

Relationship Framework for Yonge-Dundas Square

Date:	October 27, 2008
To:	Executive Committee
From:	Joe Pennachetti, City Manager
Ward:	Ward 27: Toronto Centre – Rosedale
Reference Number:	

SUMMARY

This report recommends adoption of the Relationship Framework governing the relationship between the City and the Yonge-Dundas Square Board. It also recommends amendments to the Municipal Code required to implement the Framework.

The Relationship Framework defines the governance framework for Yonge-Dundas Square, including respective roles and responsibilities, accountabilities, expectations and requirements of the Board and the City.

Following comprehensive consultations and discussions with the members of the Yonge-Dundas Square Board and Administration, the staff of Economic Development Culture and Tourism Division, Legal Services, and Financial Planning, this Relationship Framework was developed and is attached as Appendix 1, with the proposed Municipal Code amendments as Appendix 2.

RECOMMENDATIONS

The City Manager recommends that:

1. City Council adopt the Relationship Framework for Yonge-Dundas Square Board, attached as Appendix 1.
2. City Council authorize the City Solicitor to introduce the necessary bills to amend Chapter 636 of the Municipal Code of the City of Toronto to implement the

Relationship Framework and update the Code, substantially as proposed in Appendix 2.

3. The General Manager of Economic Development Culture and Tourism Division, as represented by the Director of Business Services, be designated the City's operational liaison for Yonge-Dundas Square Board, and provide support to the Board to ensure they maintain their operations in compliance with the Relationship Framework.

Financial Impact

There is no financial impact. The Deputy City Manager and Chief Financial Officer has reviewed this report and agrees with this financial impact statement.

Yonge-Dundas Square Equity Impact Statement

Relationship Frameworks are based on the principle that City agencies, with their unique mandates, structures, and relationships to the City, should operate under the same principles and policies of social and economic inclusion adopted by the City. As such, the Framework adopts the City's Access, Equity and Human Rights policies. Council also requires that the Board engage the local community, and embrace and promote the value of diversity in its daily business.

The operational model established for the Square in terms of the composition of its Management Board is a method used by the City to engage stakeholders of the Square in the planning and day-to-day operational and program activities. The following measures demonstrate the benefits of the Square's inclusive operational model:

- As a community gathering place, public space and City owned venue, the Board of Yonge-Dundas Square (YDS) is keenly aware that it is operating in a diverse community, whose needs are consistently discussed and reviewed by staff.
- The Board adopted a Community Use Policy in March 2004 that considers the needs and relative resources of charitable and not-for-profit groups. The policy fosters community initiatives and is widely used by groups from diverse communities to stage events on the Square without paying permit fees.
- The entire venue is completely accessible. In 2005, the Board purchased a portable wheelchair lift that completed access to the stage area, which was the one area of the venue that was not built to be accessible.

- YDS staff have worked successfully to ensure that YDS programs reflect the diversity of the community:
 - The annual Global Grooves concert series features local world music artists.
 - The Artisan Market is completely multicultural and runs in tandem with Global Grooves and other diverse community festivals. The market is comprised of over 50% representation from diverse communities and also features selected fair trade items from around the world.

- Yonge-Dundas Square is arguably the venue of choice for many of Toronto’s diverse community festivals. This past summer alone the Square hosted the following programs: DesiFest South Asian Heritage, World Refugee Day, Mexican Fiesta, Multicultural Canada Day Celebrations, Bangladesh Festival, Bana y’Afrique (French African festival), Turkish Bazaar, African Dance Festival and Festival Panorama India.

DECISION HISTORY

At its meeting on December 4, 5 and 6, 2001, Council approved the establishment of a Board of Management for Yonge-Dundas Square to assume maintenance, operation and overall control of the Square on behalf of the City. At this session, Council also approved its Board of Management. The composition of this Board is the ward Councillor, representatives of the Downtown Yonge Street BIA, a Residents Association, Ryerson University, Yonge Street Mission, Toronto Theatre Alliance, Toronto Parking Authority, and Toronto Police Services. City Staff also sit on the Board as ex-officio non-voting members. This composition allows the participation of key stakeholders in the functioning of the Square to meet the needs of the local community.

The Municipal Code adopted by Council at the 2001 meeting established the objective that the Yonge-Dundas Square Board of Management achieve financial self-sufficiency with respect to operations and future capital maintenance of the Square. However, at its April 12, 13 and 14, 2005 meeting, Council approved an amended financial relationship with the Yonge-Dundas Square, whereby the Board would continue to be responsible for marketing, programming and for the overall operation of the Square, along with all event-related and security responsibilities. The City agreed to annual financial contributions, to be determined through the annual budget process, in consideration of fixed maintenance costs and related administrative expenses.

The by-law which established and now governs Yonge-Dundas Square is found in Chapter 636 – “*Public Squares*” of the City of Toronto Municipal Code.

COMMENTS / ISSUE BACKGROUND

1. Operating Principles and Funding Model of the Board

The Yonge-Dundas Square is an event venue for the general public. The City of Toronto appointed a volunteer Board of Management to operate the Square, which is a City-owned property. It was established in December of 2001, with the objective to attract additional retail business and entertainment to the Yonge-Dundas area as part of a larger revitalization effort for Downtown Toronto. The Square commenced operations on January 1, 2003. The Organization is required to pay any net revenue to the City of Toronto.

Council has charged the Board of Yonge-Dundas Square with the overall management and control of the Square. Since free community programs are offered on the Square, operations are financed through generation of revenues from commercial permits and sponsorships, backed by an annual contribution from the City.

The Board has also been charged with the exercise of good business practices by endeavouring to manage and control the Square in a fiscally responsible and efficient manner, and in accordance with the Board's operating and capital budgets as approved by Council, and, where applicable, in accordance with the City's financial policies.

2. The Program and Financial Performance of Yonge-Dundas Square

It is notable that since start of operation in 2003, and the review of its funding model in 2005, several program and financial milestones have been achieved:

- A remarkable and consistent increase in earned revenues and decreasing contribution from the City as a percent of its operating costs, as shown in Table 1.

Table 1: Operational Budget 2003 to 2008

Year	YDS Operations	Earned Revenue	% from City
2003	\$ 846,330	\$241,592	72%
2004	\$1,029,565	\$478,610	54%
2005	\$1,065,264	\$494,102	53.5%
2006	\$1,193,761	\$611,176	49 %
2007	\$1,481,601	\$898,266	39.5%
2008 (Forecast)	\$1,599,183	\$1,015,848	36.5%

- Attendance at events and venue circulation has increased dramatically in the few years the Square has been in operation, as shown in Table 2.

Table 2: Events and Attendance 2003 to 2008:

Year	# of Events	Total Attendance
2003	78	171,650
2004	177	201,956
2005	216	627,800
2006	223	660,235
2007	241	666,703

2008 (Forecast): For the first time, event attendance is projected to exceed 1,000,000.

- Impressive Venue Circulation:

Yonge-Dundas Square has achieved significant presence as “the Heart of the City” with the total annual estimated venue circulation reaching 28,500,000. In addition, 56 million people shop in the immediate vicinity annually while 20 million people start or end their TTC trip at Dundas Station annually. The daily intersection traffic is 62,100 pedestrians and vehicular traffic of 55,500.

YDS produces an array of programs which are multi-cultural and free to the public, but which are funded 100% by earned revenues and sponsorship. They animate the square and promote the vision of YDS as a community focal point, gathering place and resource for the Citizens of Toronto.

3. The Purpose and development of the City’s Relationship Frameworks with ABCs

In July 2003, City Council adopted a template for Relationship Frameworks to be developed for all City boards. To date, Council has approved Relationship Frameworks for the Toronto Atmospheric Fund, the 10 AOCCs, 8 community-based, board-run Arenas, and the Toronto Licensing Tribunal. Frameworks for Heritage Toronto, Toronto Parking Authority and Exhibition Place are also in progress.

The purpose of this Relationship Framework is to:

- a. recognize the authority of Yonge-Dundas Square Board as a City Board with the authority to manage and control the operations of the Square in accordance with this relationship framework and applicable City bylaws;
- b. set out Transparency, Accountability and other provisions of the City of Toronto Act, 2006;
- c. set out the conditions that promote an effective and collaborative relationship between the City and the Board;
- d. identify the responsibilities and obligations of the Board and the types and levels of support provided by the City to that Board;
- e. inform the Board and its employees, City staff and the residents of Toronto regarding Council's direction on matters such as governance, applicable City rules and policies, reporting requirements and accountabilities;
- f. articulate City Council's delegation of authority to the Board, expectations and requirements regarding the management of Yonge-Dundas Square; and
- g. consolidate information regarding the Square into one document including City policy, the Toronto Municipal Code and applicable provincial legislation.

The recommendation of the Mayor's Fiscal Review Panel to improve governance for the City's network of agencies, boards and commissions further supports the need to establish Relationship Frameworks for ABCs.

4. Development of the Yonge-Dundas Square Relationship Framework

The Relationship Framework in Appendix 1 was developed with the participation of internal divisional stakeholders in the Economic Development, Culture and Tourism Division (Operational Liaison), the Yonge-Dundas Square Board and Administration, the City Solicitor's Office, Financial Planning, Facilities and Real Estate, and the City Manager's Office. It represents a collaborative effort and consensus between the City and the Board.

5. Recommended Updates to the Municipal Code

This staff report recommends the necessary updates to the Municipal Code as set out in recommendation number 2, which are largely housekeeping or clarification amendments:

- updates the references to division and function names for purposes of liaisons for Board reports to the City;
- adjusts the language in the Code that requires the Board's development of a multi-year business plan to require that the business plan is updated each year rather than redone each year.

- amends §636-8 B. of the Municipal Code to clarify that leases, and not necessarily short-term licenses and permits for use of space issued daily by Yonge-Dundas Square, require Council's approval.

CONTACTS

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SIGNATURE

Shirley Hoy
City Manager

ATTACHMENTS

Appendix 1: Relationship Framework for Yonge-Dundas Square
Appendix 2: Proposed Amendments to the Municipal Code