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REPORT FOR ACTION

Organizational Effectiveness at Leaside Memorial Community Gardens Arena

Date: March 15, 2022 To: Executive Committee From: City Manager Wards: Ward 15

SUMMARY

The Board of Management of the Leaside Memorial Community Gardens Arena ("LMCG Board") is requesting an amendment to Schedule 3 (Leaside Arena) of the Relationship Framework between the City of Toronto and the Arena Boards of Management adopted by City Council at its meeting on September 26 and 27, 2007 ("Relationship Framework"). City Council's adoption of the amendment will provide the Board with flexibility to address operational needs in staffing, where required, in line with other Arena Boards.

In response to a transmittal to City Council from the LMCG Board, City Council adopted Item CC35.6, directing the City Manager to review options to improve organizational effectiveness and sustainability at LMCG Arena to ensure that the local community remains well served and that the arena operations and service delivery are supported.

City staff met with the LMCG Board to discuss their concerns regarding the obligation to utilize City employees in the operation of the arena as required by the Relationship Framework. While the LMCG arena derives certain benefits by using City employees, such as being able to rely on the City to manage recruitment, payroll, training and labour relations functions, the LMCG Board expressed a desire to explore alternatives that would allow them more control over their organizational design and operation. In order for the LMCG Board to explore these alternatives, certain amendments to the Relationship Framework in respect of LMCG arena operations is required. The purpose of this report is to seek City Council approval of those amendments.

RECOMMENDATIONS

The City Manager recommends that:

1. City Council approve an amendment to Schedule 3-of the Relationship Framework Leaside Memorial Community Gardens Arena (1073 Millwood Avenue) by adding the following paragraph after paragraph E) Staffing:

"Notwithstanding the above paragraph, the Leaside Arena Board may decide to hire its own staff or contract staff by providing the City with advance written notice of 180 days. Upon receipt of such notice, the Leaside Arena Board and the City's designated liaison(s) shall meet within 90 days of receiving written notice to discuss the impacts of the Leaside Arena Board's decision. Should the proposed change to the Arena Board staffing require amendments to the Relationship Framework, as determined by the City Manager or designate, the Arena Board shall comply with Article 13 of the Relationship Framework."

FINANCIAL IMPACT

There are no current or known future year financial impacts arising from the recommendations contained in this report.

The Chief Financial Officer and Treasurer has reviewed and agreed with this financial impact statement.

DECISION HISTORY

In response to a transmittal to City Council from the LMCG Board, City Council adopted Item CC35.6, directing the City Manager to review options to improve organizational effectiveness and sustainability at LMCG Arena to ensure that the local community remains well served and that the arena operations and service delivery are supported. <u>http://app.toronto.ca/tmmis/viewAgendaltemHistory.do?item=2021.CC35.6</u>

COMMENTS

At its meeting of September 26 and 27, 2007 City Council adopted Item EX11.5, "Relationship Framework for City Board-Operated Arenas", and approved the Relationship Framework between the City of Toronto and the Boards of Management of the City's eight Board-run arenas. The Relationship Framework defines the roles and responsibilities of the arena boards and the City, clarifies accountabilities to City Council, governance structures, specific delegations of authority to the arena boards, applicable policies and legislation, and reporting requirements.

Further to City Council's direction to the City Manager to review options to improve organizational effectiveness and sustainability at the LMCG Arena in consultation with the LMCG Board, City staff held discussions with the Chair of the LMCG Board and the LMCG Board. The LMCG Board expressed concern regarding its obligation to utilize City of Toronto employees for daily operations. The LMCG Board was also concerned about the fact that of the eight arenas governed by the Relationship Framework, the LMCG is the only arena that was obligated to utilize City of Toronto staff. All other arena

boards of management have the option to operate their arena by employing their own staff or contracting with a third-party to supply operating staff. LMCG Board would like the option to explore obtaining more control over operations, staffing and costs by possibly bringing operations in-house or contracting with a third-party other than the City of Toronto when required for their operations.

The proposed changes would allow the LMCG Board to serve notice on the City of Toronto that it no longer wants to utilize City staff to operate the LMCG arena.

This flexibility in staffing provided to the Leaside Arena Board would provide the Board the option of meeting its unique operational needs, consistent with the normal authorities of other Arena Boards.

Article 7.2.2 of the Relationship Framework provides that City Council shall give consideration to Arena Board requests related to changes to existing governance structures. Article 13.1.2 of the Relationship Framework provides that the Arena Boards will submit requests for changes to the Relationship Framework to the City Manager for transmittal to City Council.

Upon Council's adoption of the amendment the Relationship Framework, The proposed revised paragraph E) Staffing will now read as follows:

With the exception of the Arena Manager, the staff at the Leaside Arena are City staff and part of the collective agreements with CUPE Locals 79 and 416. The Arena Board, through its Arena Manager will ensure that all operations are in compliance with the collective agreements between the City and CUPE Locals 79 and 416. The City through its designated liaisons will ensure the Arena Board and Arena Manager receives, like all line management in the City, all communications with respect to human resource management and labour relations.

Notwithstanding the above paragraph, the Leaside Arena Board may decide to hire its own staff or contract staff by providing the City with advance written notice of 180 days. Upon receipt of such notice, the Leaside Arena Board and the City's designated liaison(s) shall meet within 90 days of receiving written notice to discuss the impacts of the Leaside Arena Board's decision. Should the proposed change to the Arena Board staffing require amendments to the Relationship Framework, as determined by the City Manager or designate, the Arena Board shall comply with Article 13 of the Relationship Framework.

CONTACT

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SIGNATURE

Chris Murray City Manager

ATTACHMENTS

Attachment 1 - Relationship Framework Attachment 2 - Minutes of LMCG Board Meeting dated December 8, 2021