



Finance Committee

Date: Monday, February 6, 2017

Place: Anderson Room
Richmond City Hall

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

Call to Order: The Chair called the meeting to order at 5:40 p.m.

MINUTES

It was moved and seconded

That the minutes of the meeting of the Finance Committee held on January 3, 2017, be adopted as circulated.

CARRIED

FINANCE AND CORPORATE SERVICES DIVISION

1. **2016 INVESTMENT REPORT**
(File Ref. No. 03-0900-01) (REDMS No. 5281001 v. 3)

It was moved and seconded

That the report titled 2016 Investment Report dated January 11, 2017, from the Director, Finance, be received for information.

CARRIED

Finance Committee
Monday, February 6, 2017

2. **REVENUE ANTICIPATION BORROWING (2017) BYLAW NO. 9674**
(File Ref. No. 03-0900-01; 12-8060-20-009674) (REDMS No. 5280973 v. 2)

It was moved and seconded

That Revenue Anticipation Borrowing (2017) Bylaw No. 9674 be introduced and given first, second and third readings.

CARRIED

It was moved and seconded

That staff be directed to notify Council if credit facilities are utilized.

CARRIED

3. **DEVELOPMENT COST CHARGES IMPOSITION BYLAW NO. 9499**
(File Ref. No. 03-0900-01) (REDMS No. 4757567 v. 11)

Bruno Fiorvento, Executive Vice President, JLL, Jeff Fisher, Vice President and Senior Policy Advisor, UDI, Mark Sakai, Director of Government Relations, GVVHBA, and Beth Berry, Development Issues and Government Relations, NAIOP (Co-Chair), of the building community spoke in opposition to the proposed bylaw and provided the following points:

- Richmond's inventory of commercial buildings is 40% less than Burnaby and 25% less than Delta;
- The cost of doing business is rising and increased development cost charges (DCCs) could further deter business from locating to Richmond;
- Developers who have already committed to purchasing sites or other financial commitments will experience financial difficulty due to the steep increase in DCCs; and
- Phasing in the increases, as done in neighbouring municipalities, is an alternative which would reduce a financial burden on developers.

In reply to questions, Jerry Chong, Director, Finance, noted that the phasing option was not considered because it would delay the funding of projects in the City of Richmond. Mr. Chong also commented that the DCCs were last raised in 2009 and that if the funds were not received from development it would result in the burden falling onto the taxpayers.

Neonila Lilova, Manager, Economic Development, responded to a query on the loss of business due to an increase in DCCs stating that the City of Richmond does not track how many businesses have left the City.

Finance Committee
Monday, February 6, 2017

Wayne Craig, Director, Development, confirmed that there are existing lands which are included in the 2041 Official Community Plan that are allocated for industrial uses. Mr. Craig stated that the current DCCs are similar to neighbouring municipalities. It was noted by Mr. Craig that costs of DCCs are usually 4-5% of market sale costs for commercial properties, and 2-3% for residential properties.

It was moved and seconded

That Development Cost Charges (DCC) Imposition Bylaw No. 9499 be introduced and given first, second and third readings.

CARRIED

4. 2017 HOME OWNER GRANT ANALYSIS

(File Ref. No. 03-1240-01) (REDMS No. 5284981)

Ivy Wong, Manager, Revenue, responded to questions on the home owner grant threshold and noted that residents who are ineligible for the grant, and who are elderly, can apply for a subsidy.

It was moved and seconded

That the report titled 2017 Home Owner Grant Analysis dated January 11, 2017, from the Director of Finance, be received for information.

CARRIED

5. ANALYSIS OF VARIABLE RATES FOR RESIDENTIAL CLASS

(File Ref. No. 03-1240-01) (REDMS No. 5290608)

It was moved and seconded

That the staff report titled Analysis of Variable Rates for Residential Class, dated January 13, 2017, from the Director of Finance, be received for information.

CARRIED

ADJOURNMENT

It was moved and seconded

That the meeting adjourn (6:20 p.m.).

CARRIED

Finance Committee
Monday, February 6, 2017

Certified a true and correct copy of the Minutes of the meeting of the Finance Committee of the Council of the City of Richmond held on Monday, February 6, 2017.

Mayor Malcolm D. Brodie
Chair

Shaun Divecha
Legislative Services Coordinator