

CITY OF VAUGHAN

EXTRACT FROM COUNCIL MEETING MINUTES OF JUNE 27, 2017

Item 40, Report No. 26, of the Committee of the Whole, which was adopted without amendment by the Council of the City of Vaughan on June 27, 2017.

40 RFP17-079 - UPLANDS GOLF & SKI CENTRE: OPERATIONS, LEASE AND PROPERTY MANAGEMENT WARD 5

The Committee of the Whole recommends:

- 1) That the recommendation contained in the following report of the Deputy City Manager, Community Services, Deputy City Manager, Legal & Human Resources and the Director of Recreation Services, dated June 20, 2017, be approved; and**
- 2) That the confidential recommendation contained in Confidential Communication C5 from the Deputy City Manager, Community Services, Deputy City Manager, Legal and Human Resources, and the Director of Recreation Services, dated June 20, 2017, be approved.**

Recommendation

The Deputy City Manager, Community Services, Deputy City Manager, Legal & Human Resources and the Director of Recreation Services, in consultation with the Senior Manager of Real Estate, Director of Parks Development, Director of Procurement Services, and the Director of Financial Planning and Development Finance and Deputy City Treasurer recommend:

1. That a by-law be enacted to recognize Uplands Golf & Ski Centre as a Municipal Capital Facility for municipal purposes and public use.

Contribution to Sustainability

Green Directions Vaughan embraces a Sustainability First principle and states that sustainability means we make decisions and take actions that ensure a healthy environment, vibrant communities and economic vitality for current and future generations. Specifically, this report aligns with the following objectives:

Objective 2.2 To develop Vaughan as a City with maximum green space and an urban form that supports our expected population growth.

Objective 3.1 To develop and sustain a network of sidewalks, paths and trails that supports all modes of non-vehicular transportation.

Objective 4.1 To foster a City with strong social cohesion, an engaging arts scene, and a clear sense of its culture and heritage.

Objective 6.1 To fully support the implementation of Green Directions at all levels of City operations.

Economic Impact

One compliant proposal, from GolfNorth, was received for this RFP-079, Uplands Golf & Ski Operations and Property Management. To ensure value for money, the negotiation provision in the RFP was exercised with the compliant Proponent. This resulted in a revised revenue and cost sharing proposal that provides the City with up-front capital investment benefits, long-term sustainability of the facility services offered at the Uplands Golf & Ski Centre, and an estimated

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increase in the financial health of the Uplands Capital Improvement Reserve. Details related to the property matter including proposed lease terms with GolfNorth, are included in the confidential communication provided with this item.

Communications Plan

The compliant Proponent will be notified of Council's decision and a transition plan will be communicated to the current operator.

Purpose

The purpose of this report is to provide an update pertaining to RFP17-079, Uplands Golf & Ski Operation and Property Management and to recommend to Council that a by-law be enacted to recognize Uplands Golf & Ski Centre ("Uplands") as a Municipal Capital Facility for municipal purposes and public use.

Background - Analysis and Options

The Uplands property, located at 46 Uplands Avenue in Vaughan, plays an important role in meeting levels of service for parkland in an area of the City where significant additional intensification is proposed. The property totals approximately 36ha (88 acres) in size and is included as Regional level parkland in the City's inventory. Large portions of the site are designated as Core Features as part of the Natural Heritage Network and the remaining portions are designated as Open Space with very little development potential.

Subsequent to the Finance, Administration and Audit Committee meeting on January 16, 2017, staff undertook an RFP process to formally identify potential interest and alternatives for use and/or management of the Uplands property with the premise that the property would continue to be used for recreation and open space purposes. Potential options arising from the RFP process included the continuation of operations and property management associated with golf and ski, or use of the property for other recreational purposes. The current contract for Uplands expires October 31, 2017.

The City of Vaughan issued RFP17-079 on February 3, 2017, with a closing date of February 24, 2017. The RFP was advertised on the Bids and Tenders section of the City's website, OPBA and Biddingo, as well as to the current Operator, and email notifications were sent to various local golf and ski companies.

The evaluation committee was comprised of staff from Recreation Services, Facility Maintenance Services, Parks Development, Building Standards, Transportation Services, Parks and Forestry Operations, and Financial Planning and Development Finance. The City's bid package provided details of the contract, including the following criteria used to evaluate submissions:

Components	Rating
Background Information, Experience & References	25 points
Proposed Business Plan	35 points
Proposed Financial Viability	40 points

Four proponents downloaded the document from the Bids and Tenders website and the City received one compliant bid, from GolfNorth. To ensure value for money, the negotiation provision in the RFP was exercised with the compliant Proponent. Details of the property matter, including proposed lease terms with GolfNorth, are included in the confidential communicated provided with this item.

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GolfNorth Proposal

Founded in 1994, GolfNorth is a private company located in Conestogo (near Waterloo), Ontario. With an excess of 1,200 full time, part time and seasonal employees, GolfNorth now owns 100% of 20 golf club facilities and leases another 10 in Ontario and Nova Scotia. GolfNorth's vision is focused on providing golfers and skiers with affordable programming and has become a leading Canadian operator of successful semi-private and public sites. Rapid growth has been due to GolfNorth's unique management infrastructure, transitional experience and operational portfolio, knowledge of the marketplace and the hands-on experience of its employees.

GolfNorth supports local communities and has helped organizations and local charities raise over \$1,000,000. GolfNorth is also a major sponsor of Canadian junior golf through its commitment to the Golf in Schools program and GolfNorth's junior golf camps and clinics.

GolfNorth's vision for Uplands aligns with the Recreation Services Department's mandate to provide quality recreation and community programs, services and events in an accessible, equitable and efficient manner to enhance the quality of life and leisure time of the City's growing and diverse community, and to promote health, wellness active living for all ages.

Specifically, GolfNorth's vision and strategic goals for Uplands include:

- Marketing Uplands as a place for healthy and active living.
- Providing quality recreation and community programs, services and events in an accessible, equitable and efficient manner.
- Ensuring the year-round facility is financially viable.
- Modernizing the food and beverage operations.
- Marketing the unique 9-hole golf experience and expand on league, tournament and member events.
- Expanding the junior play program to incorporate GolfNorth's "Golf Fore Kids" program and Golf Academy.
- Expanding the ski school to include partnerships with schools and community organizations.
- Focusing on "first time ski experiences" by offering beginner programs and lessons.

Municipal Capital Facility

Section 110 of the Municipal Act provides the authority to a municipality to designate facilities that are leased by the municipality for recreational purposes as a Municipal Capital Facility. Designating the Uplands Golf & Ski facility as a Municipal Capital Facility would exempt its land from Municipal, Regional and Education taxes. Uplands was not previously required to be designated as a Municipal Capital Facility as the current agreement is only an operations agreement rather than a full lease agreement. To ensure that property tax continues to be exempt on the property it is appropriate for Council to pass a formal by-law to designate the lands as a Municipal Capital Facility. Given that the lands have been owned by the City and therefore property taxes have never been levied on these facilities, there is no loss of revenue to the City by implementing this designation.

Relationship to Term of Council Service Excellence Strategy Map (2014-2018)

This report is consistent with the priorities established in the updated Term of Council Service Excellence Strategy Map, specifically:

- Invest, renew and manage infrastructure and assets:
 - by establishing a go-forward strategy that considers capital infrastructure investment requirements along with the premise that the property remain for recreation and open space purposes.

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- Support and promote arts, culture, heritage and sports in the community:
 - by including recreational uses and the history of the site in future plans for the Uplands property.

Regional Implications

York Region is an important stakeholder at Uplands with significant underground sanitary services running through the property. Regional easements will continue to be considered with respect to proposed uses on the lands.

Conclusion

The current management agreement for operation of the Uplands Golf & Ski Centre is scheduled to expire on October 31, 2017. Securing stable golf and ski services at Uplands will support the Recreation Services Department in providing quality recreation and community programs, services and events in an accessible, equitable and efficient manner to enhance the quality of life and leisure time of the City's growing and diverse community.

Attachments

None.

Report prepared by:

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