced to 10% from 15% and 25% respectively.

### **Relationship Development:**

Following Council's approval of the new JV Policy and to better understand the costs related to capital renewal, staff undertook facility condition assessments of all JV facilities in 2010/11. As well, staff had annual site meetings with each JV and met with all JVs as a group to share information.

In 2011 staff provided Council with a report that provided an update on the review of JV agreements and provided a high-level overview of the City's support to community organizations.

Through research and feedback from stakeholders, it was apparent that capital replacement costs of assets were an area of concern considering the age of infrastructure and financial constraints.

In addition, staff started the process to develop a new JV Agreement template to ensure consistency amongst the JVs and to include enough details and clarity related to roles and responsibilities. In the meantime, expiring JV Agreements were renewed on a month to month basis.

Once condition assessments were completed staff met with each JV to share the results and explain potential impacts. Along with this, staff finalized the new JV Agreement template that included an annual contribution to a capital reserve fund to address priority renewal requirements.

Staff received the following staff direction at Council's meeting on October 3, 2016 as part of a report providing an update on the wave break project.

Direct the City Solicitor and the Director of Parks and Recreation to undertake a review of the Joint Venture Policy (JVP) particularly with respect to the undertaking and funding of capital projects and report back on any recommended changes.

### **New JV Review:**

In accordance with the staff direction above a corporate staff team was developed to undertake a review of the JV Policy. However, the replacement of the wave break at LaSalle Marina needed to be addressed at the same time so the staff team had to focus its efforts on that project.

At a Committee workshop on October 3, 2017, City support for JVs was discussed along with a financial assessment of the LaSalle Park Marina Association. Members of Council at that time indicated that they thought the City should support JVs but did not know how or what type of support should be provided.

JVs and the City's support is a very complicated issue as was seen in dealing with the replacement of the floating wave break at the LaSalle Park Marina. Staff look forward to the discussion at the Committee workshop on November 7, 2019.

### **Strategy/process**

Staff will be leading a workshop on November 7, 2019 to provide members of Council with an overview of the Joint Venture Policy and allow for focused conversation on the

topic with discussion on the City's options for support of JVs. Based on the outcome of the discussion a follow-up workshop will be scheduled or staff report will be prepared.

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**Financial Matters:**

Not applicable

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**Public Engagement Matters:**

Staff have advised all Joint Venture organizations of the Council workshop.

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**Conclusion:**

Joint Venture organizations provide valuable services and programs to the community through a unique arrangement with the City. Staff is looking forward to discussing this service delivery model with Council.

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Respectfully submitted,

Denise Beard

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**Appendices:**

- A. Joint Venture Policy
- B. Joint Venture Organizations

**Notifications:**

All Joint Venture Organizations

**Report Approval:**

All reports are reviewed and/or approved by Department Director, Director of Finance and Director of Legal. Final approval is by the City Manager.