



Regular Council
Monday, June 25, 2018

Place: Council Chambers
Richmond City Hall

Present: Mayor Malcolm D. Brodie
Councillor Chak Au
Councillor Derek Dang
Councillor Carol Day
Councillor Ken Johnston
Councillor Alexa Loo
Councillor Bill McNulty
Councillor Linda McPhail
Councillor Harold Steves

Acting Corporate Officer – Claudia Jesson

Call to Order: Mayor Brodie called the meeting to order at 7:00 p.m.

RES NO. ITEM

MINUTES

R18/12-1 1. It was moved and seconded

That:

- (1) the minutes of the Regular Council meeting held on June 11, 2018, be adopted as circulated; and***
- (2) the minutes of the Regular Council meeting for Public Hearings held on June 18, 2018, be adopted as circulated.***

CARRIED



Regular Council
Monday, June 25, 2018

AGENDA ADDITIONS & DELETIONS

The Acting Corporate Officer advised that a replacement page for Item 16 - 2017 Statement of Financial Information had been distributed to Council (attached to and forming part of these minutes as Schedule 1) and noted that additional information had been provided at the end of the first paragraph.

R18/12-2

It was moved and seconded

That page 3 of the staff report for Item 16 – 2017 Statement of Financial Information, be revised as distributed on table.

CARRIED

PRESENTATIONS

- (1) Rebecca Tunnacliffe, CEO, British Columbia Recreation and Parks Association, presented the Facility Excellence Award for projects over \$1 million for the City Centre Community Centre, and the Program Excellence Award, which recognizes a creative, successful and innovative program that serves as a model for other recreation and parks agencies to enhance their services, for the Pollinator Pasture. Ms. Tunnacliffe noted that the annual provincial awards of excellence had been presented to the City on May 2, 2018 at their annual symposium in recognition of its public engagement and community development for the City Centre Community Centre and the Pollinator Pasture.
- (2) Ted Townsend, Director, Corporate Communications and Marketing, and Vincent Chu, Manager, IT Innovation and Development, presented the Smart 50 award honouring the 50 most transformative smart projects in 2018 in recognition of the City's initial development of MyRichmond. Mr. Chu commented that the award was presented on March 26, 2018 and highlighted that the initial release of MyRichmond focuses on the resident and enables payment of utilities, taxes, and dog licencing. He further noted that the next major release for the project will incorporate the community and include personalized recreation, the ability to find events, activities of interest throughout the city, and direct notifications. Mr. Chu also advised that later releases will include features for business operators and include permitting, licencing, and inspections.



**Regular Council
Monday, June 25, 2018**

- (3) Jerry Chong, Director, Finance and Mr. Townsend presented the Canadian Award for Financial Reporting and the Award for Outstanding Achievement in Popular Annual Financial Reporting from the Government Finance Officers Association of the United States and Canada for the City’s 2016 Annual Reports. Mr. Townsend noted that this was the 15th consecutive year that the City had received the Canadian Award for Financial Reporting and the 8th consecutive year that the City had received both awards.

COMMITTEE OF THE WHOLE

- R18/12-3 2. It was moved and seconded
That Council resolve into Committee of the Whole to hear delegations on agenda items (7:09 p.m.).

CARRIED

- 3. Delegations from the floor on Agenda items
Item No. 7 – 2017 Annual Report and 2017 Annual Report – Highlights
Ken McLennan, Richmond resident, expressed concern over the Richmond Olympic Oval Corporation financial reporting disclosure and read from his submission (attached to and forming part of these minutes as Schedule 2.)

- R18/12-4 4. It was moved and seconded
That Committee rise and report (7:16 p.m.).

CARRIED

CONSENT AGENDA

- R18/12-5 5. It was moved and seconded
That Items No. 6 through No. 14 be adopted by general consent.

CARRIED



**Regular Council
Monday, June 25, 2018**

6. COMMITTEE MINUTES

That the minutes of:

- (1) the Community Safety Committee meeting held on June 12, 2018;*
- (2) the General Purposes Committee meeting held on June 18, 2018;*
- (3) the Planning Committee meeting held on June 19, 2018; and*
- (4) the Public Works and Transportation Committee meeting held on June 20, 2018; and*
- (5) the Council/School Board Liaison Committee meeting held on April 25, 2018;*

be received for information.

ADOPTED ON CONSENT

7. 2017 ANNUAL REPORT AND 2017 ANNUAL REPORT – HIGHLIGHTS

(File Ref. No. 03-0375-01) (REDMS No. 5831853)

That the reports titled, “2017 Annual Report” and the “2017 Annual Report – Highlights” be approved.

ADOPTED ON CONSENT

8. UBCM RESOLUTION – SAFETY REGULATIONS FOR TRAMPOLINE PARKS

(File Ref. No. 12-8275-01; 01-0035-20-SSTA1; 01-0060-20-UBCM1-01; 01-0151-01) (REDMS No. 5860738 v. 2)

That the proposed UBCM resolution titled “Safety Regulations for Trampoline Parks” be submitted to the Union of BC Municipalities as outlined in the staff report titled “UBCM Resolution – Safety Regulations for Trampoline Parks”, dated May 31, 2018, from the General Manager, Community Safety.

ADOPTED ON CONSENT



**Regular Council
Monday, June 25, 2018**

9. BC ENERGY STEP CODE

(File Ref. No. 10-6125-07-02; 12-8060-20-009769; 12-8060-20-009845; 12-8060-20-009771; 12-8060-20-009770) (REDMS No. 5827315 v. 4; 5790076; 5827434; 5827441; 5827428)

- (1) *That Building Regulation Bylaw No. 7230, Amendment Bylaw No. 9769, which adds Part 10 Energy Step Code, be introduced and given first reading;*
- (2) *That Richmond Zoning Bylaw No. 8500, Amendment Bylaw No. 9845, which amends Sections 3.4, 4.2.1, 4.3.3 and 4.4.1, be introduced and given first reading;*
- (3) *That Richmond Official Community Plan Bylaw No. 9000, Amendment Bylaw No. 9771, which amends Sections 12.4 and 14.2.10.A, be introduced and given first reading;*
- (4) *That Richmond Official Community Plan Bylaw No. 7100, Amendment Bylaw No. 9770, which amends Sections 2.2.3 and 2.5, be introduced and given first reading;*
- (5) *That Bylaw 9771 and Bylaw 9770, having been considered in conjunction with:*
 - (a) *the City's Financial Plan and Capital Program; and*
 - (b) *the Greater Vancouver Regional District Solid Waste and Liquid Waste Management Plans;*

are hereby found to be consistent with said programs and plans, in accordance with 477(3)(a) of the Local Government Act;

- (6) *That Bylaw 9771 and Bylaw 9770, having been considered in accordance with Official Community Plan Bylaw Preparation Consultation Policy 5043, are hereby found not to require further consultation;*
- (7) *That the creation of a two-year temporary full time Building Energy Specialist, partially funded by a \$100,000 contribution from BC Hydro, with remaining salary and benefits of \$130,000 fully recovered through building permit fees, be endorsed and that the Chief Administrative Officer and General Manager, Engineering and Public Works be authorized to enter into a funding agreement with BC Hydro to support the Building Energy Specialist position;*



**Regular Council
Monday, June 25, 2018**

- (8) That the creation of new Plan Reviewer and Building Inspector 1 positions, with total salary and benefits of \$200,000 fully recovered through building permit fees, be endorsed;*
- (9) That the Consolidated 5 Year Financial Plan (2018-2022) be amended to include the temporary full-time Building Energy Specialist, Plan Reviewer, and Building Inspector 1 positions funded by an increase in grant revenue and building permit fees;*
- (10) That the Energy Step Code training programs identified in the staff report titled "BC Energy Step Code" dated May 5, 2018, from the Senior Manager, Sustainability and District Energy, and Acting Director, Building Approvals, be approved with \$110,000 from the Carbon Tax Provision, as funded in the 2018 Operating Budget; and*
- (11) That for Part 3 and Townhouse developments, notwithstanding the adoption of Building Regulation Bylaw No. 7230, Amendment Bylaw No. 9769:*
 - (a) If a Development Permit has been issued prior to September 1, 2018, the owner may, while their Development Permit remains valid, apply for a Building Permit in compliance with the energy efficiency requirements applicable prior to the adoption of Bylaw 9769; and*
 - (b) If an acceptable Development Permit application has been submitted to the City prior to the adoption of Bylaw 9769, the owner may, until December 31, 2019, apply for a Building Permit in compliance with the energy efficiency requirements applicable prior to the adoption of Bylaw 9769.*

ADOPTED ON CONSENT



**Regular Council
Monday, June 25, 2018**

10. **APPLICATION BY YKLM ART SPACE CO. LTD. FOR A TEMPORARY COMMERCIAL USE PERMIT AT 4211 NO. 3 ROAD**
(File Ref. No. TU 18-803320; 08-4105-07-01) (REDMS No. 5854857)

That the application by YKLM Art Space Co. Ltd. for a Temporary Commercial Use Permit (TCUP) for property at 4211 No. 3 Road be considered at the Public Hearing to be held July 16, 2018 at 7:00 p.m. in the Council Chambers of Richmond City Hall; and that the following recommendation be forwarded to that meeting for consideration:

“That a Temporary Commercial Use Permit be issued to YKLM Art Space Co. Ltd. for property at 4211 No. 3 Road to allow ‘Auction, Minor’ as a permitted use for a period of three years.”

ADOPTED ON CONSENT

11. **APPLICATION BY 0989705 BC LTD. FOR REZONING AT 7960 ALDERBRIDGE WAY AND 5333 & 5411 NO. 3 ROAD FROM "AUTO-ORIENTED COMMERCIAL (CA)" TO "CITY CENTRE HIGH DENSITY MIXED USE (ZMU34) - LANSDOWNE VILLAGE"**
(File Ref. No. 12-8060-20-009825; RZ 15-692485) (REDMS No. 5776888 v. 5; 5776930)

(1) That Richmond Zoning Bylaw 8500, Amendment Bylaw 9825 to create the “City Centre High Density Mixed Use (ZMU34) - Lansdowne Village” zone, and to rezone 7960 Alderbridge Way and 5333 & 5411 No. 3 Road from “Auto-Oriented Commercial (CA)” to “City Centre High Density Mixed Use (ZMU34) - Lansdowne Village”, be introduced and given first reading; and

(2) That staff be directed to prepare a service area bylaw to provide district energy services to the development at 7960 Alderbridge Way and 5333 & 5411 No. 3 Road.

ADOPTED ON CONSENT



**Regular Council
Monday, June 25, 2018**

12. **APPLICATION BY ONNI 7811 ALDERBRIDGE HOLDING CORP INC. FOR REZONING AT 7811 ALDERBRIDGE WAY FROM THE “INDUSTRIAL RETAIL (IR1)” ZONE TO THE “RESIDENTIAL/LIMITED COMMERCIAL (RCL2)” ZONE**
(File Ref. No. 12-8060-20-009867; RZ 17-765420) (REDMS No. 5813659 v. 2; 5813662)

That Richmond Zoning Bylaw 8500, Amendment Bylaw 9867, for the rezoning of 7811 Alderbridge Way from the “Industrial Retail (IR1)” zone to the “Residential/Limited Commercial (RCL2)” zone, be introduced and given first reading.

ADOPTED ON CONSENT

13. **PUBLIC ELECTRIC VEHICLE CHARGING INFRASTRUCTURE EXPANSION**
(File Ref. No. 10-6125-07-02; 10-6460-03; 10-6060-01) (REDMS No. 5843707 v. 14)

That, as described in the staff report titled, "Public Electric Vehicle Charging Infrastructure Expansion" dated May 18th 2018 from the Senior Manager, Sustainability & District Energy:

- (1) publicly accessible electric vehicle charging infrastructure be installed at City Hall and Richmond Olympic Oval, with funding from the 2017 Capital Budget;*
- (2) pending the successful award of the City’s application to Natural Resources Canada’s Electric Vehicle and Alternative Fuel Infrastructure Deployment Initiative grant, staff be directed to report back with any additional capital budget approval for further expansion of charging infrastructure; and*
- (3) a cost recovery approach to impose user fees and time limits for publicly accessible electric vehicle charging stations be endorsed as outlined in the report, and that staff be directed to bring forward amendments to the Consolidated Fees Bylaw No. 8636, the Traffic Bylaw No. 5870, Parking (Off-Street) Regulation Bylaw No. 7403, and the Notice of Bylaw Violation Dispute Adjudication Bylaw No. 8122 to implement this cost recovery approach.*

ADOPTED ON CONSENT



**Regular Council
Monday, June 25, 2018**

14. BOUNDARY ROAD DRAINAGE MEMORANDUM OF UNDERSTANDING

(File Ref. No. 10-6045-08-02; 12-8060-20-008752; 01-0155-20-NWES1) (REDMS No. 5804141 v. 6)

- (1) *That the Chief Administrative Officer and the General Manager, Engineering be authorized to execute, on behalf of the City, a Memorandum of Understanding between the City and the City of New Westminster containing the material terms and conditions set out in the staff report titled, "Boundary Road Drainage Memorandum of Understanding" dated May 25, 2018 from the Acting Director, Engineering;*
- (2) *That the 5 Year Financial Plan (2018-2022) be amended to fund the City's share of fronting costs for the Boundary Road Pump Station upgrade of \$960,000 from the Drainage Improvement Reserve and the estimated annual operating cost of \$4,475 be incorporated into the 2019 Budget; and*
- (3) *That staff bring forward updates to the Works and Services Cost Recovery Bylaw No. 8752 to include recovery of the fronting costs for the Boundary Road Pump Station upgrade from benefiting developments in the Thompson Boundary Area.*

ADOPTED ON CONSENT

As a result of the Consent Agenda discussion, the following **referral motion** was introduced:

R18/12-6

It was moved and seconded

That staff provide an analysis on the operation of the Richmond Olympic Oval compared to other Richmond community facilities.

CARRIED

 CONSIDERATION OF MATTERS REMOVED FROM THE
 CONSENT AGENDA

NON-CONSENT AGENDA ITEMS



**Regular Council
Monday, June 25, 2018**

FINANCE AND CORPORATE SERVICES DIVISION

15. **COUNCIL REMUNERATION AND EXPENSES FOR 2017**
(File Ref. No. 03-1200-03) (REDMS No. 5869199)

R18/12-7

It was moved and seconded

That the Council Remuneration and Expenses report for the year ended December 31, 2017 be received for information.

CARRIED

16. **2017 STATEMENT OF FINANCIAL INFORMATION**
(File Ref. No. 03-1200-03) (REDMS No. 5880494)

R18/12-8

It was moved and seconded

That the 2017 Statement of Financial Information be approved.

CARRIED

PUBLIC ANNOUNCEMENTS

Mayor Brodie announced that Michaela Fengstad has been appointed as a Richmond Community Services Advisory Committee representative to the Richmond Intercultural Advisory Committee for the remainder of a two-year term, to expire on December 31, 2019.

Mayor Brodie also announced that Councillor Bill McNulty has been appointed to the Board of Emergency Communications for Southwest British Columbia (E-COMM), until the Annual General Meeting of E-COMM in 2019.

BYLAWS FOR ADOPTION

R18/12-9

It was moved and seconded

That Election and Political Signs Bylaw No. 8713, Amendment Bylaw No. 9887 be adopted.

CARRIED

Opposed: Cllr. Day



**Regular Council
Monday, June 25, 2018**

- R18/12-10 It was moved and seconded
That the following bylaws be adopted:
*Civic Election Administration and Procedure Bylaw No. 7244, Amendment
Bylaw No. 9888; and*
Richmond Zoning Bylaw No. 8500, Amendment Bylaw No. 9765.

CARRIED

ADJOURNMENT

- R18/12-11 It was moved and seconded
That the meeting adjourn (7:42 p.m.).

CARRIED

Certified a true and correct copy of the
Minutes of the Regular meeting of the
Council of the City of Richmond held on
Monday, June 25, 2018.

Mayor (Malcolm D. Brodie)

Acting Corporate Officer (Claudia Jesson)

Date: JUNE 25, 2018
Meeting: COUNCIL (OPEN)
Item: 16 - PAGE CNCL 403
REPLACEMENT

Management salaries are charged to the Richmond Olympic Oval Corporation in accordance with resolutions of Council. Management salaries of \$74,600 were charged to the Oval Corporation in conjunction with the Chief Administrative Officer performing duties in the capacity as Chief Executive Officer, as reported in the Oval Corporation's financial information. This amount is in addition to the Chief Administrative Officer's remuneration as reported in section 6 of the 2017 Statement of Financial Information.

Expenses are reported in accordance with the Financial Information Act, and include items such as individual professional memberships, mandatory professional development, employee tuition and business travel costs. Expenses may also include business related expenditures incurred by staff to perform their job functions.

The remuneration and expenses that are being reported are within the 5 Year Financial Plan Bylaw that was approved by Council. The internal controls on expenditures include bylaws, policies, administrative procedures, guidelines, and governance through reviews by Senior Management and Council.

A statement listing payments to suppliers for goods and services in excess of \$25,000 for the 2017 fiscal year is attached in Section 7.

A statement listing payments for the purposes of grants and subsidies is attached in Section 7.

Financial Impact

None.

Conclusion

The attached 2017 Statement of Financial Information has been prepared in accordance with the *Financial Information Act*.



Jerry Chong
Director, Finance
(604) 276-4064

JC:jb

City of Richmond
2017 Annual Report Review June 25, 2018

Mayor Malcolm Brodie
Councillor Chak Au, Councillor Carol Day, Councillor Derek Dang, Councillor Ken Johnston,
Councillor Alexa Loo, Councillor Bill McNulty, Councillor Linda McPhail, Councillor Harold Steves

Richmond Olympic Oval Corporation (ROOC) Financial Performance Reporting Disclosure

2018 Oval facility assessed value \$263,163,000 (BC Assessment) - not disclosed.

Annual revenues from memberships, admissions, programs have never exceeded ROOC
employee wage and benefit expenses.

City received \$1 rent annually for the Oval facility valued at the above from ROOC.

City taxpayers have never benefitted from Fair Market rent receipts for the Oval facility from
ROOC. The City has not disclosed this cost (subsidy) to taxpayers.

ROOC received \$2,252,637 revenue (labelled "other") in 2017 from Oval facility operations.
This amount includes all Oval parking revenue, lease rent receipts and investment income
transferred to ROOC at City taxpayer expense in exchange for the \$1. The City and ROOC did
not credit City taxpayers for enabling this revenue transfer to ROOC at the expense of City
taxpayers for Oval operations.

City taxpayers have provided complete relief from property tax (municipal and non-municipal)
for the benefit of ROOC publicity annually and without providing credit or disclosure for this
cost to taxpayers. The City and ROOC did not disclose this cost reality to the public.

City taxpayers enabled annual City grants of \$3,377,148 (2017), \$3,310,927 (2016) to ROOC for
Oval operations.

The City did not inform taxpayers of alternative uses/benefits resulting from Hotel tax revenues
(currently absorbed by ROOC for the Oval).

The City and ROOC have not disclosed the contractual obligation costs (qualifications necessary)
for Games Operating Trust (GOT) grants to support the Oval facility and operation.

The Government of Canada and Government of British Columbia provided \$44 million (50%
each) to GOT. GOT provides the annual investment income from this trust to the City for ROOC
use. GOT provided \$2.8 million (2016), and \$2,804,671 (2017) to the City for ROOC. ROOC
generated \$2.05 million (2016, and \$2.15 million (2017) for the federal and provincial
government (employment income tax, CPP, EI, GST, and PST) benefit. Net risk expense of ROOC
operations and Oval facility to the federal (population 37 million 2018) and provincial

government (population 4.648 million 2016) total \$750 thousand (2016) and \$650 thousand (2017). City received no benefit from above remittances to senior levels of government.

Employer (ROOC) MSP premium costs for salaries and benefits will increase from the 2017 (\$8,916,249) cost by 1.95% in 2019. Federal CPP premium costs to employers (ROOC) will increase in 2019 and beyond at the expense of City taxpayers.

The 2010, 2014, and 2018 Winter Olympic Games hosted 82, 88, and 92 nations respectively. (Wikipedia).

Wikipedia lists 14 nations with indoor speed skating rinks. The Richmond Oval is a reconfigured rink. The United States (population 325.7 million 2017) has two. 68 nations do not have indoor speed skating facilities.

7080 River Rd (City purchased 15 February 2016 for \$37 million) generated \$1.6 million net rent revenue for the City in 2017. This property will generate \$184,122 municipal property tax and \$204,456 non-municipal tax on the \$38,086,000 (2018 assessed value). The rent revenue represents a 4.32% return on the purchase price. 4.32% return on the Oval facility value should be \$11,368,641. instead of the \$1 afforded by ROOC for the City. The municipal tax (\$184,122) represents a .00497% return on the purchase price, or an additional loss of \$1,309,570 on the 2018 Oval facility value to City taxpayers. The City and ROOC did not disclose the non-municipal property tax relief provided to ROOC at the expense of other taxpayers.

The GOT of \$44 million generated \$2,804,671 for the Oval facility in 2017 or 6.37%. A 6.37% return on the Oval facility equates to \$16,763,483 revenue. Instead, the City received \$1. The difference is a cost to taxpayers.

The City reported debt interest (3.3%) cost of \$1,676,895 for 2017 on net debt of \$37,603,000 (FIN - 43) and an expense to taxpayers. ROOC reported interest income of 1.6% to 2.1% on \$10,576,342 of investments. The City and ROOC did not disclose the additional cost to City taxpayers for City debt while ROOC receives the benefit (enabled by taxpayers) of alleged profit/surplus transferred to Oval reserves for the benefit of the Oval facility. ROOC has never transferred a profit or dividend to the City for the benefit of City taxpayers.

The City's investment portfolio average yield of 2.15% (FIN – 118), is well short of the GOT investment return and that of the City's 7080 River Rd property. Note, the 7080 revenue will be lost when this property is absorbed into the Lulu Island Park and the \$37 million purchase cost will render no investment income.

What do 81%(FIN – 26)/80% (FIN – 147) represent for meaningful membership numbers? 81%/80% of what? 6000 annual memberships represent \$3,952,800 (adult), \$3,175,200 (young adult/senior), and \$2,527,000 (youth) revenue for each category. Clearly, the reference to membership revenues is meaningless when applied to FIN – 34 (April 26, 2018 Report to George Duncan, Andrew Nazareth, and Robert Gonzalez from Rich Dusanj)

Note, - the Oval facility project risk was undertaken entirely by the City. The GOT funding (\$44 million) provided by senior government is readily available to be repatriated if the City fails to meet unknown qualification requirements for GOT funding.

It is understood, the City is the sole shareholder of ROOC and sole owner of the Oval facility. The City represented by Mayor Brodie and eight, elected Councillors represent the best interests of the City on behalf of City taxpayers. The City enabled thirteen qualified members of the public to be appointed to the ROOC Board of Directors to oversee ROOC performance. The City and ROOC have failed to disclose in a transparent way, meaningful membership numbers, meaningful and specific revenue streams and numbers. City taxpayers were not credited or informed of the full and true financial performance costs of the Oval facility.

What prevents the City from transferring the Oval facility to federal ownership with shared risk spread over 37 million instead of 220,000? The Montreal Olympic Stadium has attracted \$250 million support for a new roof from the Quebec government. Quebec is privy to \$11 billion in equalization payments from federal taxpayers. The Province of BC declined to fund a Victoria bid for the 2022 Commonwealth Games. The Province of Alberta did likewise. Edmonton and Toronto declined to bid for the 2022 Commonwealth Games. BC declined to bid for FIFA participation in 2026. Alberta did likewise.

Calgary is considering the 2026 Winter Olympics bid. Please ensure Calgary officials are fully informed of the real and true costs to Richmond for the Oval facility and the costs of meeting GOT obligations when the federal and provincial governments refused to undertake the unacceptable financial risk associated with the venture.

Options going forward include; accessing GOT contingency funding, additional federal/provincial Oval operating funding, lease/sale to federal government for elite/high performance athletic purposes, lease/sale to private enterprise for similar purposes, re-purpose the property, and sale for redevelopment. Any failure/refusal by federal authorities to provide significant additional funding/lease or purchase, represents a well-defined unacceptable risk for the project to continue.

Demonstrating strong financial management and leadership to a world suffering from ample examples of Olympic venue failures and the legacy of financial wreckage left behind is available to Richmond. Budgets do not balance themselves. Real numbers provide ample evidence of this reality. Access to other existing fitness/sports resources is readily available at no cost to taxpayers.

Prepared by

Ken McLennan
Richmond resident