



The Town of

# Beaumont

Council Policy # 35

## COMMERCIAL USES ON TOWN PROPERTY

Approved this 8<sup>th</sup> day of March, 2016

Council Resolution #16/03/03

### PURPOSE:

- The Town of Beaumont has established recreation, parks and cultural facilities to provide benefits and enjoyment to the residents and visitors of our community. From time to time, there may be commercial opportunities identified that will enhance these community facilities and the services they offer, without reducing the amount of space for programs.
- The purpose of this policy is to produce a standard and processes for the approval of commercial uses on Town of Beaumont property and within Town of Beaumont facilities by which we may pursue relationships that see benefits for our residents, the business operators and the Town of Beaumont through the operation of our facilities.
- Any commercial business, non-profit organization or Community Volunteer Organization operating on Town of Beaumont property or within a Town of Beaumont facility, must be primarily for the benefit of residents and users.
- An open public process, in accordance with the Town's Purchasing Policy, will be used to determine the best candidate for any external business services that are to be provided on Town of Beaumont property or within Town of Beaumont facilities.
- Joint venture initiatives between the Town and other entities are excluded from this policy. This includes any partnerships between the Town and Community Volunteer Organizations.

### 1. DEFINITIONS

- a) **Chief Administrative Officer** is the Chief Administrative Officer for the Town of Beaumont; herein it may be abbreviated as "CAO".
- b) **Commercial Business** is any business in operation for the purpose of generating wealth or gain for its owners or operators as individuals, partners, a company, a group, a recognized non-profit group or a Community Volunteer Organization recognized by the Town of Beaumont.

#### Approval History (To be filled in by Legislative Clerk)

Approval Date: March 8, 2016

Revision Date:

Revision Date:

Revision Date:

#### Inquiries/Contact Person

Director Recreation, Parks and Culture

Economic Development Officer

Manager, Development Services



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- c) **Community Volunteer Organization** means any sports, cultural, youth, educational, library, child care, religious organization or other group recognized by the Town of Beaumont on their Community Volunteer Organization list. These groups are usually based in or around our community. Hereafter referred to in this document as a CVO.
- d) **Director, Recreation, Parks and Culture** is the Director, Recreation, Parks and Culture for the Town of Beaumont, herein it may be abbreviated as “the Director”.
- e) **Evaluation Team** refers to the team comprised of the Director Recreation, Parks and Culture, the Economic Development Officer and the Manager of Development Services.
- f) **Fair Market Value** generally means the highest price, expressed in dollars, that a property would bring in an open and unrestricted market between a willing buyer and a willing seller who are knowledgeable, informed, and prudent, and who are acting independently of each other.
- g) **Joint Venture Initiative** is an initiative that is performed in partnership with the Town of Beaumont, wherein the Town is a partner and directly benefits financially from the proceeds or otherwise as a result of a joint agreement.
- h) **Non-Profit Organization** is any entity formed to promote art, science, religion, charity or other similar endeavours, or they may be formed solely for the purpose of promoting recreation for their members, this may be a provincial, national or international organization and they might not have a local chapter or organization in Beaumont.
- i) **Open Public Process** is a process in which public notification is given and in which all interested parties are invited to submit a bid for contracts or services awarded by the Town of Beaumont, in accordance with the Town’s Purchasing Policy.
- j) **Part 9 Company** means a company recognized under Part 9 of the Companies Act of Alberta which has indicated its primary purpose is for promoting art, science, religion, charity or any other useful object and that it is the intention of the association to apply the profits, if any or any other income of the association in promoting its objects and to prohibit the payment of any dividend to the members of the association.
- k) **Town of Beaumont** means the Town of Beaumont legal entity. Within this document may be shortened to, “the Town”.
- l) **Town of Beaumont Facilities** are any facilities including all buildings, recreation equipment, recreation areas and parks operated by the Town of Beaumont

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**m) Town of Beaumont Property** means any of the property owned by the Town of Beaumont such as parks and facilities, but excluding roadways and sidewalks.

## 2. **POLICY STATEMENT:**

- A publicly-owned facility must be operated to satisfy the needs of residents as directed in the Town Strategic Plan. Public resources must be used efficiently and effectively to meet budget targets; optimize enrollment in programs and facility usage.
- It is important the Town be able to create an environment to provide necessary services to our residents and for our own programs to succeed. It is an accepted practice and standard that municipal entities will place restrictions on the commercial use of their facilities to satisfy this requirement.
- Under no circumstances will a commercial business be allowed to conduct operations on Town property or within Town facilities without private liability insurance, a Town of Beaumont business license and any other licenses, permits or inspections that are required by law or the direction of the Town. These requirements will be disclosed whenever possible.
- Proof of valid licensing or certifications required by law to operate the business or commercial operation must be provided to the Town. These documents must be updated as required to maintain their validity.
- The Town of Beaumont shall bear no financial costs for the operation of a commercial business on Town property or facilities.
- The Town recognizes the location and operation of commercial business on Town property and with Town facilities may be seen as an unfair business practice and / or an unfair subsidy of a commercial business with public resources. Any commercial business will be expected to pay fair market value for any lease space, utility services or any other business input from the Town that is necessary for its operations on Town property or within a Town facility.
- The Town recognizes that all commercial businesses must fit within the designated use of the facility.

## 3. **PROCESSES AND PROCEDURES**

- A clear process is needed for the consideration of a commercial business, on Town property or within a Town facility.

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*Director Recreation, Parks and Culture*

*Economic Development Officer*

*Manager, Development Services*



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- The following steps will comprise the process to consider such a venture:
  - If a proposal comes from the general public, the Director will request a one page summary of the proposed operation. The following items will be included in the summary: nature of the proposed business, expected duration of contract, interested area for service, and contact information.
  - If an opportunity is identified by the Town, the Director will make a public request for expressions of interest.
  - If it is determined by the Director that the inclusion of a commercial, non-profit organization or CVO business on Town property or in Town facilities may be beneficial, the Director will compose a one page summary of the proposed operation.
  - The Director will meet with the Economic Development Officer and the Manager, Development Services to discuss the proposal. These discussions will include examining the marketplace to determine best practices for this business type, necessary standards of operation (hours of operation, special event coverage, site security, etc.), potential benefits to residents and users, potential conflicts with existing businesses in the region, and the details of the development, building, inspection and licensing process. Any factors, either positive or negative that may affect non-profit groups or a group recognized from the Town of Beaumont CVO list will also be considered.
  - A report detailing the items mentioned above and a recommendation regarding this type of operation will be prepared by the Director.
  - The report will be submitted to the CAO for his consideration, with the advice of the Leadership Team.
  - The CAO will provide written confirmation of his decision, with reasons, to the Director. Elected Officials will be made aware of this decision at the next Governance and Priorities Committee meeting.
  - If the request is not approved, the Director will provide a written response to the requestor with reasons.
  - If the request is approved, the Director will collect all the information needed to conduct the open public process including determining all necessary terms and conditions.
  - If it is deemed beneficial by the Evaluation Team, consultation from user groups and members of the public will be sought.

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- The Evaluation Team will determine the criteria for assessing the submissions; these will be noted in the Request For Proposal document and as a result will be available to the public. The Evaluation Team will evaluate all proposals and will award the contract in accordance with the terms of the Proposal.
- The Director will draft the contract agreement between the Town and the winning bidder for the operation of the for-profit entity.
- The contract agreement will be signed by the CAO.
- Agreements shall be up to a maximum term of three (3) years. If an extension beyond the three-year term is requested, it shall be brought forward to Council for consideration for extension.
- In extenuating circumstances, at the request of the applicant, all efforts will be made to meet any reasonable deadlines. This fast track process may shorten some of the above timelines, but all aforementioned processes will need to occur to ensure due diligence and process.

#### 4. EVALUATION AND COMMUNITY INVOLVEMENT

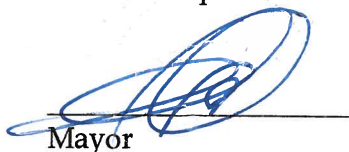
- From time to time, the Town of Beaumont is approached by facility users, user groups or private entrepreneurs to inquire about the inclusion of a commercial business venture on Town property or in Town facilities. Using the processes and procedures above, these inquiries will be considered.
- From time to time, the Director will bring forward this policy for review and discussion with administrative staff and / or facility users, user groups and other necessary parties or individuals.

#### SCOPE/APPLICATION:

- The Director shall adhere to this policy and apply it to Town property and facilities.

#### AUTHORITY/RESPONSIBILITY TO IMPLEMENT:

It is the responsibility of the Chief Administrative Officer to ensure this policy is implemented, with the support of the Director, Recreation, Parks and Culture, the Economic Development Officer, and the Manager, Development Services.

  
Mayor  
Legislative Clerk

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