



Office of the Auditor General / Bureau du vérificateur général

**AUDIT OF PARKS AND RECREATION
CANTERBURY COMMUNITY ASSOCIATION**

2007

Chapter 4c

**VÉRIFICATION DE LA DIRECTION DES PARCS ET DES LOISIRS
- ASSOCIATION COMMUNAUTAIRE DE CANTERBURY**

2007

Chapitre 4c

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EXECUTIVE SUMMARY

Introduction

The Office of the Auditor General (OAG) conducted an audit of the Parks and Recreation Branch which was included in the 2007 audit plan first received by Council in December 2004. Included in the scope of the audit was a review of the City's relationship with various community associations providing significant programming out of City facilities.

The audit report on the Audit of the Parks and Recreation Branch outlines detailed recommendations on how the City should move forward to ensure proper governance, management, and oversight of the relationships with community associations providing programming out of City facilities.

This report deals specifically with the Canterbury Community Association (CCA) as a result of a report received through the City's Fraud and Waste Hotline concerning the CCA and its Executive. The CCA delivers programs out of the Canterbury Complex under a Program Agreement with the City.

Observations

Our recommendations on how to proceed with respect to the CCA are based on the following observations:

- A long history of poor working relationships;
- Harassment towards City staff by CCA staff;
- CCA sense of entitlement over City facilities;
- Complaints received regarding the CCA; and,
- Difficulties in negotiating a Program Agreement with terms acceptable to the City.

Management Response

On May 22, 2007, your office released an interim report providing observations and recommendations on the City's relationship with the Canterbury Community Association. Since that time, the Community and Protective Services Department has been working with the Ward Councillor on implementing the recommendations of your report.

Management agrees with the Auditor's findings and observations as they relate to the long history of a poor working relationship, the harassment of City staff by CCA staff, the CCA's sense of entitlement over the community centre and the long litany of complaints and conflicts involving the CCA. Management also concurs with the following recommendations made by the Auditor:

1. That the City not enter into another Program Agreement with the Canterbury Community Association.
2. That the City take the steps necessary to dissolve its relationship with the Association and take over programming at the Canterbury Community Centre.
3. That the City give written notice immediately of its intent to dissolve the Program Agreement to comply with the 90 day notice requirement.
4. That the City take the necessary steps to recover the repayment amounts for 2006 and 2007 (\$30,000 each year for a total of \$60,000) that was a part of the original agreement.

In April and May 2007 the CCA actively pursued the signing of a new programming agreement with their Councillor and the Mayor. Based on advice from the City Solicitor's Office, the Community and Protective Services Department elected to bring this issue before Council given the potential financial impact relating to not recovering the full \$300,000 the Association had committed to the Community Centre expansion project. This issue was considered by City Council on July 9, 2007, and the following direction was provided:

- In order for the CCA to continue to deliver programming, that the Deputy City Manager of Community and Protective Services meet with the CCA Executive and provide the CCA an opportunity to renew its Board such that the restructured organization addresses the concerns raised in the Auditor General's Interim Report.
- Should the CCA not be prepared to make the necessary governance changes, that the Deputy City Manager be delegated the authority to issue a notice for termination for the management agreement with CCA.

The Deputy City Manager and the Director of Recreation met with the CCA Executive on July 27, 2007 and outlined Council's directive. The CCA was provided a deadline of August 7, 2007 to deliver written confirmation that it was prepared to affect the change in governance and the particulars of the process to bring about the change.

The Deputy City Manager received an e-mail response from the CCA on August 1, 2007, advising that the Association would take appropriate steps to renew its Board including the following measures:

- The Executive of the CCA would expand with the appointment of six new members to be forwarded to the City by August 7, 2007.
- Once the new members are appointed to the Executive, [REDACTED] would resign.
- [REDACTED] would resign their positions on the Executive.

- The renewed Board of Directors would select one of the Board members to be the new CCA President.

The CCA provided the City with the names of the members of their new Board on August 7, 2007. A staff review of the new Board composition revealed several concerns, including the ongoing presence of [REDACTED]

A letter of termination was handed to [REDACTED] on August 14, 2007, with the prescribed 90-day notice requirement resulting in an effective date of November 12, 2007. The termination letter also requested the repayment of \$60,000 relating to the facility expansion.

In practical terms, the timing on notification resulted in the Association offering programs at the Centre for the Fall 2007 programming season. Notification to the group included subsequent clarification that programs already started in early fall would be allowed to conclude as late as December, but that no permits for CCA use of the facility in January 2008 would be issued. Throughout September and October, the CCA questioned and appealed the City's termination including an e-mail and letter to all members of Council on September 26, 2007.

The Deputy City Manager and Councillor Hume met with the CCA President on October 12th. From this meeting, the CCA agreed to make further changes to their governance structure and membership to address City issues. A revised plan was submitted by the CCA on October 31, 2007, and included the upfront repayment of the first \$60,000 for expansion of the Community Centre, letters of resignation from [REDACTED]

This revised plan became the subject of discussion by Councillor Hume's office and the CCA which resulted in the actions taken on November 29, 2007.

On November 29, 2007, the Deputy City Manager offered to rescind the termination letter to the CCA provided that the following terms and conditions were met:

- That the Canterbury Community Association contribute \$60,000 towards the renovation of the community centre (\$30,000 for calendar year 2006 and \$30,000 for calendar year 2007) to be paid to the City after the execution of a Financial Agreement and before December 31, 2007.
- That the CCA and the City execute a first Financial Agreement before December 31, 2007 specifying the recognition of the \$60,000 contribution, described in item 1, towards the renovations of the community centre and a second Financial Contribution Agreement to be executed by March 31, 2008 specifying the ongoing

- future contributions of \$15,000 paid semi-annually on April 1st and October 1 of each year up to a maximum of \$300,000 total contributions.
- That the City provide the CCA with proposed Financial Contribution Agreements for legal review and signature.
- That the CCA and the City execute a Program Management Agreement by March 31, 2008.
- That the City provide a proposed Program Management Agreement to the CCA in January/08 for the CCA's review.
- That the CCA be permitted to provide programming at the Centre until June 30, 2008.
- That the Notice of Termination issued in 2007 be rescinded upon notification from the CCA that it accepts these conditions, however, to be re-issued with a termination date of June 30, 2008, should any of the conditions in items 1, 2, and 4 not be met.

On November 30, 2007, the President of the CCA forwarded an e-mail to the Deputy City Manager indicating that the CCA agreed with the above-noted conditions and confirming that the CCA would be offering Winter 2008 programs at the Community Centre. Based on this response, the Deputy City Manager advised the CCA that he was rescinding the Termination Notice and that the CCA would be allowed to offer programs from the Canterbury Community Centre until June 2008. A Financial Contribution Agreement has been prepared by Legal Services and is currently being executed by both parties to recover the initial \$60,000 from CCA. As well, both parties will meet early in 2008 to develop a new programming agreement and long-term Financial Contribution Agreement.

With respect to the [REDACTED] it has not been possible to finalize a financial agreement with this group. This [REDACTED] was made up of several individual sports groups that were united in their purpose at the onset of the project, but are now finding it impossible to act as a single entity. Accordingly, agreements were pursued with individual sports groups based on their storage, meeting and programming requirements at the Community Centre with the following results:

Each agreement is for 10 years commencing in 2007, with an annual payment each year for the ten-year duration. The groups and amount to be paid by each is:

Group	Annual Payment	Total payment over 10 years
[REDACTED]	\$1,500	\$15,000
[REDACTED]	\$1,500	\$15,000
[REDACTED]	\$2,500	\$25,000
TOTAL	\$5,500	\$55,000

Conclusion

Our assessment is that the relationship between the City and the Canterbury Community Association has been strained for over 15 years with little progress made by the City to improve it despite numerous complaints. This adversarial working relationship has been to the detriment of service to this community and we could find no reason why it has been allowed to continue. In our view, the City has been much too accommodating and should have severed its affiliation with the CCA long ago.

The legacy Program Agreements allow for the City to terminate its relationship with the CCA. The Program Agreements include a clause stating: "The City of Ottawa agrees to give the Program Sponsor [CCA] written notice of not less than 90 days prior to the program planning process of the next program year should the General Manager [the City] decide to terminate the Agreement". It is our understanding that, under the terms of the Program Agreement, the City is not required to provide a reason for terminating the Agreement. The City has chosen not to exercise this right even though they have had longstanding and ongoing challenges with the CCA which do not reflect the intent of the City's community partnership model. If such notice were provided by May 31, 2007, the City would be in a position to sever its relationship with the CCA by September 1, 2007.

It should be noted that all City staff interviewed stated that if the City were to take over the programming currently offered by the CCA, it would be seamless to the public and at no additional cost to the City.

Accordingly, it is recommended that the City not enter into another Program Agreement with the Canterbury Community Association. In addition, it is recommended that the City take the steps necessary to dissolve its relationship with the Association and take over all programming at the Canterbury Community Centre. It is further recommended that the City give written notice immediately of its intent to dissolve the Program Agreement to the CCA to comply with the requirement under the Agreement "to give the Program Sponsor written notice of not less than 90 days prior to the start of each programming session of its intention to terminate this Agreement".

As for the Limited Scale Partnership Opportunity (LSPO) governing the funding of the recent renovations to the Centre, recognizing that no formal written agreement currently exists, it is recommended that the City take the necessary steps to recover the repayment amounts for 2006 and 2007 (\$30,000 each year for a total of \$60,000) that was a part of the original agreement.

As previously stated, the final report on the Audit of the Parks and Recreation Branch will outline more detailed recommendations on how the City should move forward with Community Associations providing programming out of City facilities to ensure proper governance, management, and oversight of these relationships.

Acknowledgement

We wish to express our appreciation for the cooperation and assistance afforded the audit team by management.

RÉSUMÉ

Introduction

La vérification de la Direction des parcs et des loisirs a été menée par le Bureau du vérificateur général dans le cadre de son plan de vérification de 2007, document soumis initialement au Conseil municipal en décembre 2004. Elle portait également sur les relations qu'entretient la Ville avec diverses associations communautaires qui offrent de nombreux programmes à partir des installations municipales.

Le rapport de vérification de la Direction des parcs et des loisirs présente des recommandations détaillées sur les mesures que la Ville devrait prendre pour assurer une gouvernance, une gestion et une surveillance adéquates de ses relations avec les associations communautaires qui offrent des programmes à partir des installations municipales.

Le présent rapport porte essentiellement sur l'Association communautaire de Canterbury (ACC) et fait suite à une plainte reçue par l'entremise de la Ligne directe de fraude et d'abus concernant l'ACC et sa direction. L'ACC offre des programmes depuis le complexe Canterbury, conformément à une entente conclue avec la Ville.

Observations

Nos recommandations sur les mesures à prendre en ce qui concerne l'ACC reposent sur les observations suivantes :

- la médiocrité des relations de travail entre la Ville et l'ACC depuis bon nombre d'années;
- le harcèlement que fait subir le personnel de l'ACC aux employés municipaux;
- le fait que le personnel de l'ACC agit comme s'il était propriétaire des installations municipales;
- les plaintes reçues concernant l'ACC;
- les difficultés éprouvées à négocier pour la prestation de programmes une entente jugée acceptable par la Ville.

Réponse de la direction

Le 22 mai 2007, le Bureau du vérificateur général a publié un rapport provisoire présentant ses observations et ses recommandations sur les relations qu'entretient la Ville avec l'Association communautaire de Canterbury. Depuis, Services communautaires et de protection collabore avec le conseiller du quartier afin d'appliquer les recommandations du rapport.

La direction approuve les constatations et les observations du vérificateur général relativement aux nombreuses années de relations de travail malsaines, au

harcèlement pratiqué par le personnel de l'ACC à l'endroit des employés municipaux, au fait que l'ACC agit comme si elle était propriétaire du Centre communautaire et à la litanie de plaintes et de conflits impliquant l'ACC. La direction souscrit aussi aux recommandations suivantes formulées par le vérificateur général :

1. Que la Ville ne conclue pas avec l'Association communautaire de Canterbury d'autre entente relative à la prestation de programmes.
2. Que la Ville prenne les dispositions voulues pour rompre toute relation avec l'Association et prendre en charge tous les programmes offerts au Centre communautaire Canterbury.
3. Que la Ville signifie sans tarder par écrit à l'ACC son intention de résilier toute entente liant les deux parties de manière à respecter l'exigence voulant qu'un préavis d'au moins 90 jours soit donné.
4. Que la Ville prenne les mesures qui s'imposent pour récupérer les versements qu'elle a faits en 2006 et en 2007 (30 000 \$ par année pour un total de 60 000 \$) conformément aux modalités de l'entente initiale.

En avril et en mai 2007, l'Association communautaire de Canterbury a cherché activement à conclure une nouvelle entente relative aux programmes avec le conseiller du quartier et le maire d'Ottawa. Suivant les conseils du Bureau du chef du contentieux de la Ville, Services communautaires et de protection a décidé de soumettre la question au Conseil compte tenu des répercussions financières que pourrait subir la Ville si elle ne récupère pas la totalité des 300 000 \$ que l'Association s'était engagée à allouer au projet d'agrandissement du Centre communautaire Canterbury. Le Conseil municipal a étudié la question le 9 juillet 2007, puis a formulé les directives suivantes à cet égard :

- Afin de permettre à l'ACC de continuer à offrir ses programmes, que le directeur municipal adjoint de Services communautaires et de protection rencontre le personnel de direction de l'ACC pour donner à celle-ci l'occasion de former un nouveau conseil d'administration qui puisse répondre aux préoccupations soulevées dans le rapport provisoire du vérificateur général de la Ville.
- Si l'ACC n'est pas prête à apporter les changements nécessaires à ses méthodes de gouvernance, que le directeur municipal adjoint soit habilité à signifier la résiliation de l'entente de gestion des programmes conclue avec l'ACC.

Le 27 juillet 2007, le directeur municipal adjoint de Services communautaires et de protection et le directeur de Parcs et Loisirs ont rencontré l'équipe de direction de l'ACC pour lui faire part des directives du Conseil municipal. À cette occasion, la Ville a donné à l'ACC jusqu'au 7 août 2007 pour remettre un avis écrit confirmant sa volonté d'entamer le processus de changement de gouvernance et pour préciser les détails liés au processus.

Le 1^{er} août 2007, le directeur municipal adjoint a reçu par courriel une réponse de l'ACC l'informant de son intention de prendre les mesures appropriées pour reconstituer son conseil d'administration, notamment les suivantes :

- Le personnel de direction de l'ACC comprendrait six membres de plus, dont l'identité serait communiquée à la Ville d'ici le 7 août 2007.
- Une fois les nouveaux membres nommés, [REDACTED] démissionnerait.
- [REDACTED] quitteraient leur poste au sein de la direction.
- Le conseil d'administration nommerait le nouveau président de l'ACC parmi ses membres.

Le 7 août 2007, l'ACC a transmis à la Ville le nom des nouveaux membres de son conseil d'administration. Un examen de la composition du nouveau conseil d'administration par le personnel municipal a révélé plusieurs sources de préoccupation, notamment la présence continue de [REDACTED]

Le 14 août 2007, la Ville a remis au président de l'ACC un avis de résiliation respectant l'exigence de préavis de 90 jours, ce qui portait au 12 novembre 2007 la date d'entrée en vigueur de la révocation de l'entente. Dans son avis, la Ville exigeait en outre le remboursement des 60 000 \$ qu'elle avait alloués à l'agrandissement du complexe.

Cependant, vu la date à laquelle l'avis a été remis, l'Association a continué d'offrir ses programmes au Centre pour la saison d'automne 2007. Dans son avis, la Ville précise que les programmes de l'ACC ayant débuté tôt à l'automne pourraient prendre fin au plus tard en décembre, mais qu'aucun permis autorisant l'ACC à utiliser l'installation en janvier 2008 ne lui serait délivré. En septembre et en octobre derniers, l'ACC a demandé des explications à cet égard et en a appelé de la décision de la Ville, notamment par l'entremise d'un courriel et d'une lettre envoyés à tous les membres du Conseil municipal le 26 septembre 2007.

Le directeur municipal adjoint de Services communautaires et de protection et le conseiller Hume ont rencontré le président de l'ACC le 12 octobre, après quoi l'ACC a accepté d'apporter d'autres changements à sa structure de gouvernance et à la composition de son conseil d'administration afin de répondre aux exigences de la Ville. Le 31 octobre 2007, l'ACC a soumis à la Ville un plan révisé auquel elle a joint le remboursement des premiers 60 000 \$ que la Ville avait alloués à l'agrandissement du Centre communautaire ainsi que les lettres de démission [REDACTED]

Le plan révisé a fait l'objet d'échanges entre le personnel du Bureau du conseiller Hume et l'ACC, lesquels ont donné lieu aux mesures prises le 29 novembre 2007.

À cette date, le directeur municipal adjoint a offert de retirer l'avis de résiliation signifié à l'ACC, à la condition que celle-ci respecte les modalités suivantes :

- Que l'Association communautaire de Canterbury verse 60 000 \$ au titre du financement des travaux de rénovation du centre communautaire (30 000 \$ pour l'année civile 2006 et 30 000 \$ pour l'année civile 2007), somme qui sera versée à la Ville dès qu'un accord financier sera conclu à cet égard et avant le 31 décembre 2007.
- Que l'ACC et la Ville signent avant le 31 décembre 2007 un premier accord financier confirmant la contribution de 60 000 \$ décrite au point 1 pour financer la rénovation du Centre communautaire, puis un second accord financier au plus tard le 31 mars 2008, prévoyant le versement continu par l'ACC de la somme de 15 000 \$ tous les semestres, soit le 1^{er} avril et le 1^{er} octobre de chaque année, jusqu'à concurrence de 300 000 \$.
- Que la Ville soumette à l'ACC les accords financiers proposés afin que celle-ci les fasse examiner par un avocat puis les signe.
- Que l'ACC signe avec la Ville une entente de gestion des programmes au plus tard le 31 mars 2008.
- Que la Ville soumette à l'étude de l'ACC au plus tard en janvier 2008 l'entente de gestion des programmes proposée.
- Que l'ACC soit autorisée à offrir des programmes au Centre communautaire jusqu'au 30 juin 2008.
- Que l'avis de résiliation délivré en 2007 soit retiré une fois que l'ACC aura informé la Ville qu'elle accepte ces conditions; toutefois, si l'une ou l'autre des conditions décrites aux points 1, 2 et 4 n'est pas respectée, l'avis de résiliation sera émis de nouveau de manière à ce que l'entente prenne fin le 30 juin 2008.

Le 30 novembre 2007, le président de l'ACC a envoyé au directeur municipal adjoint un courriel l'avisant qu'il acceptait les conditions susmentionnées et qu'il confirmait que l'ACC offrirait des programmes au Centre communautaire à l'hiver 2008. De ce fait, le directeur municipal adjoint a informé l'ACC qu'il annulerait l'avis de résiliation et que l'ACC serait autorisée à offrir des programmes au Centre communautaire Canterbury jusqu'en juin 2008. Le personnel de la Direction des services juridiques a préparé un accord financier selon lequel la Ville récupérera les 60 000 \$ qu'elle a versés à l'ACC, et cet accord est en voie d'être signé par les deux parties qui se réuniront en outre au début de 2008 afin de négocier une nouvelle entente relative aux programmes ainsi qu'un accord financier à long terme.

Par ailleurs, la Ville n'a pas été en mesure de conclure d'accord financier avec [REDACTED] En effet, [REDACTED] comptait

plusieurs groupes sportifs ayant à l'origine un objectif commun, mais qui, à l'heure actuelle, estiment impossible d'agir en tant qu'entité unique. La Ville a donc cherché à conclure des ententes avec chaque groupe sportif en fonction de leurs besoins relatifs à l'entreposage, à la tenue de réunions et aux programmes offerts au Centre communautaire Canterbury, processus qui a mené aux résultats ci-dessous.

Chaque entente est conclue pour une période de 10 ans débutant en 2007 et prévoit des paiements annuels versés par le groupe pendant toute la durée de l'entente. Le tableau suivant présente les montants convenus avec chaque groupe :

Groupe	Paiement annuel	Paiement total sur 10 ans
[REDACTED]	1 500 \$	15 000 \$
[REDACTED]	1 500 \$	15 000 \$
[REDACTED]	2 500 \$	25 000 \$
TOTAL	5 500 \$	55 000 \$

Conclusion

Nous constatons que les relations entre la Ville et l'Association communautaire de Canterbury sont tendues depuis plus de 15 ans et que la Ville a accompli peu de progrès en ce qui a trait à l'amélioration de la situation malgré les nombreuses plaintes reçues à cet égard. Or, la relation de travail malsaine nuit aux services assurés à la communauté de Canterbury et nous n'avons trouvé aucune raison pour laquelle ont a permis qu'elle se poursuive. À notre avis, la Ville a été beaucoup trop conciliante dans ce dossier et aurait dû rompre depuis longtemps toute relation avec l'ACC.

Les ententes héritées relatives aux programmes permettent à la Ville de mettre fin à sa relation avec l'ACC, car lesdites ententes stipulent que si le directeur général [la Ville] décide de résilier l'entente, la Ville d'Ottawa accepte de donner à l'organisme parrain [ACC] un avis écrit d'au moins 90 jours avant le début du processus de planification des programmes de l'année de programmation qui suit. D'après ce que nous croyons comprendre, la Ville n'est pas tenue de justifier sa décision de résilier l'entente. La Ville a décidé de ne pas exercer ce droit malgré les difficultés qu'elle éprouve depuis longtemps avec l'ACC, ce qui va à l'encontre du modèle de partenariat communautaire. Si la Ville donnait un tel avis à l'ACC d'ici au 31 mai 2007, l'entente pourrait prendre fin au plus tard le 1^{er} septembre 2007.

Il importe de noter que tous les employés municipaux interrogés ont affirmé que si la Ville prenait en charge les programmes actuellement offerts par l'ACC, la transition se ferait en douceur pour la communauté et n'entraînerait pas de coûts supplémentaires pour la Ville.

Par conséquent, il est recommandé à la Ville de ne pas conclure avec l'Association communautaire de Canterbury d'autre entente relative à la prestation de programmes. En outre, la Ville devrait adopter les dispositions voulues pour rompre ses relations avec l'Association et prendre en charge tous les programmes offerts au Centre communautaire Canterbury. Il est également recommandé à la Ville de signifier sans tarder par écrit à l'ACC son intention de résilier toute entente liant les deux parties de manière à respecter l'exigence voulant que la Ville donne à l'organisme parrain [ACC] un avis écrit d'au moins 90 jours avant le début du processus de planification des programmes de l'année de programmation qui suit.

En ce qui touche la Possibilité de partenariat de portée limitée (PPPL) régissant le financement des travaux de rénovation réalisés récemment au Centre communautaire, aucun accord écrit n'a officiellement été conclu à cet égard. Il est donc recommandé à la Ville de prendre les mesures qui s'imposent pour récupérer les versements qu'elle a faits en 2006 et en 2007 (30 000 \$ par année pour un total de 60 000 \$), conformément aux modalités de l'entente initiale.

Comme il a été mentionné plus tôt, le rapport final de vérification de la Direction des parcs et des loisirs présentera des recommandations plus détaillées sur les mesures que la Ville devrait adopter pour assurer une gouvernance, une gestion et une surveillance adéquates de ses relations avec les associations communautaires qui offrent des programmes à partir des installations municipales.

Remerciements

Nous tenons à remercier la direction et le personnel de leur bienveillante collaboration et de l'aide qu'ils ont apportée à l'équipe de vérification.

1 BACKGROUND

The Office of the Auditor General (OAG) conducted an audit of the Parks and Recreation Branch which was included in the 2007 audit plan first received by Council in December 2004. Included in the scope of the audit was a review of the City's relationship with various community associations providing significant programming out of City facilities.

The final report on the Audit of the Parks and Recreation Branch outlines detailed recommendations on how the City should move forward to ensure proper governance, management, and oversight of the relationships with community associations providing programming out of City facilities.

This report deals specifically with the Canterbury Community Association (CCA) as a result of a report received through the City's Fraud and Waste Hotline concerning the CCA and its Executive. The CCA delivers programs out of the Canterbury Complex under a Program Agreement with the City.

The review of the City's relationship with the CCA included interviews with the following City staff:

- Director, Parks & Recreation Branch;
- Division Manager, East District;
- Area Manager, East Area Unit #2;
- Facility Manager, Canterbury Community Complex; and,
- Past Facility Manager, Canterbury Community Complex.

The review also included an examination of:

- Files provided by City staff (including email exchanges with the CCA, prior Service Agreements, Labour Relations reports, and a complaint file);
- Complaints received through the City's Fraud and Waste Hotline regarding the Canterbury Community Association; and,
- A complaint file and documentation provided by Councillor Peter Hume's office regarding the CCA and its operations.

It should be noted that we have not met with any representatives from the CCA as it was determined by our review that there would be little value in further discussion of these matters with the Association.

2 OBSERVATIONS

Our recommendations on how to proceed with respect to the CCA are outlined in the Conclusion section of this report.

2.1 *A Long History of Poor Working Relationship*

The documentation shows that a poor working relationship with the CCA has spanned more than a decade and involved four different Area Managers. [REDACTED]

- Interviews with City staff who worked at the Canterbury Complex as long ago as 1985 indicated that, even at that time, the environment was stressful and strained.
- Our review indicates that, in comparison to other similar community associations that the City works with to provide recreation programming, City staff dedicated to the Canterbury Recreation Complex at all levels expend a significant amount of time and effort in dealing with the CCA.
- The CCA has refused to comply with City requirements and policies. Examples include:
 - In July 2005, the City requested copies of a completed Police Records Check (PRC) on a CCA staff member teaching youth programs as a result of an assault allegation. CCA informed the City that it had completed the PRC, which they indicated came back “clean”, but refused to provide a copy to the City. The City did not pursue this matter further.
 - In response to a City request to have the CCA adopt program standards, appropriate policies, procedures, and protocols that meet City approval, a letter from the CCA President on November 27, 2001 stated that “the Association is concerned when you reference the need for the Association to be accountable to the City...Our Association has been delivering programming and services at the centre for over 25 years and we have already established standards, policies, procedures and protocols which have withstood the test of time and have not resulted in any complaints from the community we serve”.
- Communication from the CCA (primarily [REDACTED]) to City staff is, in our view, often inflammatory and unprofessional in nature. As an example, an email from the CCA [REDACTED] on May 12, 2004 to City staff regarding storage space states: “Thank you for your reply. Are you now suggesting that the storage space of our Association is not our space? If so, Please advise and we will review whether we wish to continue to have storage areas we built or whether we will decide to tear down the storage cages we built...Stop playing games and please advise when a decision is going to be made re the requested storage space. IF you can’t make a decision re said storage space, who should I be dealing with in order to get this issue finalized?”

2.2 *Harassment Towards City Staff by CCA Staff*

- Many City staff have cited an abusive and harassing work environment and all City staff interviewed feel that there is no hope for improvement in the working

relationship with the CCA [REDACTED]

[REDACTED] This situation resulted in an investigation by the City's Labour Relations staff (see next bullet point). The outcome of the investigation led to a change in communications protocol whereby all communication with the CCA (with the exception of day-to-day programming and operations) now goes to the Area Manager and not to the Facility Manager at the Canterbury Complex.

- On June 16, 2005, a Human Rights & Employment Equity investigation conducted by the City found that "the allegations of personal harassment and abuse of authority [REDACTED] are founded...and that there was inappropriate behaviour from the CCA towards City staff without satisfactory resolution". The report concludes by saying that the inappropriate behaviours [REDACTED] "created a poisoned work environment where personal harassment is condoned and where the potential for more harassment exists."
- On August 24, 2005, the Director of the Parks and Recreation Branch issued a letter to the President of the CCA "to notify you [REDACTED] that the investigation initiated by the City following complaints of harassment made against [REDACTED] has...found that the allegations of personal harassment and abuse of authority made by the staff of the Canterbury Community Centre are founded". The letter went on to inform the President that the City "will no longer recognize [REDACTED] as an agent of the CCA...Furthermore, [REDACTED] will be prohibited from being involved in any activities on City premises that are associated with the discharge of her CCA responsibilities." The letter concludes by stating: "The findings of the investigation have also left us with serious concerns with the intimidating and harassing behaviours [REDACTED] have exhibited towards our staff. We expect to see an immediate end to these behaviours, and should they reoccur, similar measures to those noted above [not being recognized as an agent of the CCA and being prohibited from the Community Centre premises] will be applied to you."
- As stated in correspondence from the City's Solicitor, "the City has a legal obligation under the Human Rights Code to provide a harassment-free workplace and this extends to controlling the actions of third parties".
- [REDACTED] did not respect the direction given by the City in the above-mentioned letter. Therefore, on September 5, 2005, the City issued a trespassing order against [REDACTED] as a result of the findings of abusive and harassing behaviour towards City staff put forward in the Human Rights investigation. The trespassing order expired September 30, 2006.
- In the report on the Human Rights investigation, [REDACTED] stated on record that they feel their actions and behaviour towards City staff are appropriate and professional and they do not intend to change.

- Based on interviews and a review of continued correspondence, we have found no significant improvements to the working relationship since the time of the Human Rights & Employment Equity investigation.

2.3 CCA Sense of Entitlement Over City Facilities

- On several occasions, [REDACTED] has expressed a sense of entitlement and ownership over the Canterbury Community Centre (a City-owned and maintained facility). Examples include:
 - An email from the CCA [REDACTED] to the Canterbury/ Alta-Vista Sports & Recreation Association (CASRA) President on May 1, 2003 regarding the access to Community Centre storage space: "The Association has an agreement with the City to deliver programming on its behalf and in order to do so, the Association will govern when its programming is to be disturbed by outside persons, not the City. I have developed an access policy which is both fair and reasonable...The City has nothing to do with the issue of determining when access is to be allowed when our programming is in place."
 - On February 13, 2004, Councillor Peter Hume received a letter from a representative of [REDACTED] [REDACTED] x
 - On June 17, 2004, an email from the [REDACTED] [REDACTED] responded in an email to the City that [REDACTED] [REDACTED] Quite frankly, I find it embarrassing that this nonsense continues to be tolerated by the City, and I would like assurance that steps will be taken to disabuse certain individuals of the notion that they are "more equal" than others."
 - On May 10, 2004, Councillor Hume issued a strongly worded 4-page letter to the President of the CCA in response to a letter received from the CCA President on April 20, 2004. In his letter, Councillor Hume makes the following remarks:
 - Regarding the CCA's dealings with CASRA over storage space: "it is my opinion that your 'spat' over storage space and the ultimate expulsion of those groups as affiliates has not been in the best interest of the Canterbury community."
 - Regarding CCA's capital contributions to the development of storage space: "While making capital contributions to the Community Centre is appreciated, it does not give the community association the right to dictate the allocation of time or the use of space within the Centre. That is the responsibility of City staff."

- Regarding the Program Agreement that the CCA has with the City: "I note that this agreement is currently being renegotiated and I understand that there are significant issues to be resolved. As you work with staff to resolve the outstanding issues, I trust you will bring a more conciliatory approach to the table than has been demonstrated in your dealings with Community Centre staff and your previous sports affiliates. Otherwise, staff may be inclined to recommend a different model than the one currently in place."
- Regarding a confidential copy of a consultant report provided to the CCA concerning the renovation and expansion of the Community Centre: "There is absolutely no basis on which your Association can dictate that only its needs be considered in the facility expansion. If you believe you can issue such ultimatums on the basis that you have substantial funds in your bank account, I assure you that you are very much mistaken. None of the City, the community or myself is prepared to be held out to ransom to access cash resources of your Association. I very much want the Association as a co-operative and constructive partner but if you are not willing to participate in that way, we will seek other sources of funding to support the expansion of the Centre. That will probably dictate that there be a different form of agreement between the Association and the City; however, that may already be necessary."
- In 2002 and early 2003, [REDACTED] rented space in the Community Centre from the City for [REDACTED] was charged the standard rental rate of \$27.82 per hour and was issued a permit and a receipt. [REDACTED] the CCA requested and was granted this time slot for its own programming. The program the CCA started running was [REDACTED] although it was never listed in their brochure or on their website, and the price was never provided to City staff. It is the opinion of City staff that the time slot was given to [REDACTED] could continue [REDACTED] without paying for the use of the facility.

2.4 Complaints Received Regarding the CCA

- [REDACTED] which has resulted in a direct conflict of interest with staff attempting to resolve issues. One incident where this was evident was during a CCA sponsored 2004 Christmas Craft Fair when one of the vendors was offended by comments made by [REDACTED] about the quality of her crafts. The vendor complained to City staff about the remarks and was directed to speak with the [REDACTED] regarding the complaint.
- There are at least three official complaints on file regarding the 'After 4' program and the inappropriate dealings with children by CCA staff. In these incidents, parents complained to City staff about the actions of the CCA but, on the basis that it was not a City program, the City did not get involved.

- City staff are put in a position of resolving conflicts with contracted CCA staff. The latest documented incident was on March 24, 2007 where the [REDACTED] instructor used a “rude tone and acted unprofessionally” with City staff in front of students and parents over the usage of the multi-purpose room. The [REDACTED] instructor later apologized to the City staff for his inappropriate behaviour.
- City staff are put in a position of resolving conflicts with CCA program participants due to poor communication. The latest documented incident occurred in March 2007 when the CCA advertised PD Day programming to start at 8:00 am but failed to notify City staff who normally open the building at 8:30 am. This resulted in participants arriving at the Centre only to have to wait outside for City staff to arrive.
- Although a not-for-profit organization, the CCA continues to accumulate large surpluses each year with only minor reinvestment to the community as a whole (as compared to other community associations). This formed part of the complaint received via the Fraud and Waste Hotline. The City does not have any formal policy on how community associations are to deal with surpluses, nor is it outlined in the CCA Program Agreement.

2.5 Difficulties in Negotiating a Program Agreement with Terms Acceptable to the City

- The CCA President has indicated in a draft Memorandum of Understanding (MOU) to the City and a letter to the Mayor that the CCA will not begin repayment of the \$300,000 loan related to the recent renovations at the Centre until the City enters into a 10-year programming agreement with them.
- Also, the CCA President has stated on the CCA website (www.cca-acc.ca) that “the only outstanding issue facing the CCA is the finalization of its financial agreement with the City to cover off its \$300,000 funding commitment. While the City has agreed to our paying said amount over ten years or less, the CCA has voiced its concerns over the fact that it has no guarantees that it will be allowed to continue offering programs at the centre during its debt repayment period or thereafter. As such, the CCA is refusing to sign any financial agreement until its existing program management is amended to provide the CCA with a guarantee that its programming efforts will be allowed to continue over the next ten years and beyond.”

3 MANAGEMENT RESPONSE

On May 22, 2007, your office released an interim report providing observations and recommendations on the City’s relationship with the Canterbury Community Association. Since that time, the Community and Protective Services department has been working with the Ward Councillor on implementing the recommendations of your report.

Management agrees with the Auditor's findings and observations as they relate to the long history of a poor working relationship, the harassment of City staff by CCA staff, the CCA's sense of entitlement over the Community Centre and the long litany of complaints and conflicts involving the CCA. Management also concurs with the following recommendations made by the Auditor:

1. That the City not enter into another Program Agreement with the Canterbury Community Association.
2. That the City take the steps necessary to dissolve its relationship with the Association and take over programming at the Canterbury Community Centre.
3. That the City give written notice immediately of its intent to dissolve the Program Agreement to comply with the 90 day notice requirement.
4. That the City take the necessary steps to recover the repayment amounts for 2006 and 2007 (\$30,000 each year for a total of \$60,000) that was a part of the original agreement.

In April and May 2007 the CCA actively pursued the signing of a new programming agreement with their Councillor and the Mayor. Based on advice from the City Solicitor's Office, the Community and Protective Services department elected to bring this issue before Council given the potential financial impact relating to not recovering the full \$300,000 the Association had committed to the Community Centre expansion project. This issue was considered by City Council on July 9, 2007, and the following direction was provided:

- In order for the CCA to continue to deliver programming, that the Deputy City Manager of Community and Protective Services meet with the CCA Executive and provide the CCA an opportunity to renew its Board such that the restructured organization addresses the concerns raised in the Auditor General's Interim Report.
- Should the CCA not be prepared to make the necessary governance changes, that the Deputy City Manager be delegated the authority to issue a notice for termination for the management agreement with CCA.

The Deputy City Manager and the Director of Recreation met with the CCA Executive on July 27, 2007 and outlined Council's directive. The CCA was provided a deadline of August 7, 2007 to deliver written confirmation that it was prepared to affect the change in governance and the particulars of the process to bring about the change.

The Deputy City Manager received an e-mail response from the CCA on August 1, 2007, advising that the Association would take appropriate steps to renew its Board including the following measures:

- The Executive of the CCA would expand with the appointment of 6 new members to be forwarded to the City by August 7, 2007.

- Once the new members are appointed to the Executive, [REDACTED] would resign.
- [REDACTED] would resign their positions on the Executive.
- The renewed Board of Directors would select one of the Board members to be the new CCA President.

The CCA provided the City with the names of the members of their new Board on August 7, 2007. A staff review of the new Board composition revealed several concerns, including the ongoing presence of [REDACTED]

A letter of termination was handed to [REDACTED] on August 14, 2007, with the prescribed 90-day notice requirement resulting in an effective date of November 12, 2007. The termination letter also requested the repayment of \$60,000 relating to the facility expansion.

In practical terms, the timing on notification resulted in the Association offering programs at the Centre for the Fall 2007 programming season. Notification to the group included subsequent clarification that programs already started in early fall would be allowed to conclude as late as December, but that no permits for CCA use of the facility in January 2008 would be issued. Throughout September and October, the CCA questioned and appealed the City's termination including an e-mail and letter to all members of Council on September 26, 2007.

The Deputy City Manager and Councillor Hume met with the CCA President on October 12th. From this meeting, the CCA agreed to make further changes to their governance structure and membership to address City issues. A revised plan was submitted by the CCA on October 31, 2007, and included the upfront repayment of the first \$60,000 for expansion of the Community Centre, letters of resignation from [REDACTED]

This revised plan became the subject of discussion by Councillor Hume's office and the CCA which resulted in the actions taken on November 29, 2007.

On November 29, 2007, the Deputy City Manager offered to rescind the termination letter to the CCA provided that the following terms and conditions were met:

- That the Canterbury Community Association contribute \$60,000 towards the renovation of the community centre (\$30,000 for calendar year 2006 and \$30,000 for calendar year 2007) to be paid to the City after the execution of a Financial Agreement and before December 31, 2007.
- That the CCA and the City execute a first Financial Agreement before December 31, 2007 specifying the recognition of the \$60,000 contribution, described in item 1, towards the renovations of the community centre and a second Financial Contribution Agreement to be executed by March 31, 2008 specifying the ongoing

future contributions of \$15,000 paid semi-annually on April 1st and October 1 of each year up to a maximum of \$300,000 total contributions.

- That the City provide the CCA with proposed Financial Contribution Agreements for legal review and signature.
- That the CCA and the City execute a Program Management Agreement by March 31, 2008.
- That the City provide a proposed Program Management Agreement to the CCA in January/08 for the CCA's review.
- That the CCA be permitted to provide programming at the Centre until June 30, 2008.
- That the Notice of Termination issued in 2007 be rescinded upon notification from the CCA that it accepts these conditions, however, to be re-issued with a termination date of June 30, 2008, should any of the conditions in items 1, 2, and 4 not be met.

On November 30, 2007, the President of the CCA forwarded an e-mail to the Deputy City Manager indicating that the CCA agreed with the above-noted conditions and confirming that the CCA would be offering Winter 2008 programs at the Community Centre. Based on this response, the Deputy City Manager advised the CCA that he was rescinding the Termination Notice and that the CCA would be allowed to offer programs from the Canterbury Community Centre until June 2008. A Financial Contribution Agreement has been prepared by Legal Services and is currently being executed by both parties to recover the initial \$60,000 from CCA. As well, both parties will meet early in 2008 to develop a new programming agreement and long-term Financial Contribution Agreement.

With respect to [REDACTED] it has not been possible to finalize a financial agreement with this group. This [REDACTED] was made up of several individual sports groups that were united in their purpose at the onset of the project, but are now finding it impossible to act as a single entity. Accordingly, agreements were pursued with individual sports groups based on their storage, meeting and programming requirements at the Community Centre with the following results:

Each agreement is for 10 years commencing in 2007, with an annual payment each year for the ten-year duration. The groups and amount to be paid by each is:

Group	Annual Payment	Total payment over 10 years
[REDACTED]	\$1,500	\$15,000

██	\$1,500	\$15,000
██	\$2,500	\$25,000
TOTAL	\$5,500	\$55,000

4 CONCLUSION

In consideration of the above-noted facts, our assessment is that the relationship between the City and the Canterbury Community Association has been strained for over 15 years with little progress made by the City to improve it despite numerous complaints. This adversarial working relationship has been to the detriment of service to this community and we could find no reason why it has been allowed to continue. In our view, the City has been much too accommodating and should have severed its affiliation with the CCA long ago.

The legacy Program Agreements allow for the City to terminate its relationship with the CCA. The Program Agreements include a clause stating: "The City of Ottawa agrees to give the Program Sponsor [CCA] written notice of not less than 90 days prior to the program planning process of the next program year should the General Manager [the City] decide to terminate the Agreement". It is our understanding that, under the terms of the Program Agreement, the City is not required to provide a reason for terminating the Agreement. The City has chosen not to exercise this right even though they have had longstanding and ongoing challenges with the CCA which do not reflect the intent of the City's community partnership model. If such notice were provided by May 31, 2007, the City would be in a position to sever its relationship with the CCA by September 1, 2007.

It should be noted that all City staff interviewed stated that if the City were to take over the programming currently offered by the CCA, it would be seamless to the public and at no additional cost to the City.

Accordingly, it is recommended that the City not enter into another Program Agreement with the Canterbury Community Association. In addition, it is recommended that the City take the steps necessary to dissolve its relationship with the Association and take over all programming at the Canterbury Community Centre. It is further recommended that the City give written notice immediately of its intent to dissolve the Program Agreement to the CCA to comply with the requirement under the Agreement "to give the Program Sponsor written notice of not less than 90 days prior to the start of each programming session of its intention to terminate this Agreement".

As for the Limited Scale Partnership Opportunity (LSPO) governing the funding of the recent renovations to the Centre, recognizing that no formal written agreement currently exists, it is recommended that the City take the necessary steps to recover the repayment amounts for 2006 and 2007 (\$30,000 each year for a total of \$60,000) that was a part of the original agreement.

As previously stated, the final report on the Audit of the Parks and Recreation Branch will outline more detailed recommendations on how the City should move forward with community associations providing programming out of City facilities to ensure proper governance, management, and oversight of these relationships.

5 ACKNOWLEDGEMENT

We wish to express our appreciation for the cooperation and assistance afforded the audit team by management and staff.