

## **JOINT USE AGREEMENT AND JOINT USE COORDINATING COMMITTEE UPDATE**

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### **EXECUTIVE SUMMARY**

This is an update report on the Joint Use Agreement (JUA) and Joint Use Coordinating Committee (JUCC), including an overview of the purpose and scope of the JUA, an update of the Joint Use Reserve Fund, and the role and responsibilities of the JUCC. Additionally, this report constitutes the required reporting every three years to Council on the status of the Joint Use Reserve Fund and was prepared collaboratively by all parties of the JUA.

### **ADMINISTRATION RECOMMENDATION**

That the SPC on Planning and Urban Development recommend that Council:

1. Receive this report for information; and
2. Approve a change in the formal reporting period through Council on the Joint Use Reserve Fund to every year by the following May.

### **RECOMMENDATION OF THE SPC ON PLANNING AND URBAN DEVELOPMENT, DATED 2016 JUNE 08:**

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That the Administration Recommendations contained in Report PUD2016-0364 be approved.

### **PREVIOUS COUNCIL DIRECTION / POLICY**

On 2012 March 12, Council adopted recommendations in report IGA2012-10, to approve a change in the formal reporting to Council, to treat the Joint Use Reserve Fund as though it were a City Reserve, with a formal review and report every three years.

On 1985 February 18, Council approved L85-07, Joint Use Agreement, and authorized the officers of The City of Calgary (The City) to execute the proposed agreement.

The Joint Use Agreement between the Calgary Board of Education, the Calgary Catholic School District and The City was executed on 1985 March 04. Under section 9.2.1.7 of the agreement it states: The Joint Use Coordinating Committee shall "Report annually on the status of the Reserve Fund to all three parties".

### **BACKGROUND**

A number of questions have been raised recently by Council members about the purpose of the JUA, how the three parties to the agreement operate and what the purpose of the JUCC is. This report will provide an update to Council on both the JUA and the JUCC to help answer these questions and provide improved transparency. Additionally, this report constitutes the required reporting every three years to Council on the status of the Joint Use Reserve Fund. The previous annual report from the Joint Use Coordinating Committee was presented to Intergovernmental Affairs Committee on 2012 March 1 by the chair of JUCC and director of Land Use Policy Planning, Mary Axworthy. This was then approved on the 2012 March 12 consent agenda of Council.

The Joint Use Agreement is an agreement between The City, the Calgary Board of Education (CBE) and the Calgary Catholic School District (CCSD) regarding the joint allocation, management, and use of municipal reserve and the joint planning and use of school sites and open space. The JUA came into effect in 1985, however, since 1963 there has been ongoing

Approval(s): Dalglish, Stuart concurs with this report. Author: Tang, Joyce  
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collaborative and joint planning between the three parties. The Joint Use Coordinating Committee is the body that is charged with monitoring and implementing the responsibilities under the agreement. The JUCC operates under a consensus model amongst the three parties. All JUCC decisions and recommendations are made in the best interest of Calgarians, rather than in the individual interests of any one of the JUCC organizations.

The current JUA was approved in 1985, however, since this time city and school board goals, objectives and policies have evolved, particularly around the allocation of Municipal Reserve. Based on this, The City is currently in discussions with the Province, and the School Boards, on new approaches for reserve allocation. It is anticipated that a draft City Charter for Calgary will be provided by the Province by the end of 2016, and a City Charter ratified in 2017. The outcome of the City Charter will provide the direction for the negotiation of a new JUA amongst the three parties which will address topics and issues that have arisen since the JUA's approval in 1985.

### Purpose of the Joint Use Agreement:

The primary purposes of the JUA include the following:

- Determine matters related to the use, development and maintenance of reserve land that are in the best interest of the citizens of Calgary through the management of the reserve fund;
- The JUA prioritizes the allocation of reserve land in the following order:
  1. Neighbourhood schools and open space
  2. Community schools and open space
  3. Regional schools and open space; and
- Set out the framework for the allocation of reserve land, Municipal Reserve (MR), Municipal School Reserve (MSR) and School Reserve (SR), between the City of Calgary and the Calgary Board of Education and the Calgary Catholic School District based on a priority for allocation for local, community, and regional needs.

The JUA allows the decisions on the allocation, use, development, and maintenance of reserve lands to occur in an efficient and timely manner under one agreement versus requiring individual arrangements and agreements with each school board for each parcel of land.

### Scope and Authority of the Joint Use Agreement

The *Municipal Government Act*, sections 666(1)-(4), requires subdivision applicants to provide up to 10% of their developable land for open space or education purposes. The JUA establishes the roles and responsibilities of the municipality and the school boards with respect to the allocation, use, maintenance and operation of facilities on reserve land. Under the JUA, the Reserve Fund is held in trust by the three parties. The assets of the Reserve Fund consist of:

- Money in place of reserve land;
- Proceeds from the disposal of reserve land; and
- Interest earned by, and accruing to, the Reserve Fund.

The Reserve Fund is administered by the JUCC and managed by The City of Calgary Treasury as a Trust Account.

### Purpose of the Joint Use Coordinating Committee

The JUCC consists of two (2) representatives from The City (Community Services and

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Community Planning), one (1) representative from the Calgary Board of Education and one (1) representative from the Catholic Separate School Board. This committee operates on a consensus model. The purpose of the JUCC is to:

- Make recommendations to Calgary Planning Commission on the allocation of reserve;
- Make recommendations to City Council on the expenditure of the Reserve Fund; and
- Administer the JUA.

Key activities that are coordinated by the Joint Use Coordinating Committee include:

- Provide input and recommendations to the Area Structure Plan (ASP) and subdivision process regarding the location and utilization of reserve land;
- Coordination of activities involving the development of such land with recreational and educational facilities;
- Coordination of the public use of playing fields and gymnasiums in school facilities after hours; and
- Provide recommendations regarding the taking of money in place of reserves, disposition of reserve land and the utilization of the resultant funds which are deposited in the JUA Reserve Fund;

#### The Joint Use Agreement Fund

Prior to the signing of the JUA in 1985, The City and the School Boards worked together informally through a Joint Use Committee to manage reserve land. Money in place of reserves was accepted from 1963 onwards, and was used for 15 purchases between 1975-1983 totalling six million dollars.

When the JUA was signed in March of 1985 the fund contained 22 million dollars. From 1985 through to the end of 2011 the Reserve Fund grew to 59.9 million dollars with receipts and interest totaling 113.3 million dollars and disbursements of 75.4 million dollars.

### **INVESTIGATION: ALTERNATIVES AND ANALYSIS**

The last JUCC Annual Report that was approved by council on 12 March 2012 directed that reporting occur on a triennial basis, the last report completed the reporting cycle up until the end of 2011. This report will provide a fund summary from 2012-2014, see Attachment 1 (Joint Use Agreement Triennial Report: 2012-2014) with comparative statements from 2012-2014 as well as an annual report for 2015, see Attachment 2 (Joint Use Agreement Annual Report: 2015).

Below is a summary of the account from 2012 to the end of 2015:

- |                                  |                 |
|----------------------------------|-----------------|
| • Fund Balance on January 1 2012 | \$59.9 Million  |
| • Fund Receipts                  | \$28.9 Million  |
| • Fund Investment Income         | \$4.5 Million   |
| • Fund Disbursements 2012-2015   | (\$9.9 Million) |
| • Fund Balance December 31, 2015 | \$83.4 Million  |

During 2015 the Reserve Fund received receipts of 7.8 million dollars and earned interest of 1.0 million dollars. During this same period expenditures were \$818,800. The major purchase in 2015 was acquisition of a parcel of land in Griffiths Wood adjacent to the Elbow River. Other costs

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incurred related to conclusion of an expropriation.

### Benefits of the Joint Use Agreement Framework

The Joint Use Reserve Fund is used for land acquisition which benefits all Calgarians through the provision of open space, playing fields, recreational facility sites and high school sites.

A few examples of land acquisitions made with the Reserve Fund since 1985 include:

- Nose Hill Park;
- Notre Dame High School and Cardel Place;
- Westside Recreational Facility and Ernest Manning High School;
- Shawnessy Regional Recreation and Educational Complex;
- The Genesis Centre and new High School; and
- Seton Centre Recreational and Education Complex.

Additional benefits of the JUA to the citizens of Calgary include:

- Opportunity for public use of school facilities after hours – 100,000 hours of school gymnasiums bookings in 2015 with fees based on incremental costs; and
- Improved access and quality of life for all Calgarians – access to open space, sports fields, and recreation centre sites.

Benefits to The City include:

- Ability to make decisions and take action in an efficient and timely manner under one agreement versus requiring individual arrangements and agreements with each school board for each parcel of land. With approximately 40 new schools currently planned or under construction in Calgary, the JUA governs all of these joint sites, rather than have 40 individual legal agreements between The City and the applicable school board for each individual joint use site.

### Future Commitments:

The JUCC monitors both actual cash transactions and potential future draws on the Reserve Fund in order to determine future commitments. To make such determinations, it is the practice of the respective parties to request JUCC's approval in principle prior to proceeding with an anticipated purchase or expenditure. See Attachment 2 (Joint Use Agreement Annual Report) for a list of approved commitments, and obligations requiring funding.

The future demands on the Joint Use Reserve Fund and their associated projects include:

1. Anticipated expenditures within the next one to five years totalling 27.2 million dollars include:
  - Seton Regional Facilities and dry pond reconfiguration;
  - Legacy CCSD High School;
  - GE5 Meadowlark Park – Malibu Road;
  - Coach Hill/ AB Badminton Acreage Assessment; and
  - Robert Thirsk High School Sports Field Improvements;
2. Expected obligations requiring funding in the next five years include:
  - Cornerstone CBE High School;

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- West Macleod CBE High School;
  - West Macleod Regional Recreation Facility and Library
  - Nose Creek Regional Recreation Facility and Library; and
  - West View Regional Recreation Facility.
3. Expected obligations requiring funding beyond five years include:
- Rangeview CCSD High School;
  - Glacier Ridge CCSD High School;
  - Glacier Ridge CBE High School;
  - Belvedere CBE High School;
  - Keystone CBE High School;
  - Providence CBE High School;
  - Glacier Ridge Regional Recreation Facility and Library – potential to co-locate with Community Association;
  - Providence Athletic Park and Community Association site; and
  - Belvedere Regional Recreation Facility and Library.

The City reports the status of the reserve to all three parties regularly at an administrative level through monthly reporting of the Reserve Fund balance and transactions by The City's Treasury department to the Joint Use Committee members. Because all purchases from the Reserve Fund have to be approved by Council, when a major purchase is recommended there is an opportunity to update Council on the status of the Reserve Fund as part of that process.

Monitoring and Reporting: The terms of the Joint Use Agreement requires that the Joint Use Coordinating Committee report with a formal review and report every three years to Council. It should be noted that the committee reports annually on the status of the reserve to all three parties at an administrative level through monthly reporting of the Reserve Fund balance and transactions by The City's Treasury department to the Joint Use Committee members. It is through the Reserve Fund reporting that The City reports annually to Council. Prior to this update, there was been a presentation made at a council strategic session in Q1 of 2016 as well as to ALT in Q4 of 2015.

### **Stakeholder Engagement, Research and Communication**

The JUCC is built on the consensus model, as such this report was written with the input and support of the Committee members.

### **Strategic Alignment**

The JUCC and the JUA align with the policies contained in Section 2.3.5 Municipal, School and Environmental reserves of the Municipal Development Plan.

### **Social, Environmental, Economic (External)**

The Joint Use Reserve Fund enables the three parties to ensure reserve land is provided in optimal locations and ensure complete communities by enabling The City to:

- Coordinate the provision of land for recreational and educational facilities through the

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planning process;

- Take money in place of reserves in locations where open space or school land is not required;
- Dispose of surplus reserve land and secure the proceeds for future purchases; and
- Purchase land in open space deficient communities for parks, recreation facilities, and schools.

### **Financial Capacity**

#### **Current and Future Operating Budget:**

There is no impact to the City's operating budget as the Reserve Fund is solely used for land acquisition as per the terms of the Joint Use Agreement. Any facilities constructed on purchased land are the responsibility of the applicable organization, including operating costs.

#### **Current and Future Capital Budget:**

The JUA provides a mechanism to both collect and allocate money in place of reserve land in a coordinated fashion that ensures maximum benefit to the community by jointly locating educational and recreational facilities on joint use sites. This results in significant capital budget savings for both The City and school boards.

### **Risk Assessment**

Currently there are 225 public schools and 105 separate schools that fall under the JUA. Without a JUA in place The City would require individual agreements to perform many of the above functions which would result in the following issues and risks:

- Increased time;
- Increased costs;
- Inconsistency;
- Uncertainty for development industry; and
- Uncertainty for school boards.

### **REASONS FOR RECOMMENDATION:**

The report provides an update and overview of the purpose of the Joint Use Agreement, the roles and responsibilities of the Joint Use Coordinating Committee and the required reporting every three years to Council on the status of the Joint Use Reserve Fund. Increasing the frequency of reporting to annually will provide additional transparency to Council.

### **ATTACHMENTS**

1. Joint Use Agreement Triennial Report: 2012-2014
2. Joint Use Agreement Annual Report: 2015