

TO:	CHAIR AND MEMBERS CORPORATE SERVICES COMMITTEE MEETING ON OCTOBER 22, 2019
FROM:	ANNA LISA BARBON MANAGING DIRECTOR, CORPORATE SERVICES AND CITY TREASURER, CHIEF FINANCIAL OFFICER
SUBJECT:	APPOINTMENTS TO THE JOINT VENTURE MANAGEMENT COMMITTEE FOR 4-PAD ARENA COMPLEX

RECOMMENDATION

That, on the recommendation of the Managing Director, Corporate Services and City Treasurer, Chief Financial Officer, with respect to the Western Fair Association's appointments to the Joint Venture Management Committee for the 4-Pad Arena Complex, the Western Fair Association's (WFA) Chief Executive Officer, Director of Corporate Services, and the Director of Raceway & Grandstand, along with their Chief Operating Officer as an alternate representative BE APPROVED as WFA's nominees to the Joint Venture Management Committee.

PREVIOUS REPORTS PERTINENT TO THIS MATTER

August 14, 2018 – Appointments to the Joint Venture Management Committee for the 4-Pad Arena Complex, Corporate Services Committee.

December 15, 2015 – Appointments to the Joint Venture Management Committee for the 4-Pad Arena Complex.

June 5, 2012 – Fair City Joint Venture Agreement Amendments, Investment and Economic Prosperity Committee.

July 21, 2010 – Appointments to the Joint Venture Management Committee for 4-Pad Arena Complex, Board of Control.

BACKGROUND

The WFA and The Corporation of the City of London (City) entered into a Joint Venture Agreement to provide for the construction and operation of a 4-pad arena complex, located on WFA lands situated on the south side of Florence St. The Agreement established a Joint Venture Management Committee comprised of City of London and WFA appointees.

The City of London appointments to the Joint Venture Management Committee include two (2) voting members comprised of the following: Director, Financial Services (Representative); City Treasurer/Chief Financial Officer (Alternative Representative); Managing Director, Parks and Recreation (Representative); and Division Manager, Aquatics, Arenas, and Parks Operations (Alternative Representative).

The Fair-City Joint Venture financial reporting year end was June 30, 2019. Based on the year-end audited financial statements of the joint venture, the WFA's equity interest now exceeds 60% as a result of the gradual repayment of debt owed to the City. Once the 60% equity interest is achieved, this triggers, at their option, the ability for the WFA to

appoint one additional member to the Joint Venture Management Committee with full voting rights.

Since the 60% equity interest was achieved, the WFA has updated their appointments to the Joint Venture Management Committee to include three (3) voting members, comprised of the following representatives: Chief Executive Officer (Reg Ash); Director of Corporate Services (Tara Santagapita); Director of Raceway & Grandstand (Rob Lumsden); and alternate representative Chief Operating Officer (Mike Woods). This notice was provided to the City Clerk as attached in Appendix "A".

PREPARED BY:
IAN COLLINS, CPA, CMA DIRECTOR FINANCIAL SERVICES
RECOMMENDED BY:
ANNA LISA BARBON, CPA, CGA MANAGING DIRECTOR, CORPORATE SERVICES AND CITY TREASURER, CHIEF FINANCIAL OFFICER

Attached: Appendix "A"

CC: Catharine Saunders, City Clerk
Scott Stafford, Managing Director, Parks and Recreation
Lynn Loubert, Division Manager, Aquatics and Arenas

September 24, 2019

Cathy Saunders, City Clerk
City of London
P.O Box 5035
London ON N6A 4L9

RE: Fair/City Joint Venture Management Committee

Dear Cathy,

This is to inform you that the Western Fair Association Board of Governors on September 11, 2019 approved the following motion based on the fact that the Association's percentage of equity in FY20 is now 64.285%.

"To appoint Reg Ash, Tara Santagapita and Rob Lumsden as the Association's representatives with Mike Woods as alternate for the Joint Venture Management Committee."

Please reference item 3.2 of the September 1, 2000, Joint-Venture Agreement: Western Fair 4-Pad Arena Complex agreement.

3.2 Composition of Management Committee.

The Management Committee shall initially be comprised of four individuals, one-half of whom shall be appointed by WFA and one-half of whom shall be appointed by the City. Upon the WFA achieving an equity interest of 60% in the Joint Venture, WFA may, at its option, appoint one additional member to the Management Committee with full voting privileges.

If you have any questions, please do not hesitate to contact me.

Regards,



Reg Ash, CEO