



# City of Richmond

## Report to Committee

**To:** General Purposes Committee

**Date:** February 2, 2011

**From:** Andrew Nazareth  
General Manager, Business and Financial Services

**File:** 11-7400-35-01/Vol 01

**Re:** Remaining Tall Ships Fund Use and Capital Waterfront Infrastructure Financial Status report.

### Staff Recommendation

1. That \$175,000 from the remaining Tall Ships budget be approved for the Summer of Sails event on June 4 and 5, 2011 and any other ship visits in 2011.
2. That any part of the \$175,000 expense that is offset by sponsor cash contributions and/or unspent on the Summer of Sails and other ship visits in 2011, together with the remaining uncommitted funding of \$82,000, be used to support ship recruitment and festival development in future years.

Andrew Nazareth  
General Manager, Business and Financial Services  
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Att. 1

FOR ORIGINATING DEPARTMENT USE ONLY			
ROUTED TO:		CONCURRENCE	CONCURRENCE OF GENERAL MANAGER
Budgets		Y <input checked="" type="checkbox"/> N <input type="checkbox"/>	
Arts, Culture and Heritage		Y <input checked="" type="checkbox"/> N <input type="checkbox"/>	
Parks Programs		Y <input checked="" type="checkbox"/> N <input type="checkbox"/>	
Emergency Programs		Y <input checked="" type="checkbox"/> N <input type="checkbox"/>	
<b>REVIEWED BY TAG</b>	YES <input checked="" type="checkbox"/>	NO <input type="checkbox"/>	<b>REVIEWED BY CAO</b> YES <input checked="" type="checkbox"/> NO <input type="checkbox"/>

## Staff Report

### Origin

On January 24, 2011, Council requested

*That staff report back with details on the status of*

*(i) the funding previously allocated for Tall Ships Richmond 2011;*

*(ii) Maritime Special Event for 2011 and subsequent years; and*

*(iii) the status of Capital Projects mentioned in the report Tall Ships Richmond 2011, dated January 14, 2011 from the General Manager, Business and Financial Services.*

This report will address items (i) through (iii) and will provide further detail on the first phase of item (ii)

### Analysis

*(i) the funding previously allocated for Tall Ships Richmond 2011;*

In May 2010 Council approved \$500,000 for Tall Ships Richmond 2011. Upon the postponement of the Tall Ships festival until 2014 by Council at its meeting of January 24, 2011, there was \$257,000 in uncommitted funding.

Tall Ships Richmond event development and planning expenses of \$243,000 have been incurred. However, much of the work resulting from the expenditures can be applied to or used for future events. Tangible and re-useable assets include site plans, logistics, models, logos, website, sponsorship proposal outlines and packages, historical research, ticketing strategy and revenue calculator. The value of the tangible assets equals \$155,000. This amount will not need to be re-invested in a future event.

Non-tangible value (hours contributed to relationship management and other intellectual capital) is approximated at \$50,000 and considered a valuable asset for future events including 2014. Attrition is, therefore, approximately \$38,000. This attrition could potentially be offset by the capture of higher sponsorship revenue in 2014 due to the considerable pre-planning and relationship building that has occurred over the past 8 months.

In May 2010, Council approved that Tall Ships Richmond 2011 be explored, assessed, and adjusted in scope. This could not be done without expenditure, but great care was taken to not commit or spend monies from the \$500,000 provision prematurely. No landside festival infrastructure, production expenses or operational contractors were paid for or are receiving cancellation fees. The costs incurred permitted the event to be promoted to sponsors and allowed staff to accurately establish a realistic budget and, ultimately, determine risk.

***(ii) Maritime Special Event for 2011 and subsequent years***

Staff have begun conceptualization on a summer festival period in Steveston. Three program areas are described below:

**Program 1: Summer of Sails (June 4 and 5, 2011)****Event Overview:**

This proposed June 4 and 5, 2011 community event will be a partnership between the City supported by local community organizations. The focus of the event is the planned appearance of four ships that have committed to visiting Richmond in June 2011. The ships, the Hawaiian Chieftain, the Lady Washington, the Zodiac, and the Adventuress, will be paid an appearance fee for their visit. On Monday June 6th, it is proposed that the ships be made available for local school groups to visit the park prior to their planned departure on June 7th, 2011.

Steveston based community organizations will work to enhance this event with supplementary landside activation, including an extended 2-day farmers market, the hosting of a captains and crew salmon barbeque and integrated programming with the Gulf of Georgia Cannery and Steveston Community Association. Event activities will include, but not be limited to, evening 'movies in the park' and other entertainment at Garry Point. The event will also celebrate the first use of the new floats at Garry Point Park, with the visit from the ships enhancing the opening ceremony of the new waterfront amenity.

Some Tall Ships Richmond 2011 sponsors have indicated an interest in this smaller event and the City's Sponsorship Development Manager will work with these sponsors to see if cash or programming can be provided to offset costs and/or enhance programming.

**Safety and Security:**

Safety and security measures would be those typical of a larger community event of about 10,000 people per day. It is anticipated that the RCMP and Richmond Fire-Rescue may pre-position staff and resources in the area to ensure a timely response, but no incremental costs are expected to be associated with this. Normal response protocols will be followed by calling 9-1-1 emergencies, and BC Ambulance will be contracted on site. The Canadian Coast Guard will not position vessels as the majority of the event is land or dockside. Bylaws will not require the dedication of personnel to the event beyond normal service levels. If increased service levels are required, response can be dispatched. Parks & Recreation staff will work to ensure that appropriate safety measures with respect to water safety, on the ramps and floats will be in place particularly in consideration of the spring river freshet and tides.

This two-day event is a Richmond community event and will be promoted to local audiences only. The intention is to enhance the summer without creating the impact on transportation, infrastructure and finances a larger festival would incur. Most important now is to confirm the visit of the ships on June 4 and 5, as well as other dates in 2011. A request of \$175,000 is required which would include the appearance fee for the ships. Should any of these ships not

visit, their appearance fees will be used for further ship recruitment and ship-focused festival development.

Program 2: “Steveston Summer Festivals” (Working Title) (June to September.)

Staff have identified over 20 significant events that will occur in Steveston between June and the end of September in 2011. At this time, however, the events are all promoted in isolation of each other and, at times, compete with each other.

Staff are developing a proposal to present to the organizers of those events that would ascertain their interest in being promoted under an over-arching promotional concept possibly called “Steveston Summer Festivals”. Staff will provide a report on this initiative in the near future.

Program 3: Richmond Maritime Festival (August 6 and 7)

Richmond has held a festival at Britannia Heritage Shipyard for the past 7 years. Due the planned Tall Ships event, the Richmond Maritime Festival was cancelled in 2011. This festival will be restored this August. Staff will provide a report to Council when the revised scope and budget has been prepared.

*(iii) the status of Capital Projects*

The information below pertains to funds from a different budget source than the \$500,000 Tall Ships Richmond 2011 funds. The capital project to build floats off Garry Point Park has been proposed for some years and is a part of the Waterfront Improvement Capital Project. The information below is provided to fulfil the request of the referral.

The Garry Point Park infrastructure project will greatly benefit ships requiring deep water moorage in 2011 and onwards. This new modular, transportable waterfront docking system can be staged at practically any selected waterfront location in Richmond. The floats’ overall size and ability to configure into multiple orientations and locations would even allow for special events to take place directly on the floats, if desired. Park’s staff continue to work with Port Metro Vancouver, the Steveston Harbour Authority and Fraser River Estuary Management Program to ensure proper permitting and to ensure that coordination of water lot and marine navigation needs are met

The status of the pontoon float project are as noted below.

Capital Project Pontoon Float

Tender Contract	\$608,000
Summary of Costs to Date:	
Engineering and Design	\$ 45,897
2 Floats	\$266,818
Materials ordered	\$158,244
Total Committed Costs:	\$470,959

**Financial Impact**

At this time only item (ii) has a financial impact. It is proposed that the June 4 and 5, 2011 event be fully funded from the remaining Tall Ships funds and not exceed \$175,000. Per the attached budget, City funds will primarily be used to secure ships and the associated minimal supporting equipment and services. This presents a risk-free financial scenario for the City.

**Conclusion**

The June 4 and 5 event, and possible individual ship visits, will enhance festival development in many key areas. It is anticipated the local organizing group, will form the nucleus of the eventual 2014 Tall Ships festival organization committee. The response and results of the smaller festivals will allow for more informed re-visioning of the future 2014 event. The new infrastructure at Garry Point Park, as well as associated waterside and landside logistics, will be tested in an environment much less demanding than the previously scheduled festival. Volunteerism will continue to expand and leadership skills related to event production will be developed. Most significantly, the event will demonstrate that there remains an exciting and immediate way to celebrate our maritime heritage and culture in a fiscally sound manner.



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<b>Sails In Steveston (Working Title). Budget Overview</b>		
<b>Weekend Event : June 4-5, 2011</b>		
<b>Revenue</b>	Cash	City VIK
City of Richmond	\$ 175,000	
Sponsors	\$ -	
Food and Beverage Vendor Fee	Unknown	
Food and Beverage Revenue Share	Unknown	
Ship Boarding Revenue	Unknown	
<b>Total Revenue</b>	<b>\$ 175,000</b>	
<b>Ship Recruitment and Servicing</b>		
Lady Washington	\$ 19,200	
Hawaiian Chieftain	\$ 19,200	
Adventuress	\$ 10,000	
Zodiac	\$ 10,000	
Tiare Taporo*	\$ 25,000	
Nadezhda*	\$ 40,000	
Fuel Supply	\$ 10,000	
Litter Services		\$ 2,000
<i>* May visit later in Summer</i>		
<b>Ship Hosting</b>		
Captain's BBQ		
<b>Guest Services</b>		
Guest Services Tent	\$ 2,500	
Guest Services Tent Fit Out	\$ 2,000	
<b>Landside Entertainment</b>		
<i>Below conditional on supplied by sponsor</i>		
Roving Performers and Activation	\$ -	
Canada Pavilion	\$ -	
Power, Water		\$ 1,500
Community Stage	\$ -	
<b>Labour</b>		
Site Set Up, Maintenance, and Tear Down	\$ -	Unknown

<b>Infrastructure</b>		
Line Up Control	\$ 2,000	
Toilets (incl. Servicing)	\$ 1,800	
Signage		\$ 2,500
Food Vendors		
Plumbing	\$ 2,000	
Power		\$ 2,500
<b>Assorted Costs</b>		
Event Volunteers (72 pax)	\$ 5,400	
Safety and Security	\$ 500	
BCA gator squad* x 1 x 16 hours (8 hrs per day)	\$ 3,064	
RCMP or Contracted Traffic Control		
Overnight Security	\$ 400	
Event Insurance		\$ 2,500
Marketing	\$ 3,500	
Admin (estimate only)	\$ 2,500	
<b>Event Total</b>	<b>\$ 159,064</b>	<b>\$ 11,000</b>
Contingency 10%	\$ 15,906	
<b>Event Total (with Contingency Spent)</b>	<b>\$ 174,970</b>	