

Report Date: June 18, 2013
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Meeting Date: July 24, 2013

TO: Standing Committee on Planning, Transportation and Environment
FROM: General Manager, Community Services
SUBJECT: Hastings Park/PNE Governance Review

RECOMMENDATION *

- A. THAT Council adopt the implementation plan outlined in this report for a new governance structure for Hastings Park and the Pacific National Exhibition (PNE).
- B. THAT Council approve funding for consultants, needed to support and resource the implementation plan set out in this report, to a maximum of \$80,000; source of funding to be the Hastings Park Reserve.

REPORT SUMMARY *

This report recommends the adoption of a new governance structure for Hastings Park and the PNE. The new structure will ensure increased opportunity for public input, clear accountability for Master Plan Implementation, and respect for the multi-purpose nature of Hastings Park. It will also ensure the skills needed to implement the Master Plan and operate Hastings Park and the PNE are retained. The new structure will further support and reinforce the three key mandates of this unique site - economic development, culture and entertainment and parks and recreation - as identified through the Hastings Park/PNE Master Plan process.

Specifically the proposed governance structure will consist of:

- The formation of a new Hastings Park/PNE Board appointed by City Council that is skills-based and reflects the priorities of the Council-approved Hastings Park/PNE Master Plan;
- A new Multi-Party Operating Agreement clearly defining the roles and responsibilities within Hastings Park of:
 - City of Vancouver
 - Park Board
 - PNE; and
- New and increased public input to the Hastings Park/PNE Board and staff through new Board protocols and a new Community Advisory Group.

COUNCIL AUTHORITY/PREVIOUS DECISIONS *

In December 2010, along with the adoption of the Hastings Park/PNE Master Plan, Council directed staff to undertake a governance review of Hastings Park and the PNE:

- D. THAT council supports the "Governance Workshop - Refined Themes" identified by the Steering Committee and Key Stakeholder Group (Appendix E of the Administrative Report dated November 19, 2010, entitled "Hastings Park/Pacific National Exhibition Master Plan") as the appropriate issues to address in the ongoing governance review.
- E. THAT interim to the governance review being completed, the General Manager of Parks and Recreation be appointed as the Vice Chair of the Pacific National Exhibition Board.
- F. THAT staff report back on the results of:
 - i. a Governance Review of Hastings Park and the Pacific National Exhibition and;
 - ii. a Terms of Reference for a Hastings Park Implementation Advisory Group.

In October 2011 Council directed the following:

THEREFORE BE IT RESOLVED THAT staff be requested to engage Hastings Park stakeholders immediately to commence the process of determining the long term governance of Hastings Park.

CITY MANAGER'S/GENERAL MANAGER'S COMMENTS *

The approval of the implementation plan for a new governance structure marks a significant step in aligning Hastings Park/PNE governance with the Council-approved Hastings Park/PNE Master Plan and the three part mandate of Hastings Park/PNE of economic development, culture and entertainment, and parks and recreation.

During the public consultation process for the governance review of Hastings Park and the PNE a broad range of groups and individuals expressed interests in:

- Enhanced clarity of roles of the City, Park Board and the PNE;
- Increased opportunity for public input at the governance level;
- Increased public input into programming at Hastings Park/PNE;
- Enhanced oversight by Park Board.

The recommended governance structure outlined in this report clearly responds to these important interests. This is achieved through creating a new skills-based board, development of a multi-party operating agreement between the City, Park Board, and the PNE, and new public input protocols to the Hastings Park/PNE Board and staff.

This new governance structure provides the responsiveness and resilience for the new Hastings Park/PNE Board to be the stewards of the transformation of Hastings Park, ensuring fiscal responsibility and the sustainability of the PNE's significant business units with support from Park Board in managing key recreational assets.

REPORT

Background/Context

Hastings Park History

Hastings Park was granted to the City of Vancouver by the Province of British Columbia in 1889, making it almost as old as Vancouver itself. At 62 hectares or 154 acres, it is one of Vancouver's largest urban parks, drawing visitors from across the region. Hastings Park is a community and city-wide asset, as well as a regional year-round destination (see site map Appendix A).

The Vancouver Exhibition Association (VEA) was founded in 1907 and since 1910 has operated an annual fair in Hastings Park. The VEA later changed its name to the Pacific National Exhibition (PNE). The PNE was operated by the Province of British Columbia, as a Provincial Crown Corporation, from 1973 to 2003. The PNE hosts an annual summer Fair, and operates Playland from April to October each year. Over the years their mandate expanded to include year round exhibitions and various cultural/entertainment activities all occurring within the overall precinct of Hastings Park and the facilities on the site.

Transfer of the control and management of the PNE to the City of Vancouver from the Province became effective on January 1, 2004. With this transfer, the City of Vancouver has the authority to appoint the members of the Board of Directors of the PNE. The Pacific National Exhibition (PNE) currently manages and programs all the facilities and public space on the site (with the exception of Hastings Racecourse) on behalf of the City of Vancouver, while the Vancouver Board of Parks and Recreation (Park Board) maintains and programs Empire Fields. When the City assumed responsibility for the PNE, it did so on the condition that the transfer of ownership would not result in increased operating costs for Vancouver residents and businesses.

The PNE is a complex organization with four main activity streams: the annual Fair, Playland, year round events and facility and park maintenance. The annual gross revenues of the PNE from all the activities on site are approximately \$45-50M annually. The PNE employs over 4,000 individuals annually - over 900 full time job equivalents. The organization is the largest employer of youth in the province. The PNE-managed activities on site, including park, cultural and exhibition spaces - attract over 2 million visitors annually to Hastings Park.

The site encompasses the third largest exhibition space in the region. In 2002 the annual contribution of the PNE to the provincial GDP was estimated at \$140M. Since the date of the transfer of the PNE to the City, the PNE Board has been an "interim Board". The interim PNE Board includes representatives from the community, City Council, Park Board, City staff, and the business sector.

Hastings Racecourse (HRC) has been the home of horse racing since 1892. The Great Canadian Gaming Corporation currently operates Hastings Racecourse under an Operating Agreement with the City of Vancouver. The Operating Agreement describes the operation of the slot machines, racetrack and associated facilities. In addition, the agreement outlines, among other things; amenity contributions required, lease payments and contributions to the City. This lease was recently extended to October 2014.

Hastings Park/PNE Master Plan

In December 2010, after two years of public consultation and planning, a significant milestone in planning for the future of Hastings Park and the PNE was reached - Vancouver City Council approved the Hastings Park/PNE Master Plan.

The Master Plan outlines an ambitious series of capital projects to be implemented over a 20 year timeframe. The Master Plan balances the goals of support of economic activity (exhibition space, enhanced facilities for the annual fair and an update and expansion of Playland), enhancing cultural space and maximizing green space (from a current 27 acres to a total of 76 acres or 50% of the site).

Along with the approval of the Master Plan in December 2010, Vancouver City Council directed staff to report back on a governance review of Hastings Park/PNE. During the Master Planning process City staff had already begun seeking input from the Master Plan Key Stakeholder Group, holding two workshops to explore the theme of governance. A workshop with the Hastings Park/PNE Steering Committee was also held to determine high level principles and leading practices. In addition, the City of Vancouver undertook research which examined governance structures of a number of destination urban parks in other jurisdictions. This work provided the foundation for the review described in this report (See Appendix A)

Current Governance

The PNE Board governs Hastings Park on behalf of City Council. The PNE Board of Directors is appointed by Vancouver City Council and has the power to appoint a President and Chief Executive Officer, and to delegate any powers to a director or committees of the Board. The by-laws of the PNE govern the business, borrowing, and issuing of securities, as well as the conduct and remuneration of directors and committees of the organization. The PNE Board reports to City Council.

The Board is accountable to Mayor and Council for stewardship of the PNE, a non-profit charity, and for management and programming of buildings, facilities and most park areas at Hastings Park.

In May 2009 City Council approved the composition criteria for the current Board of Directors, which consists of up to 11 members. Seven members are appointed by Council:

- 1 City of Vancouver Councillor who also serves as chair of the Board (three-year term*)
- 1 Park Board Commissioner (three-year term*)
- 1 resident from the Hastings-Sunrise community bound by Boundary Road, Nanaimo Street, Burrard Inlet, and Broadway Avenue (two-year term)
- 1 Vancouver resident with a labour relations background (two-year term)
- 3 representatives from the Vancouver business community (two-year terms)

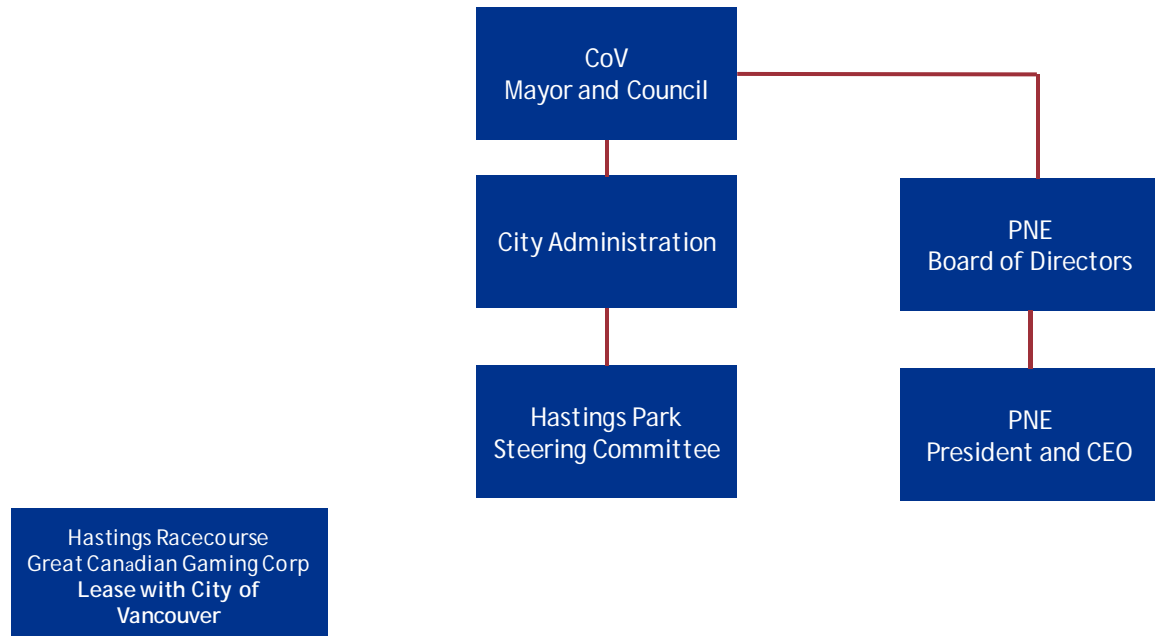
* The term ends on the first Monday after December 1, the year of an election.

The remaining four board members are designated City of Vancouver staff and are also appointed by City Council. Currently the staff positions are the general managers of the following City of Vancouver departments:

- Community Services
- Financial Services

- City Manager's Office
- Vancouver Park Board, who also serves as vice-chair of the Board

Current PNE Governance Structure



Shortcomings of the Current Governance Structure

Based on one-to-one interviews conducted as part of Stage 1 of the governance review (described later in this report) a number of shortcomings with the current governance structure were identified. These were to be addressed in the development of any new governance structure for Hastings Park/PNE. The shortcomings include:

- The skills and experience required to become a member of the PNE Board of Directors are not clearly defined.
- Some appointments to the current Board are purposely based on an individual's position, for example a particular senior management position within the City, a City Councillor or Park Board Commissioner - designed to strategically align the City and Park Board with the overall goals of Hastings Park and the PNE; however this strategy for director positions doesn't necessarily achieve the full complement of skills and experience required on the Board.
- Meetings of the Board of Directors are closed to the public providing limited opportunity for input to the Board from the public, leading to the perception of a lack of transparency.

Under the current structure, responsibility for implementing the Hastings Park/PNE Master Plan is fragmented. For example:

- While a Hastings Park/PNE Steering Committee was established by the City of Vancouver, it has no formal terms of reference. It is generally understood that the Committee has a mandate to oversee the Master Plan implementation process. Membership on the Committee is comprised of representatives from the senior management teams of the City, Park Board and the PNE.

- City of Vancouver provides all capital funds through the City's capital planning process along with all other capital requirements for the City.
- The planning and project implementation are conducted by one of four city departments. Depending on the project it could be assigned to Park Board, Community Services, Engineering, or Real Estate and Facilities; these projects are coordinated through the senior planner/project manager for Hastings Park/PNE in the Community Services department.
- The PNE Board does not appear to have a formal role related to the implementation of the Hastings Park/PNE Master Plan.
- There are additional entities with responsibilities within the Hastings Park site:
 - 1) Park Board has the following operational responsibilities on the Hastings Park/PNE site:
 - Booking and overall programming of Empire Fields (two sports fields planned for the site);
 - Maintenance of the turf at Empire Fields;
 - Control and monitoring of irrigation for park spaces in the park; and
 - Monitoring of the fire alarm in the Fieldhouse at Empire Field.
 - 2) City of Vancouver's Real Estate and Facilities Management department is responsible for the Hastings Racecourse lease.
 - 3) City of Vancouver's Community Services department is responsible for funding assistance for the Hastings Racecourse child care facility.

Objective and Goals of the Governance Review

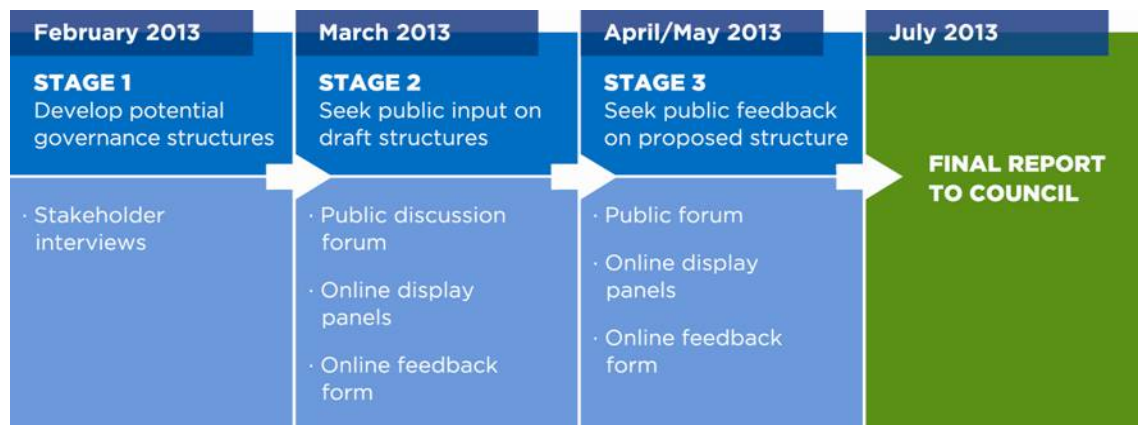
As directed by Council, the objective of the governance review was to develop a new governance structure (or structure options) for Hastings Park/PNE. The goal of the new structure will be to support and reinforce the mandate identified through the Hastings Park/PNE Master Plan process of promoting economic development, culture, entertainment and green space in the following manner:

1. Align park governance with City Council direction and priorities (e.g. Greenest City 2020);
 - a. Delivery of the Master Plan vision of transformation of Hastings Park to a "Fair in a Park".
 - b. Recognition that the PNE must remain financially sustainable.
 - c. The governance model will identify the accountable body that will deliver on the PNE mandate and mission as well as the priorities identified in the Hastings Park/PNE Master Plan.
2. Effective stewardship of the priorities outlined in the Hastings Park/PNE Master Plan;
 - a. A governance model that has the resilience, clarity and stability to successfully execute the Master Plan in the long term.
 - b. Define the roles and responsibilities of the Hastings Park Steering Committee and the PNE Board.
3. Clarify responsibilities around infrastructure and asset management;
 - a. Implementation of the Master Plan will require significant investment in new and renewed infrastructure and facilities (estimated \$200-\$300M over approximately 20 years), the responsibility for management of this investment will need to be clarified in the governance review.
4. Recognize the needs and issues related to local and City-wide residents.
 - a. Development of input and participation mechanisms to the future governance body.

- b. Day to day access to parks, greenways and vehicle parking.
- c. Facility access: define the “what” and “when” of facilities access for community programs and events.
- d. Volunteerism in the park.
- e. Responsiveness to community concerns.
- f. Defining where the accountability lies for delivery of mandate including monitoring and reporting.

Governance Review Process

In January 2013, through a competitive bidding process, the City retained KPMG Management Consultants to undertake the governance review. KPMG and City staff, which included staff from Park Board, worked collaboratively to conduct the governance review. A three-stage public consultation process, illustrated below, was defined for the development of the governance structures. (A full summary of the consultation process is provided in Appendix B)



In addition to the broader public consultation process (two public engagement forums) the City also established a Stakeholder Advisory Group (SAG) to provide input on the governance review. Acknowledging both the local and regional importance of Hastings Park, this advisory group was comprised of local and city-wide stakeholders reflecting the key activities on the Hastings Park/PNE site. The City invited 25 groups with diverse mandates that complement the long-range vision for Hastings Park/PNE to participate as SAG members. The City received responses from 12 groups, and their representatives comprised the SAG. (Refer to Appendix B for SAG membership)

The SAG met three times over the review process. In addition KPMG had four meetings with the City staff working group and met on three occasions with the Hastings Park/PNE Steering Committee and once with the PNE Board.

Stage 1 - February 2013

One-to-One stakeholder interviews

The City requested that KPMG conduct a number of interviews with selected individuals involved with decisions concerning Hastings Park/PNE to gather their views on the future governance of Hastings Park/PNE. The list of those interviewed is provided in the Consultation Summary Report Appendix B.

Because of their longstanding interest in the future governance of Hastings Park/PNE, the City also arranged a meeting for representatives of the Friends of Hastings Park (FoHP) with KPMG. The meeting was held on February 12 and FoHP shared and discussed their key interests concerning the future governance of Hastings Park/PNE.

KPMG used the input from the one-to-one interviews, together with background information provided by the City, and their experience with leading practices in governance, to develop draft governance structures.

7 Key Guiding Principles

Prior to developing potential governance structures for Hastings Park/PNE, KPMG worked with the City to establish a set of guiding principles to develop and assess potential structures as follows:

1. Increased opportunity for public input - governance and programming
2. Clear accountability for Master Plan implementation
3. Implementation of Master Plan must be financially responsible
4. Respect all uses of multi-purpose site that make Hastings Park/PNE site unique
5. Balance interests - local community, city, region, province
6. Support activities with economic benefit to ensure financial sustainability
7. Retain operational expertise - City, Park Board and PNE

The development of the guiding principles took into consideration the output of the May 2010 governance workshop held with the Hastings Park/PNE Stakeholder group, governance principles articulated by the Hastings Park Steering Committee in October 2010 (see Appendix A), and the original mandate identified through the Hastings Park/PNE Master Plan process of promoting economic development, culture, entertainment and green space within Hastings Park.

The output from these groups was then carefully considered against the realities under which Hastings Park/PNE exists. These realities can be categorized into three areas as described below.

Legislative Framework

- By virtue of the *Pacific National Exhibition Incorporation Act*, City Council is the only governmental authority authorized to appoint the directors of the PNE. Accordingly, the City is the only entity who is authorized to oversee the operation and governance of the PNE.
- Moreover, the City is owner of Hastings Park under the initial 1889 grant from the Province and the *Pacific National Exhibition Enabling and Validating Act* designates City Council as the only authority authorized to determine the uses and activities that are permitted to take place in the park.

Hastings Park/PNE Master Plan

- Describes future vision and direction for the entire site, which operates 12 months a year. This plan provides the basis for 3 foundational pillars on site which must remain at the forefront of consideration through use of the array of facilities on the site:
 - **Economic Development** - Through the annual fair, Playland and year round, events and commercial activities, The PNE generates \$140M in economic spin off annually to BC with \$115M of that generated in the Vancouver CMA. The PNE generates \$95M in annual salaries with \$80M retained in the Vancouver CMA and contributes over 3,500 full-year jobs (935 FTEs), of which 90% are in the Vancouver CMA. More than 50% of PNE employees live within the City of Vancouver and activities on site

also drive key youth employment opportunities with the PNE being the largest single site employer of youth in BC. In terms of tourism impact, the Fair alone provides \$1.7M annually in local hotel night spending and \$5.5M in additional tourism spending by guests coming to the Fair from outside CMA.

- **Culture and Entertainment** - Use of the Pacific Coliseum, Agrodome, Forum, Garden Auditorium, Amphitheatre, Livestock building, Playland and other outdoor venues allows Hastings Park to remain vibrant and active with celebrations, concerts, sporting activities, festival and cultural events. PNE programming results in 1,000 - 1,500 event days per year at Hastings Park with over 80% of guests attending from within the Vancouver CMA.
- **Parks and Recreation** - Empire Fields, skate parks, greenways and the green components (e.g. Sanctuary, Italian Garden, Momiji Garden) of the Master Plan aligned with Park Board standards and priorities. The PNE will continue to invest all proceeds back into facility and park space upkeep which currently exceeds \$3M annually.
- **All 3 pillars must thrive and be respected to ensure long term success of the Master Plan**

Implementation and Operational Funding

- The primary source of funds for Hastings Park/PNE Master Plan implementation is through the City of Vancouver's 3 year Capital Plan and annual Capital Budget.
- Revenue generated from activities at Hastings Park/PNE is reinvested into Hastings Park/PNE operations.

Stage 2 - March 2013

Draft Governance Structures

Based on leading governance practices, input derived from the Stage 1 one-to-one interviews, a review of the material previously gathered by City staff, and in accordance with the guiding principles, KPMG developed three draft governance structures.

Governance Option 1 - City Department

Governance Option 2 - Board of Parks and Recreation

Governance Option 3 - Refined Hastings Park/PNE Board

These structures are described in detail in the Strategic Analysis section below.

The three draft governance structures, the guiding principles and, the consultation materials were reviewed with the SAG staff prior to the community engagement event. At the March 11, 2013 Community Engagement event attendees had the opportunity to review and discuss the potential structures, as well as to share their input with City staff and KPMG. Forum participants were invited to complete a feedback form either after the event or online.

Stage 3 - April/May 2013

The comments and feedback received at the public consultation event held on March 11, 2013, provided the foundation for further analysis and development of a preferred structure including more detailed analysis against the seven guiding principles. The

preferred structure and the accompanying analysis were reviewed with the SAG for their input prior to the consultation event. This structure was then presented at the May 2, 2013, consultation event.

The proposed structure is described in detail in the Strategic Analysis section below.

As with the initial public event, the May 2, 2013 forum provided the opportunity for people to review and discuss the preferred option with City staff and KPMG. Participants were again invited to complete a feedback form either at the event or online. Subsequent to the second public engagement event, additional refinements were made to the preferred structure based on comments and suggestions received.

Strategic Analysis

Stage 2 - Potential Governance Structures

The following provides an assessment of the three draft governance structures that were developed for Stage 2 consultation with the public and presented at the May 2, 2013 consultation forum. The structures are shown in Appendix C and summarized below.

Option 1 - Hastings Park/PNE would become a department of the City

With this structure, City Council would appoint only senior City staff as directors thereby delegating administration and management of the PNE to City administration in similar fashion to other City departments. As with all structures, ultimate responsibility for implementing the Master Plan would still rest with City Council.

This option would give the City direct control over the implementation of the Master Plan with this accountability delegated to City Administration. The Park Board would continue to manage Empire Fields. The public would have an opportunity for input to City Council under existing protocols.

An assessment of the alignment of Option 1 with the guiding principles is shown in the following table.

Guiding Principle	Alignment	Explanation
Opportunity for input	Medium	Through City Council agenda and contact with City staff as with other departments
Accountability for Master Plan implementation	Medium	Competing priorities for staff time
Financially responsible	High	Clearly within City's fiscal framework
Respect uses	Medium	Increased potential to respond to issue of the day rather than long-term vision
Balance interests	Medium	Increased potential to respond to issue of the day rather than long-term vision
Support activities with economic benefit	High	In interests of City; related to financially responsible implementation
Retain operational expertise	Medium	Could result in change in workplace culture which may result in loss of some expertise

Option 2 - Hastings Park/PNE would be governed by the Park Board

In this option City Council would appoint Park Board commissioners as directors of the PNE and transfer responsibility for Hastings Park to the Park Board as well thereby delegating authority to govern Hastings Park and the PNE to the Park Board. The elected Board would be accountable for implementing the Master Plan and would continue to manage Empire Fields but would also be responsible for all other open spaces and park spaces at Hastings Park. The PNE would continue to be responsible for commercial activities on the site but the PNE board would be comprised of directors who were also Park Board commissioners. There would be an opportunity for public input to the Park Board under the existing protocol.

An assessment of the alignment of Option 2 with the guiding principles is shown in the following table.

Guiding Principle	Alignment	Explanation
Opportunity for input	Medium	Through existing Park Board protocol and contact with Park Board staff
Accountability for Master Plan implementation	Medium	Board skills and experience may not reflect the diversity of activities at Hastings Park
Financially responsible	Medium	Board skills and experience may not reflect the diversity of activities at Hastings Park
Respect uses	Medium	Board skills and experience may not reflect the diversity of activities at Hastings Park
Balance interests	Low	Potential for lower priority of interests other than normal park interests
Support activities with economic benefit	High	In interest of the Board to generate use of the site
Retain operational expertise	Medium	Could result in change in workplace culture which may result in loss of some expertise

Option 3 - Refined Hastings Park/PNE Structure

In this option the PNE Board of Directors would be appointed by City Council on the basis of their combined skills and experience required to ensure appropriate oversight of the diverse activities and facilities at the Hastings Park site. City Council would delegate to this Board of Directors the authority to govern Hastings Park and the PNE including the implementation of the Master Plan. The Board of Directors would be re-named the "Hastings Park/PNE" Board of Directors. However, the Park Board would continue to manage Empire Fields. Profits from commercial activities would continue to be reinvested into the site and facilities.

This option would include the introduction of a protocol to allow for public input at a number of open meetings of the Board of Directors.

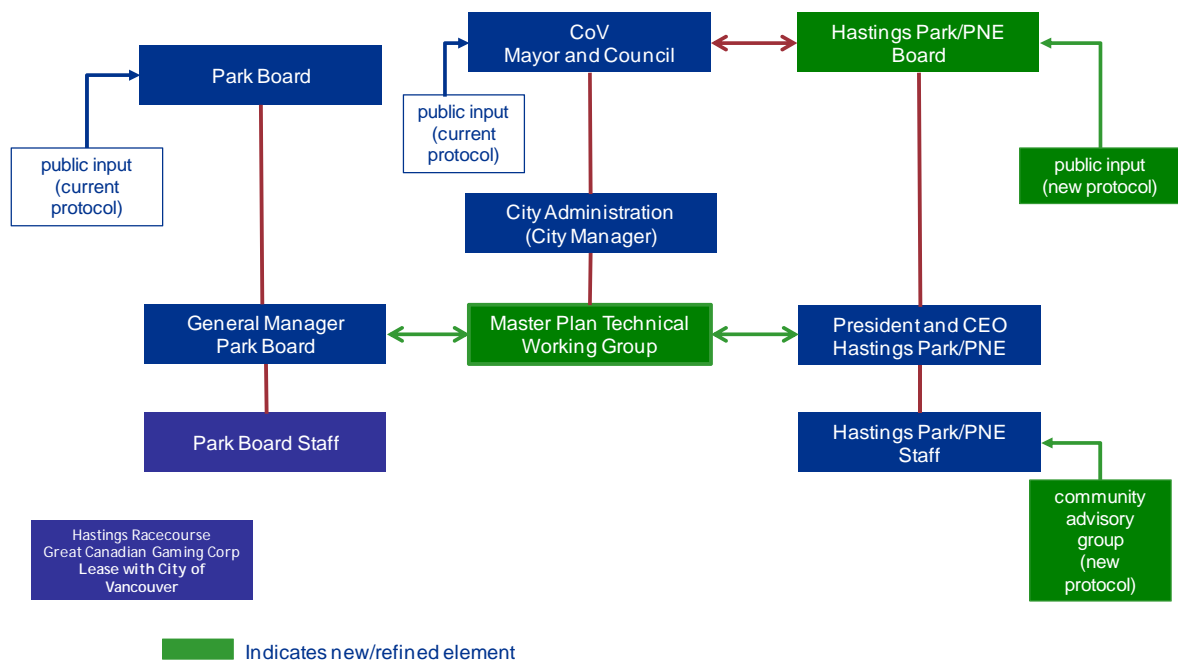
An assessment of the alignment of Option 3 with the guiding principles is shown in the following table.

Guiding Principle	Alignment	Explanation
Opportunity for input	Medium	Structured opportunity for input to Board
Accountability for Master Plan implementation	High	One organization accountable to implement Master Plan; skills based board
Financially responsible	High	One organization accountable to implement Master Plan; skills based board
Respect uses	Medium	One organization accountable to implement Master Plan; clear roles/relationships
Balance interests	Medium	One organization accountable to implement Master Plan; clear roles/relationships
Support activities with economic benefit	High	In interest of the Hastings Park/PNE to support activities on site
Retain operational expertise	High	Park Board manages Empire Fields, no change in workplace culture

Stage 3 - Proposed Governance Structure - Overview

Subsequent to the May 2, 2013 public engagement event, additional refinements were made to the proposed structure based on comments and suggestions received on the proposed structure and a more detailed analysis against the seven guiding principles and key pillars of the Master Plan was undertaken. Refinements to the proposed structure included support and reinforcement of the mandate identified through the Hastings Park/PNE Master Plan process of promoting economic development, culture, entertainment and green space within Hastings Park. The following provides an overview of the proposed structure.

Hastings Park/PNE - Proposed Governance Structure



Renaming of the Board to Hastings Park/PNE is significant as it reflects the alignment of the responsibility for both the strategic direction of the PNE and the stewardship of the long-range Master Plan.

Given the significant expansion of green space, the Park Board, under a Multi-Party Operating Agreement is proposed to have enhanced involvement in:

- Park programming
- Community Access
- Park design and maintenance standards

Park Board would continue to manage Empire Fields, track and the new Plateau Park (currently under construction). The lease arrangement between the Great Canadian Gaming Corporation and the City to operate Hastings Racecourse would remain unchanged.

The City's role would continue to be raising capital funds, major capital maintenance of facilities and green space at Hastings Park, and procurement and project management of the capital investments which are prioritized in the Master Plan.

Revenues from commercial activities would continue to be reinvested into the operations and programs on site.

The Board processes and structure would include the introduction of a new protocol to allow for public input on a regular schedule at meetings of the Board of Directors. The Hastings Park/PNE organizational structure would also include a clear community liaison function at the senior staff level (reporting to the CEO) for community input on site programming and access through the establishment of a Community Advisory Group.

The roles and responsibilities for the City of Vancouver, Park Board, and Hastings Park/PNE with accountability for elements of the Hastings Park and PNE operations would be clearly defined in the Multi-party Operating Agreement.

Proposed Governance Structure - Alignment with Guiding Principles

The proposed structure aligns strongly with the guiding principles, pillars of the Master Plan and responds to the input received from the community and key stakeholders as well as aligning with the City obligations to Hastings Park/PNE as shown in the following table.

Guiding Principle	Alignment	Explanation
Opportunity for public input	High	Structured opportunity for input - Board level and staff
Accountability for Master Plan implementation	High	One organization accountable to provide stewardship of the implementation of the Master Plan; skills-based board
Financially responsible	High	Master Plan Technical Working Group with accountability to Corporate Management Team One organization accountable to implement Master Plan
Respect uses	High	Multi party agreement specifies operational roles and responsibilities for uses aligned with vision within Master Plan One organization accountable to oversee implementation of the Master Plan
Balance interests	High	Alignment with other entities (City of Vancouver, Park Board, VEC, Tourism Vancouver)
Support activities with economic benefit	High	Alignment with other entities (City of Vancouver, Park Board, VEC, Tourism Vancouver)
Retain operational expertise	High	Current staff enhanced; Master Plan Technical Working Group for technical advice Park Board has stronger role in managing key green space; no change in workplace culture

Proposed Governance Structure - Details

Board Terms of Reference and Composition

On behalf of the City of Vancouver, the PNE Board of Directors provides direction for the management of the multi-faceted activities of Hastings Park/PNE, as well as oversight of the implementation of the Hastings Park/PNE Master Plan, a sample Terms of Reference is provided in Appendix D.

The Board of Directors would be comprised of nine to eleven members with an appropriate mix of skills and experience. A draft of the key competencies required for director effectiveness is shown in the following table.

Each Board member would have skills or expertise in one or more of these areas and collectively the Board would have the full range of skills and experience necessary for effective governance of Hastings Park and the PNE.

Knowledge	Technical	Personal
<ul style="list-style-type: none"> • Ability to represent Hastings Park/PNE • Governance and role of the Board • Community relations • City/ Regional/ Provincial/government relations • Business Acumen 	<ul style="list-style-type: none"> • Financial literacy • Human Resources/Labour Relations • Legal/Regulatory • Parks management and development • Marketing/promotions and communications • Sports and recreation • Tourism development • Arts and culture • Media relations • Community and Not-For-Profit Programming 	<ul style="list-style-type: none"> • Effective judgement • Integrity • Independent thinking • Effective communication and listening skills

Master Plan Technical Working Group

It is recognized that the priorities and interests of the City, Park Board, and Hastings Park/PNE must be aligned to support the implementation of the Hastings Park/PNE Master Plan. To accomplish this objective, and to provide for the required technical linkages among City, Park Board, and Hastings Park/PNE, a Master Plan Technical Working Group (TWG) is proposed.

The purpose of the TWG would be to protect the interests of the City, ensure alignment with Council direction and make sure this important asset is well managed.

The TWG would be comprised of senior staff with the appropriate skills and expertise from the City, Park Board and Hastings Park/PNE. To support this desire to balance skills and expertise, it is proposed that Park Board and PNE senior staff would work together to ensure that Hastings Park/PNE meets Park Board standards and practices, and to assist community engagement at all levels. The TWG would have a defined mandate and terms of reference. The TWG would be accountable to the Corporate Management Team at the City. The mandate of the Master Plan TWG would include:

- Providing input on technical matters, for example engineering as required for implementing the Hastings Park/PNE Master Plan
- Addressing environment or green space matters related to the site
- Following appropriate analysis, recommending approval of recommendations related to implementing the Master Plan

Public Input to the Board

An important success factor in the implementation of a new governance structure will be to develop and implement a mechanism for the public to be able to provide input to the Board of Directors. The following key steps are recommended in developing the approach:

- Develop and publish annually the schedule of meetings that will be open to the public; consider beginning with three open meetings annually

- Define a protocol for the public to have the opportunity to present at the designated Board meetings. The approach could include making a request to a designated Hastings Park/PNE staff member one week in advance of the scheduled Board meeting
- In a timely manner, post outcomes of the open meetings on the Hastings Park/PNE website including presentations by delegations.

Community Advisory Group

During the governance review process, some local community members expressed a desire to have input to onsite programming at Hastings Park/PNE. The following approach is being recommended to be developed and implemented by the CEO of Hastings Park/PNE with outcomes reported back to the Hastings Park/PNE Board of Directors.

Key components in establishing the Community Advisory Group (CAG):

- Define the mandate for the CAG in a Terms of Reference (ToR), which would include providing input on elements of the Master Plan, as well as on-going site programming
- Establish and communicate membership in the CAG, from local, city and region-wide constituencies with diverse mandates consistent with the Hastings Park/PNE Master Plan or with interest in a specific initiative
- Membership of the CAG could change over time as the topics under discussion change, and membership should be broadly based
- The CAG could present to the Hastings Park/PNE Board of Directors under the established protocol.

Board Processes and Communications

The Board of Directors should establish its own processes, and define the role and mandate of the CEO. The following items are provided for consideration:

- The strategic plan for Hastings Park/PNE needs to align with those of various other regional entities including the City, Park Board, Vancouver Economic Commission and Tourism Vancouver. The Board should put in place a protocol so that there are linkages among the plans, and that they are shared among the organizations.
- The Hastings Park/PNE CEO should consider meeting annually with Park Board to present a progress update and upcoming plans for greening of the site; and also report quarterly to the Board of Directors on community input received and outcomes.
- Hastings Park/PNE Board meeting minutes should be posted on the website in a timely manner.
- Progress regarding the implementation of the Master Plan should be posted regularly on the appropriate web site and easily searchable by the public.
- At appropriate milestones in the implementation of the Master Plan, consideration should be given to obtaining public input.
- The Hastings Park/PNE annual report should include information on the achievement of alignment with the plans of the City, Park Board, Vancouver Economic Commission and Tourism Vancouver.

Multi-Party Agreement

It is recommended that a Multi-Party Operating Agreement be developed that clearly describes the roles, responsibilities and accountabilities for all operational aspects of Hastings Park/PNE and the implementation of the Hastings Park/PNE Master Plan. The

Multi-Party Agreement (MPA) would be between the City of Vancouver, the Park Board and the Hastings Park/PNE. The MPA would further support and balance the mandate identified through the Hastings Park/PNE Master Plan process of promoting economic development, culture, entertainment and green space within Hastings Park. The MPA would address matters including, but not limited to:

- On-site responsibility for operations and maintenance for all facilities and land areas
- Parks space design and maintenance standards
- Public access to parks, greenways, facilities, vehicle parking
 - Day-to-day access
 - Defining processes for programming and events access for community and not-for-profit organizations
 - Balance and frequency of public access vs. private access
- Volunteerism in the Park
- Bylaw and regulation enforcement
- On-site signage and advertising
- Communications and notifications

The MPA would be developed for Council approval by an interdepartmental staff working group with representatives from Parks & Recreation, Community Services, Facilities, Engineering Services, Human Resources, Legal Services and Hastings Park/PNE staff.

Increased Park Board role in Hastings Park/PNE

The reconstruction of Empire Fields, track and adjacent new Plateau Park is anticipated to be complete by fall 2014. Due to the sport and recreational specific design, programming and maintenance these new spaces and their proximity to the edge of the site, this area (Empire Fields, track and Plateau Park) is proposed to be managed by the Park Board. The remaining balance of the park spaces within Hastings Park would continue to be managed by the Hastings Park/PNE for ease of maintenance, communication and accessibility for the public.

In order to assist the Hastings Park/PNE CEO in community and parks programming and park operations the General Manager of the Park Board will assign a Park Board Manager to the Hastings Park/PNE management team.

Implementation Plan

The following chart outlines the 12 action items needed to fully implement the new governance structure for Hastings Park and the PNE. Responsibility and timing of each action is indicated. With Council approval of this implementation plan, it is anticipated that the action items would be complete by February 2014.

The action items highlighted in grey indicate elements of the new governance structure that will be brought forward for Council approval.

	Action	Timing
Board Matters		
1	Define the terms of reference for the Board of Directors. (sample provided in Appendix D)	December 2013
2	Describe the required skills and experience to achieve an appropriate board composition (sample provided in section 5.2)	December 2013
3	Define and implement transparent process for director nominations implemented by City Clerk's office	January 2014
4	Appoint directors to the Board	January 2014
By Laws		
5	Update the bylaws of the organization to reflect the new structure and relationships	February 2014
6	Establish a committee structure in accordance with the bylaws (e.g. Audit; Human Resources sub-committees)	February 2014
Communications		
7	Develop and implement a protocol for public input to the Board of Directors	February 2014
8	Establish terms of reference for the Community Advisory Group and a group protocol including membership and process	February 2014
9	Establish the Community Advisory Group: identify members	February 2014
10	Update relevant websites and regularly include progress on Master plan implementation (City), Board minutes, Advisory Group Updates (Hastings Park/PNE)	October 2013 and On-going
Administrative		
11	Define the role of the Technical Working Group; identify members	December 2013
12	Develop a Multi-Party Agreement among City of Vancouver, Park Board and Hastings Park/PNE	January 2014

Implications/Related Issues/Risk (if applicable)

*Financial **

The primary source of funds for Hastings Park/PNE Master Plan implementation is through the City of Vancouver's 3 year Capital Plan and annual Capital Budget; however, delivery for some of the work outlined in the Implementation Plan will require external consulting expertise.

It is anticipated that external consultant support will be needed to resource the implementation plan within the timeline set out in this report. It is anticipated that this work will cost approximately \$80,000 with the source of funds to be the Hastings Park Reserve.

Human Resources/Labour Relations

As indicated in the table above, the implementation of the new governance structure will be the responsibility of staff from the following: City, Park Board and Hastings Park/PNE staff. In order to assist the Hastings Park/PNE CEO in community and parks programming and park operations, the General Manager of the Park Board will assign a Park Board Manager to the Hastings Park/PNE management team.

The proposed governance structure has no employment impacts to City or PNE staff.

Environmental

Implementation of the Hastings Park/PNE Master Plan represents a significant opportunity to improve the environmental performance and sustainability of Hastings Park and the PNE, meeting many of the goals outlined in the City's Greenest City Action Plan. Establishing one governance body with accountability to City Council for the stewardship of the Hastings Park/PNE Master plan will ensure that the strategic directions for both Hastings Park and the PNE will align with the City's Greenest City Action Plan.

CONCLUSION *

The implementation plan outlined in this report is the next step in aligning Hastings Park/PNE governance with the Council-approved Master Plan for Hastings Park and the PNE. This new governance structure provides the responsiveness and resilience for the new Hastings Park/PNE Board to be the stewards of the transformation of Hastings Park and the PNE while ensuring fiscal responsibility and the sustainability of the PNE's significant business units.

The development of a Community Advisory Group, improved input protocols to the new Hastings Park/PNE Board and the establishment of a Multi-Party Operating Agreement will assist in addressing long-outstanding concerns around community access and programming in Hastings Park while supporting the long term vision for an enhanced Hastings Park. Refinements to the governance structure and the inclusion of such improvements will further support and reinforce the Hastings Park/PNE mandate of promoting economic development, culture, entertainment and green space within Hastings Park over the long term.

Next steps will be the completion of the 12 action items outlined in the Implementation Plan, a number of these items are recommended to be brought back to Council for approval in late 2013 early 2014. With the completion and approval of the 12 action items, a new governance structure for Hastings Park and the PNE is anticipated to be in place by spring of 2014.

Governance Mandate

<ul style="list-style-type: none"> • One governance model for the whole site 	There is a single agent responsible for the park that has authority, responsibility, and is accountable to elected officials, regardless of the sub users: PNE, Pacific Coliseum, Playland, Hastings Park Racetrack, etc.
<ul style="list-style-type: none"> • Clear governance mandate 	The governance model must include authorization to clearly realize the vision and mission established for Hasting Park. Be clear about the mandate. It will likely not satisfy everyone's needs/desires but a lot of conflict could be eliminated by clearly stating what this park is about and why.
<ul style="list-style-type: none"> • Board composition represents and is aligned with vision 	
<ul style="list-style-type: none"> • Respect park functions as one of three major land uses 	Park, PNE, Racecourse
<ul style="list-style-type: none"> • Balancing of mandates 	The mandate for a new governance body should include the values of the PNE as well as the community. One should not take precedence over the other.
<ul style="list-style-type: none"> • Greater responsiveness 	The organization works with groups to resolve issues and with groups to create synergy. It does not operate in isolation to Metro Vancouver. The governance model must include ongoing avenues for public consultation, citizen participation and power-sharing.
<ul style="list-style-type: none"> • Staggered terms – term limits 	Good governance provides a way to renew board members in ways that preserve knowledge and give the citizens a way to have a board of governors which reflects the neighbourhood in which it operates. Term limits support renewal and help prevent stagnation, concentration of power within a small group, loss of commitment, and even intimidation of stakeholders.
<ul style="list-style-type: none"> • Monitoring and evaluation of community benefits 	Public procedures must be in place for regular reviews of how well the Board and management are meeting 'community benefits' objectives.
<ul style="list-style-type: none"> • Transparency governance reviews 	Public procedures must be in place for regular reviews of how well the Board and management are meeting 'transparency' objectives. How this review of governance for Hastings Park is conducted and who is making decisions should be transparent.

Multi-Usage + Access

<ul style="list-style-type: none"> • Encourage volunteerism 	People want and are willing to do hands-on work around the greened areas
<ul style="list-style-type: none"> • Sustainability (social) - arts and culture that supports real and lasting community benefits 	The physical plan addresses the environmental arm of sustainability but the governance model should entrench social sustainability for the park. For example, if it is determined that community arts programs are invaluable to the site, then there could be some regulations ensuring them access to the site for X # of days per year. This should include non-profit community groups.
<ul style="list-style-type: none"> • Sports, arts, education, music festivals, entertainment 	The community is composed of neighbours as well as a number of groups that represent the activities they are

	involved in: sports, arts, music, festivals, entertainment, gardening...
<ul style="list-style-type: none"> • Guaranteed access by groups representing a broad range of activities 	Community groups have access to the decision makers in a way that respects that they are available at different times of the day, and different days of the week.

Accountability

<ul style="list-style-type: none"> • Accountability for the vision 	Public procedures must be in place for regular reviews of how well the Board and management are meeting 'accountability' objectives.
<ul style="list-style-type: none"> • Ultimate responsibility remains with elected officials 	Hastings Park is owned by the people of Vancouver. The guardians of the park are those elected by them. To some extent their actions are delegated to staff, but they are the final authority in this matter, not an appointed board containing staff members.
<ul style="list-style-type: none"> • Clarity of Accountability 	There are clear and published lines of authority and delegation.

Community

<ul style="list-style-type: none"> • Unfettered public access 	Prioritize park access for all residents (within balance of the 17 day Fair)
<ul style="list-style-type: none"> • Values and principles for site "community benefits" 	The vision for Hastings Park must include development of a spectrum of different levels of citizen participation and power sharing to ensure a legacy of local/city wide community benefits result from decisions of the Board and management.
<ul style="list-style-type: none"> • Neighbourhood inclusively 	The neighbours feel welcome participating in the events at Hastings Park.
<ul style="list-style-type: none"> • Responsive to and respectful of community 	Community engagement is a spectrum of different levels of citizen participation and power sharing.
<ul style="list-style-type: none"> • Recognition of local/city-wide interests 	Stakeholders must have avenues for continuing input into the governance and management of Hasting Park.
<ul style="list-style-type: none"> • End to 80 yrs of conflict 	

Park Identity + Priority

<ul style="list-style-type: none"> • A park with a fair in it 	Hastings Park is the Park, the PNE happens at Hastings Park. Horse racing happens at Hastings Park. Circus West happens at Hastings Park, etc.
<ul style="list-style-type: none"> • Governance should start with park planning 	Governance should support the vision of a 'park with a fair.'
<ul style="list-style-type: none"> • Park uses and green spaces prioritized 	

Park Board

<ul style="list-style-type: none"> • Park Board governance (at least over green space) 	Need for a separate body to oversee the "public park" areas
<ul style="list-style-type: none"> • Why not Parks Board? 	Why is the Park Board not in charge of this park but is in charge of all other parks in the City? Is this a conflict of mandate because there are commercial interests at this park? Need to clarify why Hasting Park is unique in this regard.

- Govern the whole Park as one entity
- Be accountable to your vision + mission
- Monitor progress and report regularly
- Ability to successfully execute a Master Plan
- Encourage community participation/volunteerism
- Nurture community pride + ownership in your site
- Innovation in partnerships and fundraising
- Balance of public and private uses
- Provide core facilities and services to third parties
- Operate cross-functionally within the Park
- Celebrate your region and its unique attributes
- Provide year round, diverse programming + incidental encounters
- A busy park is a safe park

Hastings Park/PNE Governance Review

Consultation Summary Report

10 June 2013

This independent report of consultation findings, including data entry of paper feedback forms received and analysis of all the consultation input received, was prepared by Lucent Strategies Inc. for KPMG LLP and the City of Vancouver Cultural Services.

The online surveys were conducted using the FluidSurveys platform. Personal information collected in connection with responses to the survey is stored in Canada by FluidSurveys (fluidsurveys.com) using the latest in firewall and encryption technology to protect private information.

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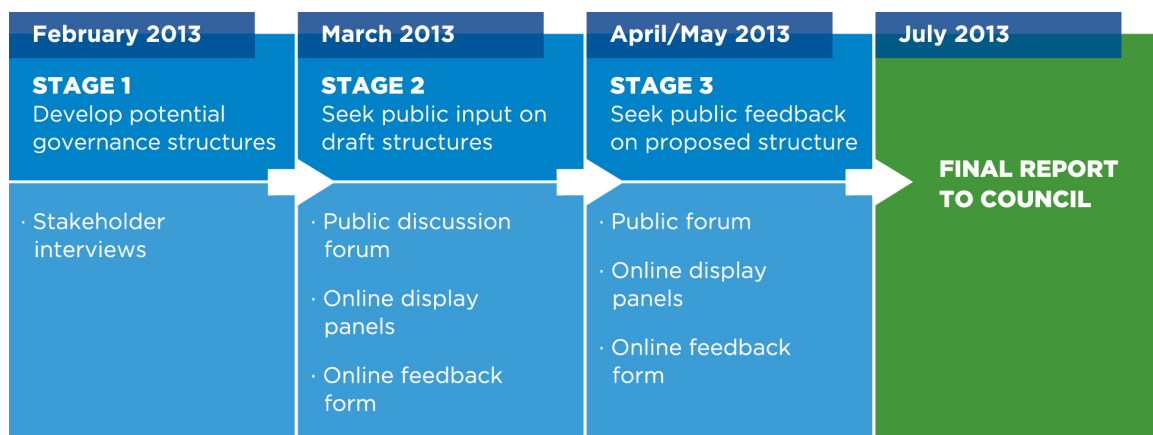
EXECUTIVE SUMMARY

Background and Context

The City of Vancouver owns Hastings Park and the PNE, and is responsible for the long-range planning for both. In December 2010, City Council approved the Hastings Park/PNE Master Plan. The Master Plan sets out a long-term vision for Hastings Park as a multipurpose destination for economic development, culture and entertainment, and as a park and public gathering space for both the local community and residents across the city and the region.

Along with the approval of the Master Plan, Council directed staff to undertake a governance review of Hastings Park and the Pacific National Exhibition. Through a competitive selection process, the City retained KPMG LLP (KPMG) in January 2013 to assist in developing and analyzing potential governance structures, including collecting and considering stakeholder and community input.

The City defined a three-stage consultation process for the development of the governance structures:



Approximately 125 people participated in the first two stages of consultation (February and March 2013) and approximately 85 people participated in Stage 3 consultation (May 2013). These are not cumulative totals, since a number of participants attended both sessions. Consultation included input from stakeholders and local community members. Input was collected from four key sources:

- Pre-consultation interviews
- The 12-member Governance Stakeholder Advisory Group
- Question and Answer Session at the March 11 and May 2 public consultation events
- Feedback forms available at the consultation events and online

Purpose of this Report

This report provides a summary of the input received from all sources during the three stages of consultation. It is intended as an independent report of findings only and is specifically not intended to correct misinformation or represent the City's response to the input provided.

Input from Stage 1 helped inform the development of three draft proposed governance structures, which were presented for community and stakeholder input in Stage 2. Following this stage of consultation, KPMG worked with City staff to further review the draft structures based on public and stakeholder input and conducted additional analysis to develop a draft preferred governance structure for public and stakeholder feedback during Stage 3 consultation. Results from this final stage of consultation will be used to develop a final recommendation for Council decision, scheduled to take place in June 2013.

Summary of Input Received

Stage 1 - Developing potential governance structures - One-to-one stakeholder interviews

KPMG conducted 11 pre-consultation interviews with 16 stakeholder representatives and with the Stakeholder Advisory Group as a whole (12 individuals) to assist in developing the draft governance structures.

These stakeholders indicated that, while the current PNE board consists of high-quality members, the overall governance structure suffers from lack of clarity in roles and responsibility for maintaining the multi-use aspects of Hastings Park and the PNE, and lack of transparency and opportunity for community and public input at the board level.

Suggestions for improvements included: providing opportunities for community input and; ensuring a balance of interests and skill sets amongst board members to maximize potential for successful implementation of the Hastings Park/PNE Master Plan.

Stage 2 - Seeking public input on draft governance structures

KPMG used the input from these interviews, the background information provided by the City and KPMG's experience with leading practices in governance to develop the three draft structures that were presented for public and stakeholder input as part of Stage 2 consultation:

- Governance Option 1 – City Department
- Governance Option 2 – Park Board
- Governance Option 3 – Refined Hastings Park/PNE Board

Most participants in this stage of consultation (89%) identified themselves as local area residents. During this stage, many participants offered suggestions about governance, as well as about the consultation process to date and about programming within the park.

Regarding the draft governance structures presented, several people advocated strongly for Option 2 (Park Board), while others indicated concerns with this option. Participants identified advantages and disadvantages with all three structures and also provided suggestions for improvement. No consensus preference was demonstrated for any one of the draft governance structures presented. For all three structures, participants requested more information about the relevance of the PNE's charitable status, which was addressed at the subsequent forum in Stage 3. General themes of feedback for each option are summarized below.

Governance Option 1 – City Department – People liked the clear accountability afforded by having all aspects of Hastings Park governed by a single entity and also liked the opportunity for input on Hastings Park governance matters through participation in City Council meetings. However, they noted concerns about potential increased expense due to City processes or

bureaucracy, as well as potential for shorter-term thinking and politics related to Council election cycles and potential for lack of focus on Hastings Park given the myriad of City priorities. They also asked for more information about how the department would operate.

Governance Option 2 – Park Board – People liked the increased accountability and transparency afforded through an elected board and potential for increased management efficiencies through general park management experience of the Park Board. However, they also expressed concern that the Park Board’s expertise may be too limited, given that the multiple uses at Hastings Park and the PNE extend beyond parks and recreation.

Governance Option 3 – Refined Hastings Park/PNE Board – Participants liked that this structure allowed for one body to be responsible for, and focused on all of the varied interests in, Hastings Park and the PNE. However, they also expressed concerns about how to ensure accountability and transparency with an appointed board, as well as concerns about opportunities for input and potential for the board to become too commercially focused. Some participants felt that this model was too close to the existing governance framework (i.e. City Council appointed Board). People requested more information about how the board would be appointed and how public input would be incorporated. Some participants suggested that the board should be publicly elected.

With regard to the overall governance review process, some participants also offered a variety of general comments and suggestions.

Stage 3 - Seeking public input on refined governance structure

Based on Stage 2 community and stakeholder input, additional analysis and leading practices, KPMG further refined the three draft governance structures. A preferred structure (Refined Hastings Park/PNE Board) was then selected based on best fit with the guiding principles. This structure was further refined, including detailed analysis of potential board member composition, public input and communications processes. Stage 3 consultation sought feedback on this proposed structure.

While 60% of a total of the 55 participants who completed a feedback form in this stage of consultation identified themselves as local area residents, this was a smaller percentage of local area participants than in earlier stages. During this stage, many participants commented about the importance of the PNE, Playland, and continued access to year-round venues within the park for recreation and entertainment. Participants also expressed support for the refined governance structure as follows:

The percentages below are based on a total of the 55 people who completed a feedback form.

- 65% agree that it provides appropriate clarity of roles
- 67% agree that it provides increased opportunity for input at the board level
- 59% agree that it provides increased opportunity for input to programming
- 70% support having the proposed technical working group, primarily to maintain existing skills and experience at the staff level to implement the Master Plan and also to provide balance of skills needed for the board

- Only 53% support the concept of a Community Advisory Group, while 20% strongly oppose this concept. Reasons for opposition primarily were related to concerns that the group would not be objective and/or would want to change the approved Master Plan.

In terms of board composition, participants most frequently recommended appointed members have skills in business and finance, community relations and community development, entertainment and event management, and environment and green space.

Participants also recommended that the new board have open meetings more than twice per year, provide a structured input process that allows all voices to be heard, make increased use of the web for proactive and efficient information about board meetings and status of Master Plan implementation, and also consider other forms of communications such as newspaper advertising to help keep people informed about the implementation process and opportunities for input.

1. PROJECT OVERVIEW AND CONTEXT

1.1 Hastings Park/PNE Master Plan

The City of Vancouver owns Hastings Park and the Pacific National Exhibition (PNE), and is responsible for long-range planning for both. In December 2010, City Council approved the Hastings Park/PNE Master Plan, which sets out a long-term vision and development concept for the 154-acre site. The approved plan reflects significant consultation and input from stakeholders and community members over a period of almost two years, including a stakeholder working group, development of several planning directions and a series of public consultation events leading up to the Council decision.

Implementation of the plan over the next 20 years will transform Hastings Park into a greener, more active, year-round destination, while ensuring its economic viability and long-term sustainability. The Master Plan also provides for renewal of the annual PNE Fair and relocation and expansion of Playland; improved connections to green spaces, the waterfront, and the surrounding community; festival and celebration venues; and increased park space and habitat (total 76 acres). The Plan encompasses the capital investments that need to be made to align with the overall vision of the site as a multipurpose destination for economic development, culture and entertainment, and as a park and public gathering space for both the local community and residents across the city and the region.

1.2 Governance Review Context

With the approval of the Master Plan, Council directed staff to undertake a governance review of Hastings Park and the PNE. The objective of the governance review is to develop a governance structure for Hastings Park/PNE. The new structure is to support the goals outlined by the Hastings Park/PNE Master Plan:

- Align park governance with City Council direction and priorities
- Recognize the PNE's role in the local, regional, and provincial economy
- Facilitate effective stewardship of the priorities outlined in the Master Plan
- Clarify responsibilities around infrastructure and asset management
- Recognize the needs and issues related to local and city-wide residents

Through a competitive selection process, the City retained KPMG LLP (KPMG) in January 2013 to assist in developing and analyzing potential governance structures, including collecting and considering stakeholder and community input.

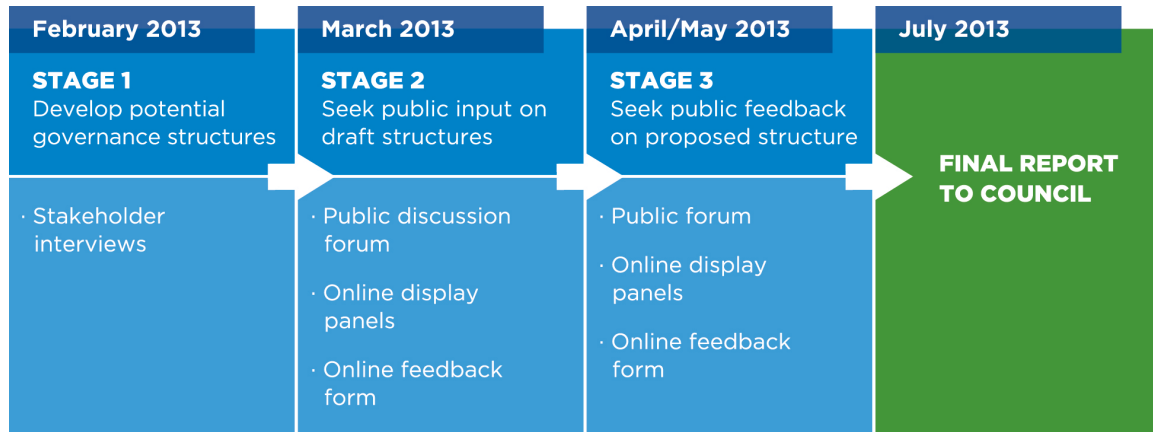
The City has previously held (May 2010) exploratory workshops with community organizations and interested groups to identify elements that should be considered in the subsequent development of future governance structures for Hastings Park/PNE. The City also researched the governance structure of other similar multi-function parks in the US and Canada. All of this information was provided to KPMG as background information for the governance review.

The review is focused on governance. It does not revisit the overall vision or land use plan set out in the Hastings Park/PNE Master Plan or address ongoing interests pertaining to programming and operations.

2. CONSULTATION PROCESS

2.1 Overview

The City defined a three-stage consultation process to assist in developing the governance structures. The three stages are illustrated in the figure below:



To further assist in developing and evaluating governance structures, the City established a Stakeholder Advisory Group (SAG). The role of the SAG is to provide constructive input and feedback on the governance review, act as advocates for the review process, and encourage involvement from their communities/stakeholder group. The SAG's mandate concludes with the completion of the governance review.

Acknowledging the local and regional importance of Hastings Park, the City invited 25 local and citywide stakeholder groups that have diverse mandates that complement the long-range vision for Hastings Park to participate in the governance review. The City received responses from the following 12 groups, and their representatives comprise the SAG:

- CircusWest
- CUPE #1004
- Downtown Vancouver BIA
- Hastings Community Association
- Hastings North BIA
- Hastings Park Conservancy
- Hastings Racecourse
- Kiwassa Neighbourhood House
- Our Lady of Sorrows School
- Pacific National Exhibition
- Tourism Vancouver
- Vancouver International Children's Festival

2.2 Notification

The City invited participation through a variety of techniques including:

- Paid advertising in the *Georgia Straight* on February 28 and the *Vancouver Courier* on March 1, 2013 and April 17, 2013
- Information posters distributed throughout the community and posted at key locations including the Hastings Community Centre, Kiwassa Neighbourhood House and local libraries. Based on feedback during Stage 2 consultation, posters were also translated into Chinese language for the Stage 3 notification period
- The City's Hastings Park website: vancouver.ca/hastingspark
- Email notices to the City's Hastings Park database with more than 900 names

2.3 Consultation and Engagement Tools and Tactics

Consultation and engagement tools used to date include the following:

- Pre-consultation interviews with stakeholders
- Stakeholder Advisory Group meetings
- Public engagement forums on March 11, 2013 and May 2. *Note that due to staff illness, the originally scheduled April 25 Stage 3 public forum was rescheduled to the following week (May 2) and special efforts were made to notify people of the change including staff attending the venue on April 25 to advise of the change.*
- Information display panels available at the public forums and online
- Online feedback forms during Stage 2 and 3 to seek input on specific questions related to the draft governance structures as well as general feedback
- Email correspondence

3. PARTICIPATION

Participation in Stages 1 and 2 of the consultation:

- 16 participants in the 11 pre-consultation interviews, including 6 representatives of the Friends of Hastings Park
- The 12-member Stakeholder Advisory Group
- 69 attendees at the March 11 public engagement forum
- 356 visits to the governance review webpage
- 122 people visited the online feedback form between March 8 and 18, which saw a completion rate of 64% (78 respondents) – this includes feedback forms collected at the March 11 engagement forum

Participation in Stage 3 of the consultation:

- 12 members of the Stakeholder Advisory Group
- 80 attendees at the May 2 public engagement forum
- 108 visits to the governance review webpage
- 130 people visited the online feedback form between May 2 and May 9, which saw a completion rate of 42% (55 respondents) – this includes feedback forms collected at the May 2 engagement forum

4. SUMMARY OF INPUT

4.1 Overview

Input was collected through four key sources – pre-consultation interviews, the Stakeholder Advisory Group, the Question and Answer Session at the Public Forums and the online and paper versions of the feedback forms. Results of each of these sources are discussed in the subsections that follow.

NOTE: This report provides a summary of the input received from all sources. It is intended as an independent report of what was heard from respondents only and is specifically not intended to correct misinformation or represent the City's response to the input provided.

4.2 Pre-consultation Interviews

KPMG conducted interviews with a total of 10 individuals involved with decisions concerning Hastings Park/PNE to gather their views on the future governance of Hastings Park/PNE, including:

- Raymond Louie, City of Vancouver Councillor and Chair of the PNE Board of Directors
- Sarah Blyth, PNE Board Director and Chair of Vancouver Board of Parks and Recreation
- Richard Saunders, PNE Board Director
- Dr. Penny Ballem, City Manager
- Mike McDaniel, President and CEO of the PNE
- Karyn Magnusson, Director Engineering Services
- Brenda Proskan, General Manager, Community Services
- Patrice Impey, General Manager, Financial Services
- Malcolm Bromley, General Manager, Park Board
- Richard Newirth, Managing Director, Cultural Services

Because of their longstanding interest in the future governance of Hastings Park/PNE, the City also arranged a meeting for representatives of the Friends of Hastings Park (FoHP) with KPMG. The meeting was held on February 12 and FoHP shared and discussed their key interests concerning the future governance of Hastings Park/PNE.

KPMG asked the same eight questions during the 11 interviews and at the first meeting of the Stakeholder Advisory Group and also collected general comments.

The questions and combined key themes of responses from all interviews, including the Stakeholder Advisory Group are summarized below. ***It should be noted that the themes reflect the input provided and are not necessarily factually correct.*** In some cases, the themes are contradictory, indicating misunderstanding about governance generally and lack of awareness of the current governance structure for Hastings Park and the PNE.

KPMG used the input from these interviews, the background information provided by the City and their experience with leading practices in governance to develop the three draft structures that were presented for public and stakeholder input as part of Stage 2 consultation.

1. What is working well with the current governance structure?

- High quality of Board members; composition is diverse and balanced (reflects the multiple uses of Hastings Park and the PNE) including a combination of City Staff, elected representatives from City of Vancouver Council and Park Board, as well as representatives of business and the community.
- The PNE is a viable business. The current governance works well for PNE operations.
- The Board is accountable to City Council and operates at arm's length from the City.

2. What are the shortcomings of the current structure?

- Overall lack of clarity regarding who is responsible for maintaining the different sections of Hastings Park (PNE versus Park Board) and the role of the Hastings Park Steering Committee.
- Overlapping responsibilities with lack of clarity about who makes final decisions.
- PNE does not have strong community relations/community liaison and the PNE Board does not have an advocate for community programming; therefore, is less responsive to community input.
- Connecting with the community is challenging – it is difficult for the community to be heard and there is no mechanism for community advocates to provide their input at the Board level.
- Some board meetings are necessarily closed to the public, to protect proprietary information; and, this approach contributes to a perception that the Board lacks transparency and accountability.
- While the City Council representative is a conduit between the City and the PNE, there is no direct reporting between PNE Board and the City.

3. How and by whom are decisions made about the budget and spending for the PNE? For Hastings Park?

- The PNE Board has delegated authority from and reports to City Council.
- PNE is responsible for the site; however, the Park Board is responsible for Empire Fields programming and will oversee construction and operation of the new field.
- PNE Board is responsible for the annual fair, events, Playland, and PNE buildings as well as maintaining the Italian Gardens, the Sanctuary and open spaces.
- Great Canadian Gaming Corporation leases Hastings Racecourse from the City. The Racecourse and slot machines are operated through the Gaming Corporation.
- PNE staff prepares budgets, makes recommendations and reports to the PNE Board on progress at meetings throughout the year.
- The PNE management team prepares annual operating budgets (\$40-45 Million) and minor capital maintenance (\$800,000-\$1 million) budgets.
- The City funds capital infrastructure upgrades to facilities.

4. How are decisions made about changes to the Park or PNE?

- Many respondents were unclear about decision making related to changes to the Park and PNE. Because of the different perspectives of respondents, answers to this question were specific to the individual's experience.
- Some respondents said that the Board is accountable to City Council and that Council approves the capital plan allocation.

- Some respondents said the PNE Board is responsible for the PNE scope of responsibilities, while Empire Fields is Park Board responsibility.
- One respondent indicated that community input is taken to the Board for consideration.

5. What is the role of the PNE Board?

- Makes decisions about day-to-day operations.
- Approves annual operating budget for the PNE with input from PNE staff.
- Sets operating budget with capital plan allocation approved by Council.
- Makes decisions on physical attributes of the Fair.

6. What is the function of the Hastings Park Steering Committee? What is the governance role?

- The committee was established to guide the Hastings Park Master Plan process and discuss governance issues.
- The Committee reports to the City Manager and through the City Manager to City Council or Park Board, as required.
- Reviews and signs off on component implementation plans of the overall Master Plan
- Provides insight as to the overall park site and a community perspective for park decisions.
- Ensures PNE remains viable.
- Some respondents indicated that the Hastings Park Steering Committee does not have a longer-term governance function and would cease to exist once a new governance structure is established.

7. What is the relationship between the Steering Committee and the PNE Board?

- Informal, but works well.
- Some members sit on both the Steering Committee and the PNE Board.
- Both report to City Council through the City Manager.
- One respondent commented that, to fully implement the Master Plan, a separate group is needed to focus on the broader plan, instead of just the PNE.

8. What are the communications channels between the Hastings Park Steering Committee and the PNE Board?

- Formal communication channel includes reporting to the PNE Board one to two times per year; informally, through cross-appointment of members.
- Communication is perceived primarily as one-way and not participatory.

9. Other themes from interviews

Current and Future Governance

- Some Park Board members sit on the PNE Board and the Hastings Park Steering Committee.
- Park Board has some input over small parts related to the park, but does not have a governance role.
- Park Board does not manage business or commercial functions within Hastings Park, but has responsibility for programming at Empire Fields and New Brighton Park.
- One respondent indicated that Park Board is responsible for Hastings Community Park on the south side of Hastings Street.

- Some indicated that Park Board should take a stronger role, while others felt that since Hastings Park has more commercial operations (not a park in the traditional sense), that the Park Board should not have an increased role.
- General sense that an increased linkage with Park Board would be beneficial.
- One respondent said that the primary purpose of Hastings Park is the PNE; secondary is public space functioning as a neighbourhood park.

Ideal governance structure

Suggestions were varied and include:

- Council-controlled process to ensure accountability to citizens.
- PNE Board should be responsible for implementing the entire Hastings Park/PNE Master Plan.
- PNE Board with modifications to allow for community input.
- Board needs to be independent, have a holistic perspective and be an arms length group from the City.
- PNE should not govern Hastings Park.
- The governance body should be responsible for the entire site and define the expectations of what the PNE, City and other members have to provide.
- Park Board responsible for the whole of Hastings Park, but PNE Board still to exist with focus on commercial aspects of the park (the Fair, Playland, events).
- Desire to maintain continuity with old and new Board.
- Should be elected and have a mandate for park land.
- Larger board that balances commercial vision with community needs; must have a formal and ongoing mechanism for community input.
- The City should engage the community in ways to make money in the park.

Constituting the governing body

- Appointments should be based on expertise in finance, marketing, hospitality, tourism and event production.
- Combination of skills-based and representative Board.
- City Council should appoint members, since the City carries the risk.
- Consider half elected and half appointed.
- One suggestion was that the PNE Board should report to the City Manager; keep Park Board staff on the PNE Board.

Open meetings

- Some meetings need to be closed to protect proprietary information; some meetings should be open to the community – a few times a year.
- Must have a mechanism to receive and respond to community input.

Community liaison and communications

- Continued participation is important.
- Board needs to spearhead and PNE staff need to understand importance of engaging the community; suggestions include posting meeting minutes and names of directors on the web site, having at least some board meetings open to the public, producing a quarterly newsletter to the community, conduct focus groups, host working groups to get input on specific topics.

- Consider creating a PNE senior staff role that is responsible for community liaison.
- Suggest a Hastings Stewardship Group to address issues and solve community concerns through the appropriate avenues.

Other

- Highlight that this is a citywide park, not just a neighbourhood park.
- Suggest including a “review period” of governance structure board effectiveness as part of the governance policy.
- Highlight the importance of the PNE in the context of the overall Master Plan.
- Address administrative capacity.
- Note improvements in community engagement from the PNE in recent years and commit to further improvements.
- Develop and communicate performance measures to gauge PNE’s use of City land.
- Question about future of PNE and the racecourse.
- Desire to optimize programming at the site (for example, use of the livestock building, coliseum, agrodome).

4.3 Stakeholder Advisory Group

In addition to participating in the pre-consultation interviews (see section 4.1), the Stakeholder Advisory Group provided feedback on the draft governance structures and the draft material prepared for the March 11 public engagement forum.

4.4 March 11 Public Engagement Forum

Approximately 70 people attended the public engagement forum at the Hastings Park Community Centre on March 11 (69 people signed in). Many participants indicated that they were residents of the local area and/or members of the Hastings Community Association, Hastings Park Conservancy or the Friends of Hastings Park.

The forum included a one-hour informal drop in period, when people could view the information panels and background materials, and speak with City staff and consultants. KPMG then provided a 20-minute presentation overview of the governance review and draft governance structures, which was followed by a facilitated Question and Answer session. Approximately 20 people spoke at least once during the Q & A session; some, including speakers representing the Friends of Hastings Park and the Hastings Park Conservancy spoke several times. Some community groups also distributed information materials about the governance review. Key themes from the Q & A session are as follows:

- **General comments on the guiding principles** – suggestion that many of the principles are not related to governance.
- **Guiding principle of financial sustainability** – questions about the rationale for this principle, and concerns that it would dominate the analysis of structures; some comments about fairness (why does Hastings Park have to be financially sustainable when other parks in the City do not?).
- **PNE charitable status** – questions as to the relevance of this in evaluating governance structures.
- **Desire for more community involvement in governance** – including with the current model; support for open board meetings.

- **Suggestions for the new governance body** – various recommendations including that it be responsible for all land uses on the site; that the responsibility be clear; that “PNE” not be part of the title (secondary to Hastings Park); that the board be elected, not appointed; and that the city consider a hybrid model for governance, like the Food Policy Council.
- **Consultation timing** – some people advocated for a longer consultation process, suggesting that the current process is too rushed; on the other hand one participant commented that discussion of governance for Hastings Park has been ongoing for more than two years, hampering renewal of deteriorating facilities within the park and limiting use of facilities and open spaces to their full potential.
- **Process** – a number of people commented that the governance review process is not transparent and that previous input on governance has not been appropriately considered.
- **Access and park space** – general feeling that economic interests should be secondary to community access and park use.
- **Other recommendations** – various suggestions for use of the site, not necessarily related to governance.

Regarding the draft governance structures presented, several people advocated strongly for Option 2 (Park Board), while others indicated concerns with this option. Some suggested that none of the structures was appropriate, and one participant recommended that the City reconsider the governance model proposed in the mid 1990s, before the City assumed responsibility for the PNE from the Province. No consensus preference emerged for any one of the draft governance structures presented.

Several questions were not answered at the session and the City committed to providing additional information as part of Stage 3 consultation:

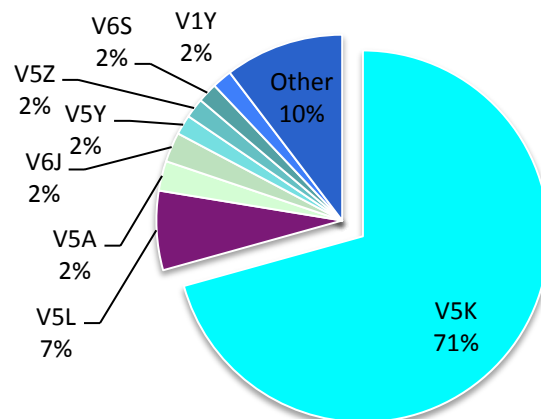
- Does the City Charter permit a separate board to be responsible for Hastings Park?
- What is the City’s process for nominations and appointments to city boards?
- Could the new board operate fundraising lotteries without being a registered charity?
- What is the PNE’s annual net revenue?

4.5 Stage 2 Feedback Form Questions and Responses

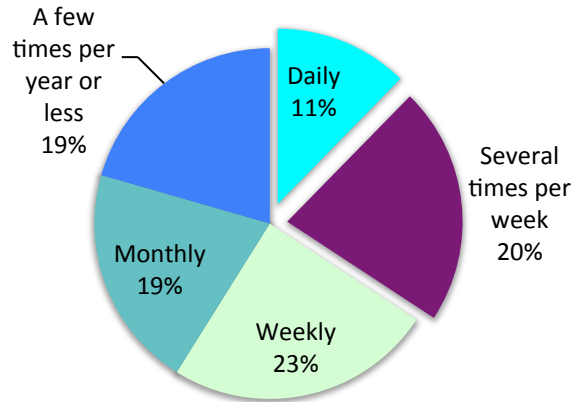
A 20-question feedback form was available at the public forum and online between March 8 and 18, 2013. Key themes of input from these questions are summarized below.

4.5.1 Respondent profile

Most respondents (89%) indicated they live in the area, while 13% work at the PNE or own a business in the area. In terms of geographic representation, the vast majority live in the V5K FSA area (Boundary Road to Nanaimo Street, south of East 1st Avenue) or (Nanaimo Street to Clark Drive, south of East 1st Street), as illustrated in the pie chart to the right:



Three quarters of respondents visit Hastings Park and 45% visit the PNE. Respondents' frequency of visits to Hastings Park varies from daily to a few times per year, with weekly being the most common, as illustrated in the chart to the right.



When visiting Hastings Park, the primary areas visited include:

- The Sanctuary (95%)
- Italian or Momji Gardens (87%)
- PNE Fair (57%)
- Coliseum (41%)
- Playland (26%)

A total of 31 respondents identified themselves as part of a recognized community organization. These include:

- | | |
|---|---|
| • Hastings Community Centre | • Outdoor Recreation Council |
| • Friends of Hastings Park | • Exceleation Triathlon and Multisport Club |
| • Hastings Park Conservancy | • Jazz Festival |
| • Kiwassa Neighbourhood House | • Push Festival |
| • Hastings North Community Partners | • VanDusen Botanical Garden |
| • A.R. Lord Parent Advisory Council | • Vancouver Art Gallery |
| • West Coast Christian School and West Coast Christian Fellowship | • Simon Fraser University |
| • Vancouver Heights | • SMOG |
| • Slow Down Dundas | • Vancouver Eastside Culture Crawl |
| • Permaculture Vancouver | • Light Water Drums |
| • Nature Vancouver | • Coalition of Progressive Electors |

Some respondents commented that this question was not relevant. One participant noted that some of the resident groups organized around the use of Hastings Park tolerate little diversity and do not speak for everyone.

4.5.2 Guiding Principles

What comments, if any, do you have on the principles that were developed for the Hastings Park/PNE Governance Review?

- Concern that the principles are too focused on revenue-generation/profitability
- Concern that business interests are favoured over community
- Comments that community needs and interests should be put first
- Desire to increase green space within Hastings Park
- Desire to have the Park Board govern/run Hastings Park
- Questions about the PNE's role in governance and as an employer
- Desire for more emphasis on public input and more consultation
- Concern about the Province's interests and role in the park

- Some support for the ongoing presence of the annual PNE Fair as an event and as a means to provide revenue for park operations and enhancements
- Some suggestion that the governance principles should focus on responsibility for land use in the park and on related decision making
- Some support for the guiding principles as presented

4.5.3 Governance Option 1: City Department

What do you see as the advantages and disadvantages of this option?

<i>Advantages</i>	<i>Disadvantages</i>
City has direct control over all aspects of Hastings Park	Short-term election cycle (3 years) could affect need for long-term thinking
Input during council meetings	City priorities/resourcing available relative to other priorities
Park would be governed by a public body – offering clearer accountability	Potential for more government bureaucracy and expense
Regional representation	Regional rather than local representation

What questions, if any, do you have about this option?

- Relevance of PNE’s charitable status?
- Political influence on decisions?
- What department and how would it operate?
- How would public have input?
- Amount of green spaces here relative to other areas of the city?
- PNE’s role as a tenant?
- Why is Hastings Park treated differently than other parks?

If this option were to be selected, in what ways do you think it could be improved?

- Involve neighbouring residents; ongoing input
- Find a way to maintain PNE’s charitable status

Additional Comments:

Many comments indicating respondents do not support this option

4.5.4 Governance Option 2: Park Board Governance

What do you see as the advantages and disadvantages of this option?

<i>Advantages</i>	<i>Disadvantages</i>
Increase in accountability and transparency with elected body	Potential decision-making conflicts between Park Board and PNE
There would be management efficiencies if governed same way as other parks (experience)	Potential for bigger governance/increased cost
	Hastings Park is NOT same as other parks, so financial efficiencies may be limited

What questions, if any, do you have about this option?

- Effect of PNE’s charitable status on fiscal sustainability?
- Could Park Board establish a similar charitable foundation?
- Current economic and future plans for the racecourse?
- How would use of space be determined?
- Would PNE become just a tenant?

If this option were to be selected, in what ways do you think it could be improved?

- Involve neighbouring residents and businesses; ongoing engagement
- Ensure buildings/property used to better serve the community
- Give Park Board more oversight; PNE with tenant role only
- Provide clear direction on public green space allocation

Additional Comments:

Many comments indicating respondents support this option, while some indicated opposition.

4.5.5 Governance Option 3: Refined Hastings Park/PNE Board

What do you see as the advantages and disadvantages of this option?

<i>Advantages</i>	<i>Disadvantages</i>
<p>One body responsible for all interests</p> <p>Would reflect the multiple uses and interests of the site</p>	<p>Less opportunity for public input</p> <p>Appointed board; potential lack of transparency or accountability to the public</p> <p>Too similar to what exists today, which is not working</p> <p>Too commercially focused</p>

What questions, if any, do you have about this option?

- What is difference compared to current situation?
- Why is proposed representation business-heavy?
- How would the board be appointed and could neighbourhood participate in board selection?
- Clarification re: openness of board meetings
- Why is the governance model for this park different than others in the city?
- Why is PNE charitable status relevant?

If this option were to be selected, in what ways do you think it could be improved?

- Provide opportunities for meaningful consultation
- Ensure board is responsible for entire property
- Ensure diverse membership, including representation from the community
- Rebrand as Hastings Park (not PNE)
- Other general comments about the PNE and race course
- Find a way to ensure accountability

Additional Comments:

Opinions about this option were polarized. Some indicated it was the best option, while others indicated they could not support it.

4.5.6 Are there any potential governance structures you think we may have missed? If so, please describe.

Many people used this question as an opportunity to comment on issues apart from governance. Key themes are as follows:

Governance:

- Independent, publicly elected board
- More emphasis on community involvement
- Consider plan previously proposed by the community
- Consider a hybrid option that incorporates the advantages of all three structures

Other, Process:

- Need more information about relevance of PNE's charitable status
- More time for the governance review

Other, General:

- More green space
- Change/remove existing tenants

4.5.7 Do you have any additional comments on the Hastings Park/PNE governance review?

Comments and suggestions included:

- Provide more opportunities for community/public input in the governance review process and in governance over the long term
- Clarify the relevance of PNE's charitable status in evaluating each of governance structures
- Clarify the relevance of employee status in evaluating each of governance structures
- Provide more information about how other parks within the City and around the world are governed
- Be responsive in addressing community concerns about Hastings Park generally and about the governance review process
- Invite representatives from Park Board and the PNE to speak at the next public engagement session
- Focus the discussion on governance
- Translate consultation materials into other languages

Participants also provided comments and suggestions about the timeline for the consultation process, with some suggesting more time for public dialogue is needed and others urging the City to make a decision and get on with the business of implementing the Hastings Park/PNE Master Plan.

Finally, a number of participants expressed concerns about lack of transparency in the governance review process.

4.6 May 2 Public Consultation Forum

Approximately 80 people attended the public consultation forum at the Hastings Park Community Centre on May 2.

The forum included a one-hour informal drop in period, when people could view the information panels and background materials, and speak with City staff and consultants. KPMG then provided a 20-minute presentation overview of the refined governance structure, which was followed by a facilitated Question and Answer session. Based on feedback from Stage 2, the format called for written questions, to be read by the facilitator. A representative from the Friends of Hastings Park requested and was given the opportunity to read a written statement on behalf of several community groups, after which a number of people left and the Question and Answer session continued through to 9 p.m. Questions included:

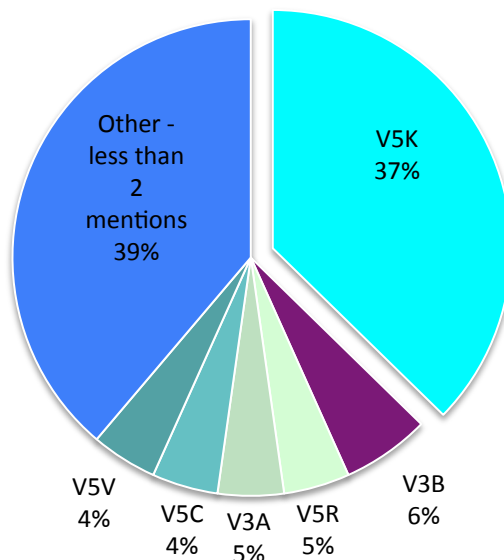
- Questions of clarification regarding how the preferred governance structure was selected
- Questions about the role of Park Board in the new structure
- Support for and questions about the status of the Hastings Park PNE/Master Plan implementation
- Questions about how consultation input during the Hastings Park/PNE Master Plan and the current governance review process was considered
- Questions about how the community advisory group and the technical working group would provide input to the new Board
- Specific financial questions, including how much PNE fair revenues contribute to annual operations and how capital improvements are funded
- Suggestions for board input opportunities

4.7 Stage 3 Feedback Form – Questions and Responses

A 26-question feedback form was available at the public forum and online between May 2 and May 9, 2013. Key themes of input from these questions are summarized below.

4.7.1 Respondent profile

Most respondents (60%) indicated they live in the area, while 45% work at the PNE or own a business in the area. In terms of geographic representation, the vast majority live in the V5K FSA area (Boundary Road to Nanaimo Street, south of East 1st Avenue) as illustrated in the pie chart to the right:



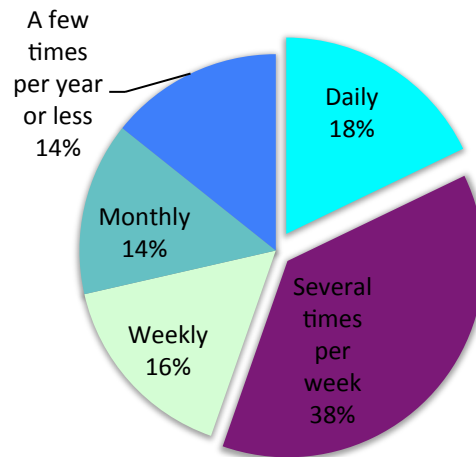
Given the high percentage of local resident respondents, the following demographic comparison is provided, for reference.

	Respondent Profile – Stage 2	Respondent Profile – Stage 3	Census Profile for the Area
Gender	58% female 42% male	55% female 45% male	51% female 49% male
Age	45% are 30-49 43% are 50-65	58% are 30-49 31% are 50-65	Median Age: 41
Children in Household	57% yes 43% no	53% yes 47% no	67% yes 32% no

A total of 17 respondents identified themselves as part of a recognized community organization. These include:

- Burrardview Community Association
- Friends of Hastings Park
- Hastings North BIA
- Hastings Park Conservancy
- Hastings-Sunrise City Plan/Community Vision
- Jazz Festival
- Kiwassa Neighbourhood House
- Nortre Dame High School
- Qmunity
- Seasons of Food
- Society for the Museum of Original Costume
- Vancouver Heritage Foundation
- VanDusen Botanical Garden
- Vancouver Art Gallery
- West Coast Christian School

Fifty-six percent of respondents visit Hastings Park and the same number visit the PNE. Respondents’ frequency of visits to Hastings Park varies from daily to a few times per year, with several times a week being the most common, as illustrated in the chart to the right.



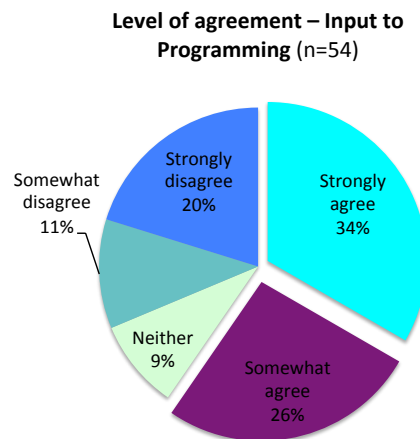
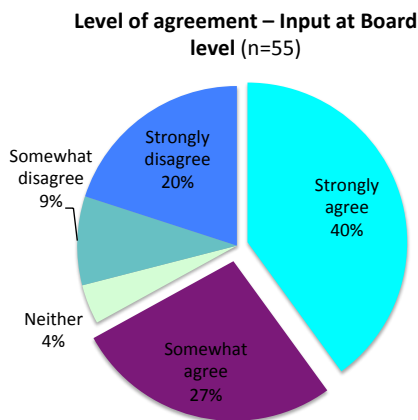
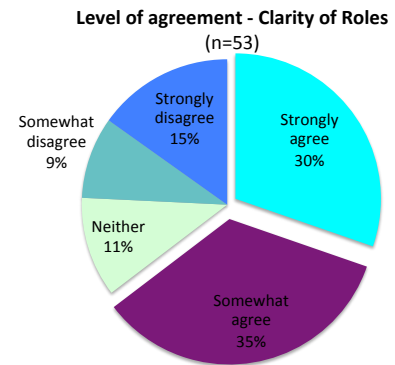
When visiting Hastings Park, the primary areas visited include:

- PNE Fair (80%)
- Coliseum (70%)
- Playland (67%)
- The Sanctuary (65%)
- Italian or Momji Gardens (63%)

4.7.2 Agreement with Refined Governance Structure Aspects

There is generally high level of agreement (65%) that the refined governance structure provides appropriate clarity of roles, as noted in the chart to the right.

There is also a high level of agreement (67%) that the refined structure provides increased opportunity for input at the board level, as noted in the chart below left. It is noteworthy that 40% strongly agree with this statement. Fewer respondents, but still a majority (60%) agree that the refined structure provides increased opportunity for input at the programming level, as noted in the chart below right.



4.7.3 Recommended Board Skills

The refined governance structure calls for a skills based board, appointed by City Council, whose skills and backgrounds reflect the key aspects of the Hastings Park/PNE Master Plan. Participants were asked to comment on what specific skill sets would be beneficial.

Top responses (highest frequency of mentions) include:

- Business/finance
- Community relations/community development
- Entertainment/event management
- Environment/green space
- Communications

Other common mentions (3 or more) include:

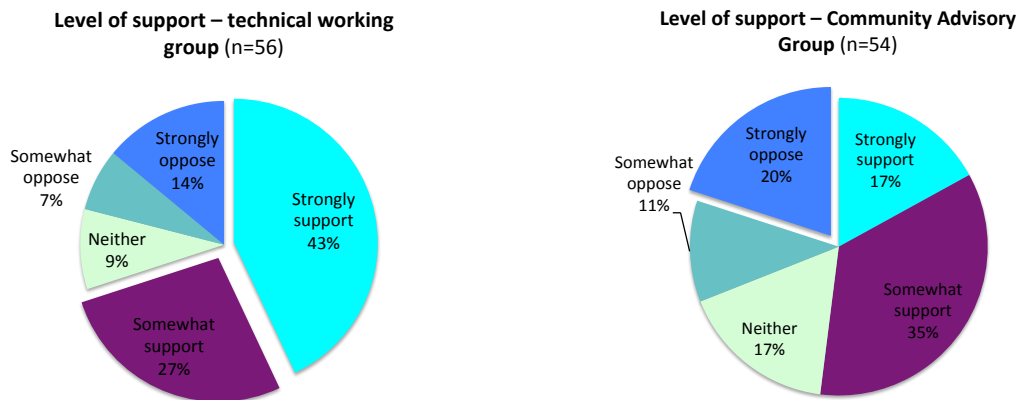
- Economic development
- Amusement park
- Honesty/transparency
- Community representation

Several other skill sets were suggested, ranging from tourism, culture and the arts to non-profit and education, to construction and facilities management.

4.7.4 Support for Technical and Community Advisory Groups

The refined governance structure calls for a Master Plan Technical Working Group comprising staff from Park Board, City of Vancouver, and the PNE to support the board and help ensure the City's interests are protected and that assets within the Park are well managed, as well as a Community Advisory Group to provide advice to staff on specific initiatives.

As can be seen from the chart below (left), respondents strongly supported the technical working group; however, support for the Community Advisory Group was more mixed, with equal numbers strongly supporting and strongly opposing, as illustrated in the chart below (right).



Key reasons for supporting the working group include:

- Having the skills and experience to implement the Master Plan
- Keeps the board balanced

A number of respondents requested more information about the role, function and process for the working group.

Although many people noted that they support in principle the concept of a Community Advisory Group, several noted concerns including:

- Concern that the group will not be objective (too locally focused)
- Concern that group will want to revisit the Master Plan
- Potentially unnecessary if other measures (open board meetings, technical working group) are in place

4.7.5 Board Meeting Recommendations

Respondents were asked to provide suggestions for the proposed twice-yearly open board forums or board communications generally. Key input themes were:

- Hold open meetings more than twice yearly and consider hosting them on weekday evenings to make it more convenient for members of the public to attend
- Provide a clear structure for the meetings to ensure that a few voices don't drown everyone else out
- Make better use of the web including:
 - Post topics prior to meetings so people have time to formulate thoughts and opinions

- Post minutes of meetings quickly
- Provide updates on Master Plan implementation and videos of work completed
- Online discussions
- Consider additional communications including mail/email invitations and paid advertising to advise of upcoming open forums

4.7.6 Advisory Committee Structure Recommendations

Notwithstanding concerns expressed about the value of this group, respondents offered the following suggestions for potential committee composition:

- Ensure wide membership including community members that are not affiliated with a particular community group
- Ensure the Master Plan vision is protected
- 2-year terms with clear roles
- Open, participative and respectful dialogue process

Several respondents offered specific suggestions for the type of interests that should be represented including park users; residents; people with interests or experience in events, park management, sports, and youth/education; local business owners; and recognized community groups including Friends of Hastings Park, the Hastings Park Conservancy and the Hastings Community Centre.

1. Recommendations for Additional Improvement

Respondents were asked in what ways they think the refined structure could be improved. Suggestions primarily focused on operational activities including new amenities and more concerts. Some also took the opportunity to advocate for more community involvement and also to suggest that Park Board should govern Hastings Park, while others commented that they like the way the refined governance structure provides clarity about the role and importance of the annual PNE Fair.

2. General Questions and Comments

- How will the board members be hired and terminated if necessary?
- Will Council have the ability to override Board decisions?
- Requests for more information about how the new board will work.
- Comments of support for the PNE and the park and how it contributes to jobs and the economy of Vancouver as a whole
- Comments that PNE is a tenant and should not have a governance role
- Comments about the governance consultation process (both positive and negative)

5. NEXT STEPS

KPMG will work with City staff to further refine the proposed governance model including board terms of reference and composition, mandate of the Technical Working Group, approach to public input and communications and proposed next steps to support implementation. This work will include considering results from stage 3 consultation.

City staff will then prepare a supporting staff report for Council decision, currently planned for June 25, 2013.

Option 1

Hastings Park/PNE would become a department of the City

With this structure, City Council would be accountable for governance which would be delegated to City administration. As with all structures, ultimate responsibility for implementing the Master Plan would rest with City Council.

This option would give the City direct control over the implementation of the Master Plan with this accountability delegated to City Administration. The Park Board would continue to manage Empire Fields. The public would have an opportunity for input to City Council under existing protocols.

An assessment of the alignment of Option 1 with the guiding principles is shown in the following table.

Guiding Principle	Alignment	Explanation
Opportunity for input	Medium	Through City Council agenda and contact with City staff as with other departments
Accountability for Master Plan implementation	Medium	Competing priorities for staff time
Financially responsible	High	City owns; clearly within its fiscal framework
Respect uses	Medium	Increased potential to respond to issue of the day rather than long-term vision
Balance interests	Medium	Increased potential to respond to issue of the day rather than long-term vision
Support activities with economic benefit	High	In interests of City; related to financially responsible implementation
Retain operational expertise	Medium	Could result in change in workplace culture which may result in loss of some expertise

Option 2

Hastings Park/PNE would be governed by the Park Board

The Park Board would have delegated authority from City Council to govern Hastings Park and the PNE. The elected Board would be accountable for implementing the Master Plan. The Park Board would continue to manage Empire Fields and would also be responsible for all open spaces and park spaces at Hastings Park. The PNE would be responsible for commercial activities on the site. There would be an opportunity for public input to the Park Board under the existing protocol.

An assessment of the alignment of Option 2 with the guiding principles is shown in the following table.

Draft Governance Structures (as displayed at March 11, 2013 public engagement event)

Guiding Principle	Alignment	Explanation
Opportunity for input	Medium	Through existing Park Board protocol and contact with Park Board staff
Accountability for Master Plan implementation	Medium	Board skills and experience may not reflect the diversity of activities at Hastings Park
Financially responsible	Medium	Board skills and experience may not reflect the diversity of activities at Hastings Park
Respect uses	Medium	Board skills and experience may not reflect the diversity of activities at Hastings Park
Balance interests	Low	Potential for lower priority of interests other than normal park interests
Support activities with economic benefit	High	In interest of the Board to generate use of the site
Retain operational expertise	Medium	Could result in change in workplace culture which may result in loss of some expertise

Option 3

Refined Hastings Park/PNE Structure

The Board of Directors would be appointed by City Council and delegated the authority to govern Hastings Park and the PNE including the implementation of the Master Plan. The Park Board would continue to manage Empire Fields. Profits from commercial activities would continue to be reinvested into the site and facilities. Directors would be appointed through the existing City process, and would have the combined skills and experience required to ensure appropriate oversight of the diverse activities and facilities at the Hastings Park site. This option would include the introduction of a protocol to allow for public input at a number of open meetings of the Board of Directors.

An assessment of the alignment of Option 3 with the guiding principles is shown in the following table.

Guiding Principle	Alignment	Explanation
Opportunity for input	Medium	Structured opportunity for input to Board
Accountability for Master Plan implementation	High	One organization accountable to implement Master Plan; skills based board
Financially responsible	High	One organization accountable to implement Master Plan; skills based board
Respect uses	Medium	One organization accountable to implement Master Plan; unclear roles/relationships
Balance interests	Medium	One organization accountable to implement Master Plan; unclear roles/relationships
Support activities with economic benefit	High	In interest of the Hastings Park/PNE to support activities on site
Retain operational expertise	High	Park Board manages Empire Fields, no change in workplace culture

Sample Terms of Reference – Hastings Park/PNE Board of Directors

Sample Terms of Reference for the Board of Directors.¹

Role: On behalf of the City of Vancouver, the Board of Directors provides direction for the management of the multi-faceted activities of Hastings Park/PNE, as well as oversight of the implementation of the Hastings Park/PNE Master Plan.

Key accountabilities:

- Participates in an orientation to the Hastings Park/PNE Master Plan and become familiar with all aspects of the plan as the approved strategic direction for the Hastings Park site.
- Approves the Hastings Park/PNE annual plan, and makes sure that the plan is in alignment with the strategic and annual plans for the City, Park Board, Vancouver Economic Commission and Tourism Vancouver (e.g. Greenest City Action Plan, Vancouver Economic Action Strategy, Urban Forest Management Plan, Biodiversity Strategy and the Vancouver Sports Strategy).
- Approves operational plans including annual budget. Reviews financial performance at least quarterly.
- Appoints and establishes remuneration for the President and CEO; and conducts an annual performance review of the President and CEO.
- Acts as a resource to the President and CEO.
- Makes sure that efficient and adequate financial and management control, information systems, and management practices are maintained.
- Oversees the identification of key risks to the organization and the implementation of appropriate systems to manage those risks.
- Unless otherwise determined by the directors, the Board elects a chair and other officers as described in the by-laws.
- Annually reviews composition of the Board with reference to the key competencies for director effectiveness. If required, updates the key competencies.
- Establishes committees of the board and appoints members.
- Approves the terms of reference for board committees.
- Implements a process for assessing the effectiveness of the Board, its committees and individual directors.
- Makes sure that orientation is provided for new directors.
- Develops and implements appropriate Board processes including a process to provide scheduled updates to City administration.
- Monitors compliance with policies established by the Board.
- Develops and implements a Board calendar that includes scheduled public meetings.
- Makes sure that the public and park spaces at Hastings Park/PNE meet Park Board design and maintenance standards.

¹ Appointments to the Hastings Park/PNE Board are made by City Council.