
Gordie Howe Sports Complex – Proposed Governance Structure

Recommendation

That the Standing Policy Committee on Planning, Development and Community Services recommend to City Council:

1. That the governance structure for the Gordie Howe Sports Complex, as outlined in this report, be approved;
2. That, pending approval of the governance structure and incorporation of the proposed Gordie Howe Sports Complex Management Inc., the Operations Agreement between the City of Saskatoon and the Gordie Howe Sports Complex Management Inc., based on the terms outlined in this report, be concluded and signed by the parties;
3. That the City Solicitor's Office be authorized to prepare the appropriate documents for the establishment of the Gordie Howe Sports Complex Management Co. and the Operations Agreement; and
4. That His Worship the Mayor and City Clerk be authorized to execute the required documentation and agreements under the Corporate Seal.

Topic and Purpose

The purpose of this report is to present a proposed governance structure for the Gordie Howe Sports Complex to come into effect in the immediate future as the Gordie Howe Sports Complex Master Plan is being completed and as facilities and amenities within the complex become operational. This new governance structure for activities within the Gordie Howe Sports Complex will establish a framework for planning, fundraising, and project management, in addition to the management oversight of the facilities and promotion of activities within the Gordie Howe Sports Complex.

Report Highlights

1. The Administration is seeking approval of a new governance structure for the Gordie Howe Sports Complex (Sports Complex), to establish a governance framework for planning, fundraising, and project management, in addition to the management oversight of the facilities and promotion of activities within the Sports Complex.
2. A new non-profit corporation named the Gordie Howe Sports Complex Management Inc. (Management Co.) is proposed and would be responsible for ensuring the smooth operation of the Sports Complex, could own assets required to operate facilities, and would oversee the promotion of the Sports Complex.
3. The Management Co. would have the City of Saskatoon (City) as the sole member, with a volunteer board consisting of representation from all sport groups at the Sports Complex, the City, Saskatoon Sports Tourism, and a number of

directors-at-large. The operation of the Management Co. would be through a staff member hired by the board.

Strategic Goals

Under the City's Strategic Goal of Quality of Life, this report supports the long-term strategy of ensuring recreation facilities are accessible, both physically and financially, and meet community needs. Under the Strategic Goal of Asset and Financial Sustainability, this report supports the long-term strategy of increasing revenue sources and reducing reliance on property taxes.

Background

The success of the Friends of the Bowl Foundation (Friends of the Bowl) with the Saskatoon Minor Football Field led to interest from other groups to use facilities in the Sports Complex, which subsequently resulted in the development of the Master Plan. When complete, the Sports Complex will be a park with state-of-the-art facilities for regional, national, and international events across a range of sports. The challenge is that once the Master Plan is completed, the overall Sports Complex will need to be managed. There are also new assets as a result of the Master Plan work, but the Friends of the Bowl cannot own assets or manage facilities without risking its charitable status.

To this end, the Administration presented a report in early 2018 signalling the need for a governance structure, for oversight of all activities within the Sports Complex, to evolve to address this situation and establish a sound governance framework for the planning, construction, and management of future developments and promotion of activities within the Sports Complex.

At its meeting held on January 29, 2018, City Council resolved, in part:

- “8. That the Administration proceed with exploring a new governance structure for the management of the overall Gordie Howe Sports Complex, and that Administration report back for further consideration.”

Report

The Proposed Governance Structure

The proposed framework for the governance structure at the Sports Complex includes two organizations:

- i) the current Friends of the Bowl, a registered charitable corporation, to continue to be responsible for planning, fundraising, and project management; and
- ii) the establishment of a new non-profit corporation responsible for management oversight of facilities within the Sports Complex and for the promotion of activities within it.

Establishment of a New Non-Profit Management Corporation

This proposed new non-profit corporation, similar to other City-owned non-profit corporations, would be governed by a volunteer board representing user groups within the Sports Complex, the City, and Saskatoon Sport Tourism. This new non-profit corporation, proposed to be called the Gordie Howe Sports Complex Management Inc. (Management Co.), would be responsible for ensuring the smooth operation of the Sports Complex, could own assets required to operate facilities, would promote the Sports Complex for sporting events and activities, and would provide non-binding advice to the Friends of the Bowl to assist with planning future developments for the Sports Complex.

Related to the projects of the Master Plan, the Friends of the Bowl, which is unable to own assets or manage facilities due to its charitable status, would transfer ownership of the Gordie Howe Sports Complex Training Facility (Training Centre) to the City once the Training Centre was built. Friends of the Bowl may also transfer other assets used in the operation and maintenance of the Sports Complex to the City (e.g. small vehicles and equipment). The overall intention is for the City to enter into an Operations Agreement with the Management Co. to manage and operate the facilities and amenities within the Sports Complex. The City may also provide other assets to the Management Co. in order to assist in operating and maintaining the park. The Friends of the Bowl have been advised by the Administration that the Management Co. will be required to ensure that sufficient reserve funds are set aside for the maintenance of the buildings and grounds, as well as the maintenance and eventual replacement of other assets made available or given to the Management Co. from the City.

Governance Structure of the Management Co.

Over the past six months, the Administration has been working with the Friends of the Bowl and outside legal counsel to establish key principles and the intended membership, scope of business, and composition of a board for the proposed Management Co. An overview of the key terms are as noted below:

Sole Member: The City of Saskatoon

Scope of Business: The City intends to contract with Management Co. to manage and operate the buildings and facilities of the Sports Complex.

Type of Corporation: The Management Co. will be a charitable non-profit corporation incorporated under *The Non-Profit Corporations Act, 1995* (Saskatchewan).

Board Size: Volunteer members will number from 3 to 15, with the board size to be initially set at 15.

Board Composition:

- a. Each partner organization (listed below) shall be eligible to nominate one individual to serve on the board of the Management Co.

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- b. In addition to the directors nominated by the Partner Organizations, there can be up to five directors-at-large.
- c. The directors-at-large shall be chosen for their skills, based on the needs of the Management Co., as determined by the board. The board shall nominate directors-at-large in accordance with an open and transparent process for soliciting and assessing nominations. This is different than the usual method, which is for at-large positions to be appointed by City Council; however, the view in this situation is that the board could be best positioned to fill gaps as the majority of the board shall be selected from the Partner Organizations; there needs to be consideration given to this mix.
- d. In order to be nominated by a partner organization or as a director-at-large, an individual must submit an application to the Management Co.
- e. Members shall elect the individuals nominated by the Partner Organizations and the board, as applicable, unless the members, acting reasonably, can demonstrate that a nominee does not meet the qualifications to serve on the board pursuant to the Management Co.'s governing documents.
- f. The initial board of the Management Co. is expected to have overlap with the current board of the Friends of the Bowl.

Partner Organizations:

- a) Saskatoon Lions Speedskating Club Inc.;
- b) Track and Field umbrella organization (name yet to be formalized);
- c) Saskatoon Nordic Ski Club Corp.;
- d) Saskatoon Baseball Council Incorporated;
- e) Saskatoon Amateur Softball Association Inc.;
- f) Saskatoon Football Inc.;
- g) Saskatoon Tribal Council Athletics;
- h) City of Saskatoon;
- i) Friends of the Bowl; and
- j) Saskatoon Sports Tourism Inc.

Board Terms:

- a. Each director shall be elected to a two- year term (initially, some directors may be elected to a shorter term in order to ensure staggered turnover).
- b. Each director shall be entitled to serve a maximum of three consecutive terms (i.e. a total of six consecutive years).
- c. An individual who has served three consecutive terms may be re-appointed as a director three years after ceasing to be a director.
- d. In special circumstances, the City can allow an individual nominated by Partner Organizations to serve more than three consecutive terms.

Operations of the Management Co.:

The Management Co.:

- a) will be primarily operated by staff. The board will hire a Chief Executive Officer, who will hire additional staff as needed.
- b) will be a volunteer board.
- c) will commit to develop a "best value" procurement process, and will confirm commitment to this in any agreements entered into with the City to run facilities associated with the Sports Complex.
- d) will ensure inclusive booking processes and ongoing community access to the Sports Complex.
- e) will establish operating reserves for buildings and grounds maintenance, as well as equipment lifecycle replacement.
- f) is required to financially report to the City annually, and appointment to the board will be by Member Resolution, which will require a City Council resolution.

Options to the Recommendation

City Council could decide to not approve the establishment of the Management Co., or not proceed with an agreement. The City would then need to investigate other options to provide these services for oversight of the operations at the Sports Complex.

Public and/or Stakeholder Involvement

The Friends of the Bowl and various sport field user groups at the Sports Complex have been actively engaged in the development of the details for the Master Plan capital projects. They have also actively engaged in the discussions related to the establishment of a Management Co. to oversee the operations of the Sports Complex.

Communication Plan

Pending approval, information about the new governance structure and the establishment of the Management Co. will be posted on the Sports Complex website (gordiehowesportscomplex.ca) and shared through a news release, as well as notice to all user groups and key stakeholders of the Sports Complex.

Financial Implications

There are no financial implications of the recommendations of this report, as the costs associated with the establishment of the Management Co. are being covered by the Friends of the Bowl.

The Management Co., if approved, would report its financial matters to the board and City Council on an annual basis in a form comparable to other City-owned non-profit corporations.

Policy Implications

With the operations and development at the Sports Complex relying heavily on Partner Organizations, this presents a unique scenario. Although City Council Policy No. C01-003, Appointments to Civic Boards, Commissions, Authorities, and

Committees Policy is used for appointments to various Business Improvement Districts and non-profit corporations, such as the Remai Modern, SaskTel Centre, and TCU Place, the approach set out in this report is recommended.

Other Considerations/Implications

There are no environmental, CPTED, or privacy implications or considerations.

Due Date for Follow-up and/or Project Completion

Pending consideration of the report and recommendations, the Administration would then work with the Friends of the Bowl and the City Solicitor's Office to have the appropriate documents and agreements executed, and proceed with the formal incorporation of the Management Co., including development of the appropriate articles of incorporation and bylaws for Management Co.

Public Notice

Public notice, pursuant to Section 3 of Policy No. C01-021, Public Notice Policy, is not required.

Report Approval

Written by: Lynne Lacroix, Director of Recreation and Community Development
Approved by: Randy Grauer, General Manager, Community Services Department

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