



Finance Committee

Anderson Room, City Hall
6911 No. 3 Road

Monday, April 3, 2017

Immediately following the open General Purposes Committee meeting

Pg. # ITEM

MINUTES

FIN-3 *Motion to adopt the **minutes** of the meeting of the Finance Committee held on February 6, 2017.*



FINANCE AND CORPORATE SERVICES DIVISION

1. **RESILIENT ECONOMY STRATEGY (2014-2019) – MID-TERM REPORT AND PROPOSED INITIATIVES**
(File Ref. No. 08-4150-01) (REDMS No. 5290906 v. 2)

FIN-7

See Page FIN-7 for full report

Designated Speaker: Neonila Lilova

STAFF RECOMMENDATION

- (1) *That the proposed additional work program for 2017-2018 towards fulfillment of the City's Resilient Economy Strategy, as described in the staff report dated March 13, 2017, from the General Manager, Finance and Corporate Services, be endorsed; and*
- (2) *That staff be directed to further develop new initiatives specifically related to industrial and new office development, and report back to Council.*



Pg. # ITEM

2. **2016 ANNUAL PROCUREMENT REPORT**

(File Ref. No. 02-0600-01) (REDMS No. 5326715 v. 3)

FIN-30

[See Page FIN-30 for full report](#)

Designated Speaker: Syd Stowe

STAFF RECOMMENDATION

That the staff report titled “2016 Annual Procurement Report” dated March 20, 2017 from the Director of Finance be received for information.

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3. **2016 ANNUAL DEVELOPMENT COST CHARGES**

(File Ref. No. 03-0905-05-01) (REDMS No. 5344466)

FIN-47

[See Page FIN-47 for full report](#)

Designated Speaker: Cindy Gilfillan

STAFF RECOMMENDATION

That the staff report titled, “2016 Annual Development Cost Charges,” dated March 19, 2017 from the Director, Finance be received for information.

☐

ADJOURNMENT

☐



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, GVHBA, 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.

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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



City of Richmond

Report to Committee

To: Finance Committee **Date:** March 13, 2017



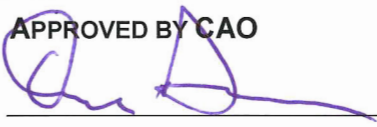
From: Andrew Nazareth
General Manager, Finance and Corporate
Services **File:** 08-4150-01/2017-Vol
01

Re: **Resilient Economy Strategy (2014-2019) – Mid-Term Report and Proposed
Initiatives**

Staff Recommendation

- 1) That the proposed additional work program for 2017-2018 towards fulfillment of the City's Resilient Economy Strategy, as described in the staff report dated March 13, 2017, from the General Manager, Finance and Corporate Services, be endorsed; and
- 2) That staff be directed to further develop new initiatives specifically related to industrial and new office development, and report back to Council.

Andrew Nazareth
General Manager, Finance and Corporate Services
(604-276-4095)

REPORT CONCURRENCE		
ROUTED TO:	CONCURRENCE	CONCURRENCE OF GENERAL MANAGER
Development Applications	<input checked="" type="checkbox"/>	
Policy Planning	<input checked="" type="checkbox"/>	
Business Licenses	<input checked="" type="checkbox"/>	
Major Events & Filming	<input checked="" type="checkbox"/>	
Intergovernmental Relations & Protocol	<input checked="" type="checkbox"/>	
Sustainability	<input checked="" type="checkbox"/>	
Real Estate	<input checked="" type="checkbox"/>	
Transportation	<input checked="" type="checkbox"/>	
REVIEWED BY STAFF REPORT / AGENDA REVIEW SUBCOMMITTEE	INITIALS: 	APPROVED BY CAO 

Staff Report

Origin

In 2014, the City of Richmond adopted the Resilient Economy Strategy 2014-2019 (the Strategy), an action plan developed under the framework of Chapter 6.0 – Resilient Economy of the City of Richmond Official Community Plan 2041. The Strategy further supports multiple near-term City priorities and objectives, including:

- a) Direct support of Council’s 2014-2018 Term Goal #8 Supportive Economic Development Environment:

Review, develop and implement plans, policies, programs and practices to increase business and visitor appeal and promote local economic growth and resiliency.

8.2. Opportunities for economic growth and development are enhanced.

- b) Indirect support of Council’s 2014-2018 Term Goals #4 Leadership in Sustainability and # 5 Partnerships and Collaboration:

4.1. Continued implementation of the sustainability framework – a resilient local economy is one of the pillars of the City’s sustainability framework.

5.2. Strengthened strategic partnerships that help advance City priorities – a number of economic development initiatives are implemented through partnerships with senior governments, business organizations and other partners.

The Strategy was developed through a participative process, under the stewardship of Council’s Economic Advisory Committee (EAC) and with engagement of a broad spectrum of business stakeholders and the broader Richmond community. Strategy implementation has been managed through departmental work plans with periodic Council updates, such as Council Term Goals annual reporting and the City’s annual report, or as action items are completed.

This report provides:

- I. Resilient Economy Strategy Implementation Update
A mid-term update on implementation of the Strategy, including initiatives and accomplishments over the 2014-2016 period.
- II. Current Economic Trends
Brief analysis of trends associated with business and the Richmond economy.
- III. Proposed 2017-2018 Work Plan and Priorities
Proposed ongoing and new initiatives for the 2017-2018 period.

Further, the report provides input from the Richmond Economic Advisory and a discussion on recommended project priorities for the 2017-2018 period.

Analysis

Resilient Economy Strategy Background

The overarching purpose of the Strategy is to retain fundamental sectors of the Richmond economy and grow sectors well suited to Richmond's infrastructure, workforce and other labour assets. It was developed with emphasis on actions that: can be undertaken by the City (with appropriate partnerships); enable a diversified economy while focusing on Richmond's growth potential industries, such as goods movement, transportation, tourism and technology; and concentrate on implementing a few high priority initiatives.

A fundamental characteristic of the Strategy is that it defines Richmond as a "resilient" economy that is capable of withstanding economic shocks. Acknowledging Richmond's role as the gateway for global trade within a growing Metro Vancouver region, the Strategy identifies the following three aspects to maintaining the community's economic resilience:

1. Retention and growth of existing employers, as represented by the City's commercial and industrial tax base and jobs, which enable the City to provide residents with services and amenities;
2. A steady share of regional employment in the sectors in which Richmond has a regional competitive advantage; and
3. A diversified economy which reduces Richmond's exposure to volatility in economic or environmental conditions.

Economic Goals

There are two overarching Strategy goals that guide economic development initiatives for the City:

1. Increase Richmond's attractiveness for businesses across a diversified range of sectors and strengthen sectors of strategic importance to Richmond's local economy that have substantial potential for growth in employment and tax base.
2. Continue to grow the employment base to maintain Richmond's share of total regional employment at its historic level of 10%, targeting a larger share of regional employment (10%) than regional population (8%).

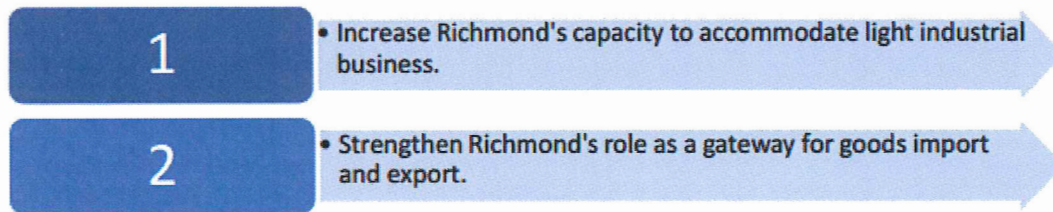
Major Strategies

The City is currently actioning nine main strategies to achieve the Resilient Economy Strategy goals. These are:

- 1 • Increase Richmond's capacity to accommodate light industrial business.
- 2 • Strengthen Richmond's role as a gateway for goods import and export.
- 3 • Increase the tourism sector in Richmond.
- 4 • Retain and support existing businesses.
- 5 • Increase Richmond's appeal as a Regional office centre.
- 6 • Support economic diversity, small business opportunities, and localization.
- 7 • Invest in stronger relationships with senior governments.
- 8 • Cooperate with the rest of the Region.
- 9 • Maintain a high quality of environment, life, and public services.

I. Resilient Economy Strategy Implementation Update

A number of programs and projects have been initiated to action the nine core focus areas of the Resilient Economy Strategy. This section of the report provides a summary of projects and accomplishments under each of the nine strategies launched since the Resilient Economy Strategy was adopted in 2014, including key deliverables and outcomes to date.



A. Industrial Land Inventory Completed

Richmond collaborated with Metro Vancouver to produce the Industrial Land Inventory 2015 report. Key findings include:

- Richmond has a total of 1765 hectares of industrial land (Metro Vancouver definitions include mixed employment with industrial components).
- 1458 hectares or 80% of Richmond's industrial land is developed .
- 307 hectares of industrial land are "vacant" (includes 170 hectares under management and/or ownership of the Vancouver Airport Authority, the Port of Vancouver, the City of Richmond).

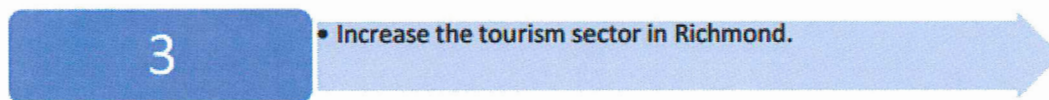
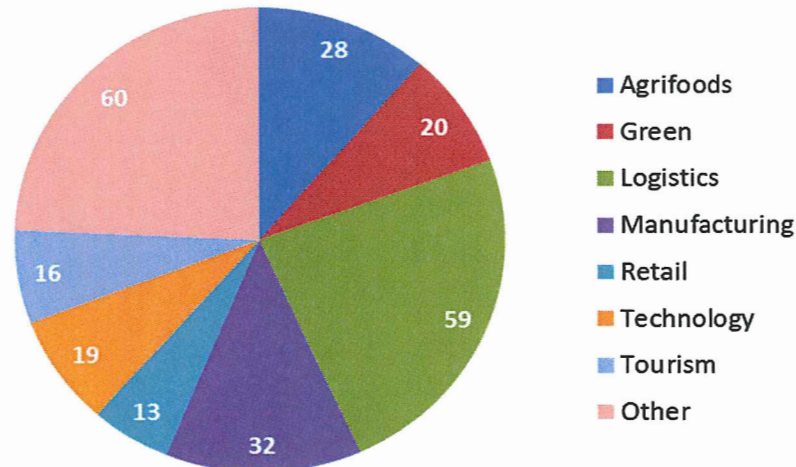
B. Riverside Employee Transportation Initiative

- Staff engaged Riverside area businesses to explore near term solutions to address their top business concern – employee access to work.
- A pricing/cost share model for a shuttle pilot was developed by a private operator with input from a champion group of four major Riverside businesses; shuttle pilot implementation has been stalled due to business concerns over cost.
- A major outcome of this initiative was increased awareness of Richmond businesses' transportation challenges by TransLink, the Province of B.C., Metro Vancouver and other stakeholders. Medium and longer term solutions continue to be developed by the City and TransLink and include potential transit enhancements via the current work of the Southwest Area Transport Plan, as well as improvements to sidewalks, lighting, shelters and hard landing surfaces at bus stops via the City's Transportation Department capital improvement programs.

C. One-on-one Business Development Services

Approximately 2/3 of clients of the City's Business Development Program, administered by Economic Development, are in sectors utilizing industrial land, including Agrifoods, Green, Logistics, Manufacturing and Other sectors, as illustrated below.

Clients of the Richmond Business Development Program by Sector



A. New Tourism Partnership Model Implemented

- Established new governance model and City representation at the Richmond Tourism Association (Tourism Richmond) Board of Directors.
- Developed partnership with the Richmond Hotel Association.

B. Municipal and Regional District Tax Increased to 3%

- Secured an estimated \$21 million investment in Richmond's tourism sector over the 2017-2022 period from the 3% MRDT.
- \$5.1 million of MRDT revenue to be invested in City-led initiatives and programs, such as Sport Hosting, the Richmond Olympic Experience and the Britannia Shipyards National Historic Site.

C. Ongoing Investment in Tourism Growth

Richmond hotel revenues were at an all-time high \$190 million, and hotel occupancy was the highest in Canada at 83%, as of November 2016. City investments in tourism product development contributed significantly to local tourism growth. Key projects to date include:

- Implementation of the City's Sport Hosting Program

Housed at the Richmond Olympic Oval, the Sport Hosting Program continues to deliver results for tourism and the community, generating 16,333 room nights in 2016, including 465 room nights secured through Sport Hosting Incentive Grant sponsored events.

- Launch of the Richmond Olympic Experience (ROX)

2015 marked the launch of ROX, the most interactive sports attraction in North America and the first North American member of the International Olympic Committee's global Olympic Museums Network. In only one year of operation, ROX attracted 19,000 visitors from 40+ countries, 58 corporate events, 117 educational program bookings and over 7,000 student visits and 21 public programs. The ROX greatly enhanced the tourism offerings of the Richmond Olympic Oval, which placed as the 4th highest ranking attraction in Metro Vancouver in 2016, ahead of such local icons as Science World and the PNE.

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- Retain and support existing businesses.

A. Business Development Program

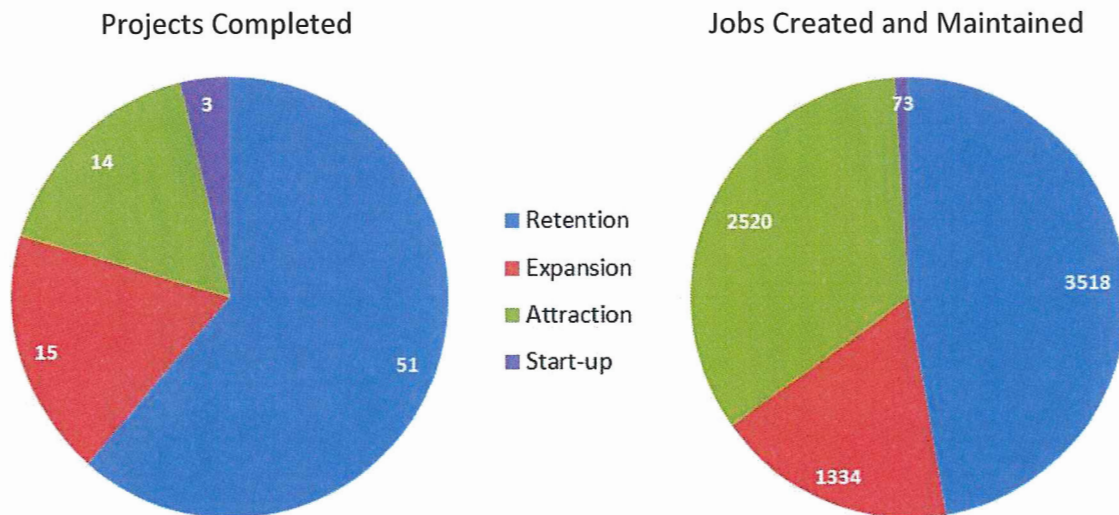
Launched in 2013, the City's Business Development Program builds business relationships and provides custom business trouble-shooting for Richmond businesses in key sectors. The program helps businesses:

- ✓ Navigate municipal processes, permits and licenses
- ✓ Hire and retain talent
- ✓ Find a business location
- ✓ Conduct market research
- ✓ Access funding and incentives
- ✓ Expand locally and internationally
- ✓ Commercialize a new product

- ✓ Get involved in the community
- ✓ Promote successes

Since its launch in 2013 to date, the program has engaged 240 unique clients on 270 business retention, expansion, attraction and start-up projects. 83 of the 270 Business Development Program projects have been completed to date, directly impacting the retention and creation of 6,775 jobs.

Richmond Business Development Program



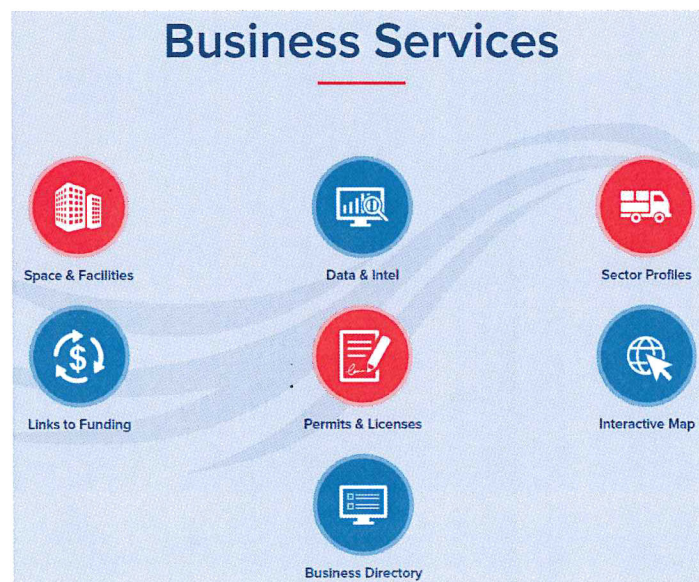
B. Business Engagement Portal

The City's Business Engagement Portal is an online platform that delivers content and services to businesses, as well as engagement with business clients through a robust social media platform. Key components include:

- www.businessinrichmond.ca – the City's business services and information portal was re-designed, updated to include a mobile version and re-launched in 2016. In the first 6 months, it generated the following results:
 - ✓ Increased new users (+33%)
 - ✓ Increased visitors (+47%)
 - ✓ 8,100+ pages accessed (+25% increase)
 - ✓ Bounce rate (-10% decrease) – visitors stay on the website after landing
 - ✓ Mobile more than doubling from 7% to 15% of total sessions
- Social media engagement – the City maintains active Economic Development social media channels, with a targeted audience of businesses and partners, including:

- ✓ 1969 followers of the @RichmondEDO account on Twitter
- ✓ 218 page likes of the RichmondEconomicDevelopment page on Facebook (launched in 2016 and growing)
- ✓ 700 subscribers of the Business in Richmond monthly e-newsletter (#RichmondBiz)
- Online self-serve tools for businesses – allow businesses to:
 - ✓ Search for facility space
 - ✓ Locate funding sources
 - ✓ View comprehensive profiles of Richmond’s key industries
 - ✓ Determine permitting and licensing requirements
 - ✓ Gather research and data
 - ✓ Directly access the City’s current online business directory
 - ✓ Directly access the City’s GIS search tool

Businessinrichmond.ca Online Tools



C. Sustainability Programs – energy programs for existing Richmond businesses:

- Building Energy Challenge – a friendly competition that reduced greenhouse gas emissions by 12% from 95 buildings comprising 7 million square feet of space
- ClimateSmart for Business Program – 13 businesses participated in 2016 to receive training and supportive tools

- Efficient Water Fixtures Program – delivered in 2016 that will save small food service businesses \$220,000 in utility costs each year.

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• **Increase Richmond's appeal as a Regional office centre.**

A. Focus on City Centre

Development in Richmond's City Centre is centered around the concept of complete communities where people can live, work and play. Rapid transit accessibility and multitude of public and private amenities designate City Centre as the logical place to establish a regional office center in Richmond. To that effect, staff continue to:

- Facilitate ongoing, grass roots introductions between companies and developers in the City Centre, with a goal to stimulate introduction of job-generating office space
- Implement the City Centre Area Plan (CCAP) Village Centre Bonus and other CCAP tools to encourage office as part of mixed-use development proposals

B. Enhancements in Richmond's Office Parks

- Implemented accessibility and amenity improvements in business parks, including sidewalk and bus stop improvements and addition of food retailers
- Ongoing one-on-one support to business park managers, tenants and prospects through the Business Development Program

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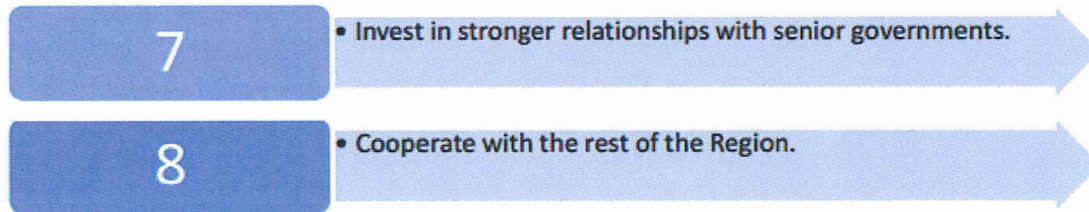
• **Support economic diversity, small business opportunities, and localization.**

A. Ongoing Small Business Support

- The City's Business Development Program – 3/4 of clients are classified as small business, with 50 employees or less
- Linkage of local business to City opportunities in traffic management services and products, information technology and other areas of City business

B. Richmond Film Office – consistent record years:

- One-stop service and localization through location filming
- Record 276 filming days in Richmond in 2016
- Record local spend and nearly \$28 million in wages for 2016
- \$500,000 generated in service fees and location charges in 2016

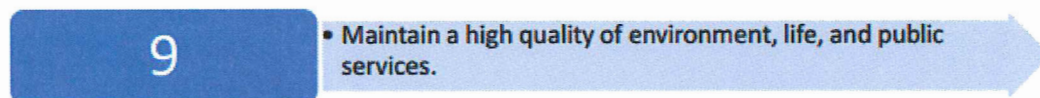


A. Intensified Senior Government Partnerships

- ✓ Joint business development visits with Global Affairs Canada
- ✓ Export development with B.C. Ministry of International Trade

B. Increased Regional Cooperation

- ✓ Implementation of the Metro West Inter-Municipal Mobile Business License
- ✓ Participation in the Metro Vancouver Regional Prosperity Initiative
- ✓ Hosting of joint regional partner events, such as the China Export Forum in partnership with the Canadian Manufacturers and Exporters (2014), the regional CleanTech Expo in partnership with the City of Surrey, and the Smart Regions and Airports conference, in support of YVR and Tourism Richmond.



A. Economic Research/Expertise to Internal and External Stakeholders

- Publication of quarterly economic indicators and reports
- Council Term Goals and City budget process economic forecasting
- Ongoing business engagement in public consultations

B. Integrated Business Perspective in Community Life

- Industrial/commercial development applications input
- Mobile vendors and night markets administration
- Business linkages for sponsorships and City events

II. Current Trends

This section of the report provides a high-level summary of both global and local trends that impact local businesses and highlight opportunities for future implementation of the Resilient Economy Strategy.

1) Global Trends

Overall economic trends that will be impacting the global economic and business climate over the next few years include:

- Ongoing downside risks to global growth
- Uncertainty in global trade due to trade policies
- Improved growth outlook for advanced economies
- Continued slowdown in China and emerging economies
- Canadian interest rate to remain low (currently at 0.5%)
- US/EUR interest rates continue gradual upward movement
- Commodity prices continue gradual recovery
- Canadian dollar around 75 US cents

2) Regional/Local Trends

Regional/local long term trends that will be impacting the local economy and Richmond businesses over the next few years include:

A. Population, Housing and Jobs

- Ongoing population, housing and jobs growth, at a slowing pace since 1996
- Slower jobs than population and housing growth since 1996

Richmond Population, Housing and Job Growth 1996 to 2016*

Indicator	1996	2001	2006	2011	2016
Population	148,867	164,345	174,461	190,473	198,309
Total Private Dwellings	50,925	58,272	64,367	71,170	77,478
Jobs	89,955	104,530	108,095	109,945	n/a

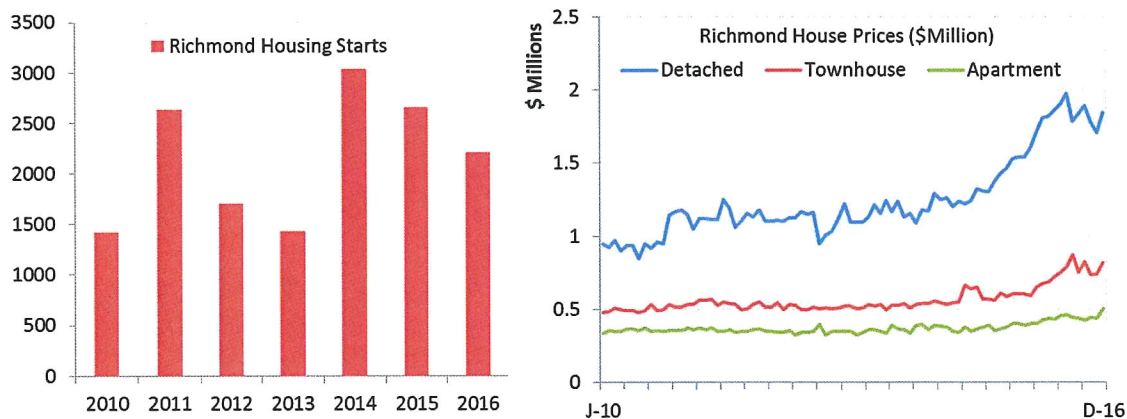
% Change	1996-2001	2001-2006	2006-2011	2011-2016	All periods
Population	10.4%	6.2%	9.2%	4.1%	33.2%
Total Private Dwellings	14.4%	10.5%	10.6%	8.9%	52.1%
Job Growth	16.2%	3.4%	1.7%	n/a	22.2%

* Job figures from 2016 National Household Survey available in November 2017

B. Development Activity

- A mild correction and slowing of housing starts and prices
- Opportunity for investment in commercial development

Richmond Housing Starts and House Prices 2010 to 2016



C. Tourism and Trade

- Lower Canadian dollar will prolong record-setting years for the tourism sector
- Global trade will maintain levels, preventing drastic trade policy changes in the United States

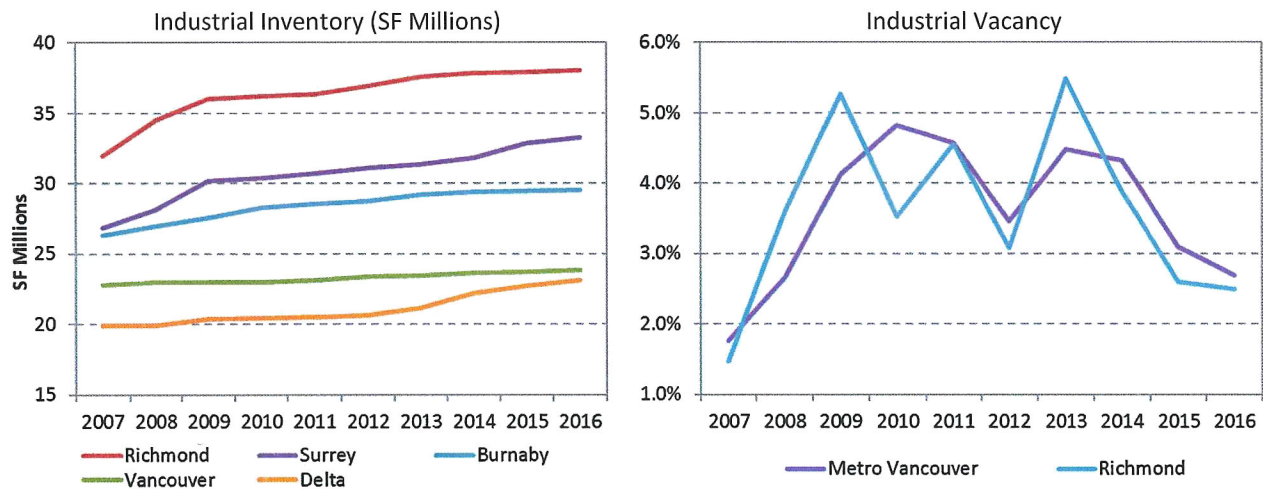
Regional/Local Tourism and Trade Indicators 2007-2016



D. Richmond Industrial Market

- Richmond's industrial land is built up, with few inventory additions in the last 5 years.
- Richmond and regional industrial space vacancies are at critical lows.
- Multi-level warehousing, automated storage and retrieval systems, the Internet of Things and non-traditional business models, such as e-commerce and localized manufacturing and distribution, are key trends affecting industrial development.

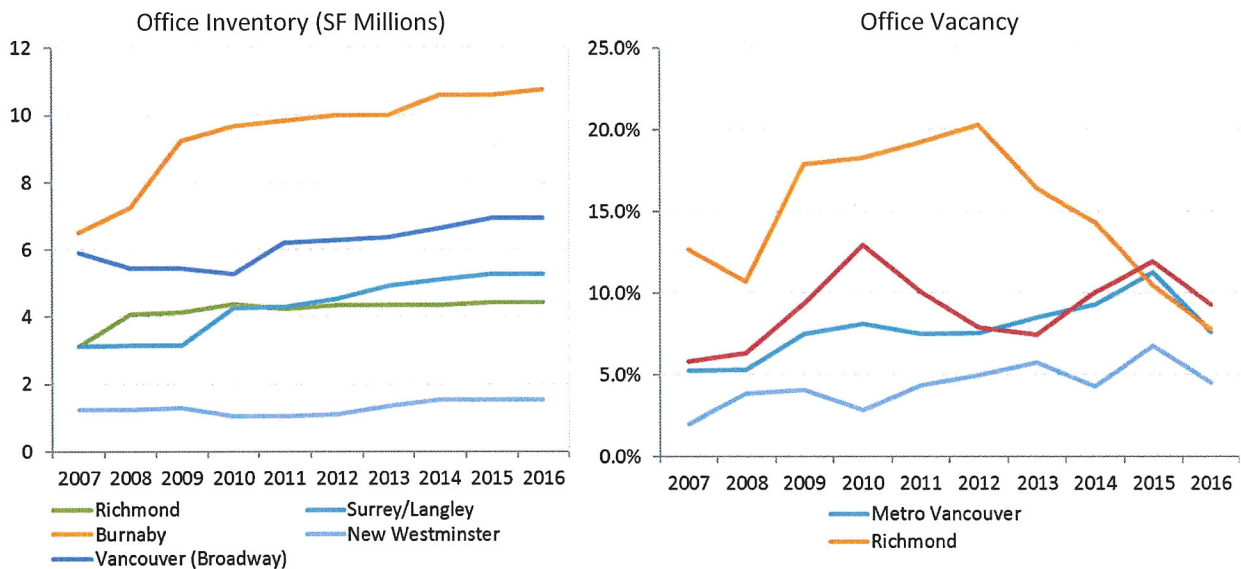
Industrial Market – Richmond and the Region 2007-2016



E. Richmond Office Market

- Limited new inventory has been added in Richmond in the last 10 years
- Richmond-wide office vacancy down to regional levels
- Current high demand, little availability and low vacancy at 2.3% in the City Centre. Investment in strata is the predominant product currently being added creating an obstacle to long-term skilled jobs in the City Centre
- Highly “amenitized” spaces for the next-gen office worker; mixed-use, walkability, social spaces and retail/dining options; shared collaborative spaces and declining square feet per employee are key trends influencing the office development sector

Office Market – Richmond and the Region 2007-2016



III. 2017-2018 Opportunities and Proposed Initiatives

Based on 2014-2016 achievements and in light of the key economic trends and opportunities over the 2017-2018 period, it is proposed that a number of economic development programs are continued and a set of new initiatives are undertaken to fulfill the Resilient Economy Strategy mandate. The proposed ongoing and new initiatives are listed below, under the corresponding focus areas of the Strategy:

1

- Increase Richmond's capacity to accommodate light industrial business.

2

- Strengthen Richmond's role as a gateway for goods import and export.

Ongoing Projects/Programs	New Initiatives
Industrial Land Protection through OCP Implementation	Zoning and Development Policies Review and Update – Industrial Land Intensification

3

- Increase the tourism sector in Richmond.

Ongoing Projects/Programs	New Initiatives
Sport Hosting Program	Destination Development Strategy
Destination Enhancements	Private Short-Term Rentals and the 3% Municipal and Regional District Tax – Provincial Engagement
Tourism Partnership Model Implementation	

4

- Retain and support existing businesses.

Ongoing Projects/Programs	New Initiatives
Business Development Program and One-on-One Business Support	Online Marketing Campaign
Businessinrichmond.ca	
Social Media/E-News	

5

- Increase Richmond's appeal as a Regional office centre.

Ongoing Projects/Programs	New Initiatives
Linking Businesses to Developers in City Centre	City Centre Office Development Policies Review
Business Park Support	City Centre Technology Hub Feasibility Study

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- Support economic diversity, small business opportunities, and localization.

Ongoing Projects/Programs	New Initiatives
One-on-one Small Business Support	Richmond Public Library Small Business Series Support
Richmond Film Office	SmallBusinessBC MyBizDay in Richmond
	Agrifoods Sector Development

7

- Invest in stronger relationships with senior governments.

8

- Cooperate with the rest of the Region.

Ongoing Projects/Programs	New Initiatives
CleanTech Expo	Regional Mobile Business License (with Metro Vancouver)
Partner Referral Network	Regional Film Permit (with Metro Vancouver)

9

- Maintain a high quality of environment, life, and public services.

Ongoing Projects/Programs	New Initiatives
Economic Data and Reports	No new initiatives proposed.
Night Markets and Mobile Vendors	
Sponsorship/Event Support	
Business Engagement	

Economic Advisory Committee Input

At its meeting on March 9, 2017, the Richmond Economic Advisory Committee (EAC) received a presentation from staff on the implementation of the Resilient Economy Strategy to date, current trends and proposed initiatives for the next two years to fulfill the mandate of the Strategy. An ensuing EAC discussion notably focused on industrial and commercial lands (minutes from the EAC meeting are enclosed in Attachment 1), indicating a need for further work to be done in regards to Richmond's industrial and commercial lands and policies. Consequently, the EAC passed unanimously the following motion:

It was moved and seconded that the EAC receive the Resilient Economy Strategy status update and support the (proposed) 2017/2018 economic development work plan.

Discussion on Recommended Project Priorities

A key aspect of Richmond's OCP 2041 is that it maintains Richmond's existing urban footprint, with future growth to be accommodated through densification. This statement applies not only to population and housing but also to businesses, with future business growth to be accommodated within the City's existing employment lands. The Employment Lands Strategy, adopted by

Council in 2010 and integrated in the OCP, recognizes that Richmond's lands are limited and that trade-offs will likely be made to balance community priorities. The Resilient Economy Strategy follows the OCP directives and proposes to achieve future business growth through densification in industrial areas and introduction of commercial and office space through redevelopment of key areas of Richmond, such as City Centre.

Focus on Industrial Land

The industrial market trends highlighted in Section II above indicate that Richmond's industrial land have peaked in greenfield development potential, while demand for industrial space continues to grow. The only notable development proposal of recent history has been the proposed re-development of the landfill at Ecowaste in East Richmond.

To accommodate current and future growth of Richmond's industrial business base, which is integrated with Richmond's global gateway infrastructure assets (YVR and the Port of Vancouver), the City's priorities need to shift away from availability of industrial land to use of industrial land. Furthermore, the recent EAC discussion on industrial land highlighted the need for urgent action, an urgency that is also reinforced by the consistent lack of industrial land and low industrial vacancies in Richmond and the region. Staff worked closely with Metro Vancouver to complete the Industrial Land Inventory 2015 project. However, a recent meeting with Metro Vancouver staff indicated that further work on industrial land intensification will not be initiated in the near future due to varying priorities and resources. As a result of these developments, staff propose that Richmond initiate its own industrial land intensification policy review and commence this project over the 2017-2018 period.

Focus on Office Development

Similar to the industrial market, the office market in Richmond indicates undersupply of office space due to virtually no new job-generating product added over the majority of the last decade. Historically high vacancy rates have been eradicated and Richmond's business parks are achieving high levels of occupancy. Meanwhile, Richmond technology businesses are growing and in need of space that is accessible and close to amenities.

There are a number of projects at various stages of the development approval process that include an office component (such as iFortune, Yuanheng and others). However, at this stage, none of these proposals have indicated building non-strata office space. Small-size strata, often held as an investment and leased out at retail rates, is the type of product recently introduced in the City Centre (Aberdeen Square in 2012 and the upcoming pre-sold stratified International Trade Centre are two recent projects). This type of product does not correspond to the demand generated by technology firms and other employers creating high skilled jobs. At just over 2%, office vacancy along the Canada Line is virtually non-existent and well below the regional 7% rapid transit corridor vacancy in Metro Vancouver. Businesses that are growing in Richmond's business parks and businesses that are looking to locate near transit and amenities are choosing other jurisdictions due to lack of product along Richmond's own rapid transit corridor – the Canada Line. As a result of these developments, staff propose that a City Centre office development policy review be initiated over the 2017-2018 period.

Financial Impact

Should any of the proposed new initiatives require further funding, staff will bring such funding requirements forward to Council for approval.

Conclusion

Implementation of the 2014-2019 Resilient Economy Strategy is well under way. There has been substantial progress made towards implementation of Council's current economic development agenda, with over 6,700 jobs created or maintained to date and a number of programs and projects implemented under the nine focus areas of the Strategy. Current trends and input from the City's Economic Advisory Committee indicate that opportunities exist in a number of areas for both ongoing programs and new initiatives to fulfill the mandate of the Strategy. The City's ongoing Business Development Program, industrial development policies, office development in the City Centre and the tourism sector are a few of the key initiatives seeking Council endorsement for implementation over the 2017-2018 period. Furthermore, current trends and the Economic Advisory Committee indicate a need to focus on industrial land intensification and introduction of office in the City Centre as major priorities for the 2017-2018 period. Specific project details will be brought forward to Council as initiatives are developed and implemented.



Neonila Lilova
Manager, Economic Development
(604-247-4934)

Att.1 Economic Advisory Committee – Draft Minutes from Meeting Held on March 9, 2017

**RICHMOND ECONOMIC ADVISORY COMMITTEE**

Regular Meeting
Held Thursday, March 9, 2017
6911 No. 3 Road
Meeting Room M.2.002
Richmond City Hall
18:00-20:00

In Attendance:

Kristina Bradley
Nick Chopra
Tom Corsie
Nigel Evans
Tom Land
Michael Priest
Parm Sandhu – Chair
Ray Segat
Paul Schaap
Paul Tilbury
Michael Yeung
Katie Ferland
Neonila Lilova

Regrets:

Bruce Rozenhart
Ray Segat
Murray Wilks
Cllr. Derek Dang
Cllr. Chak Au

- 1) The Chair called the meeting to order at 6:00 pm and went over the agenda
- 2) Roundtable introductions and welcome to new members
- 3) Resilient Economy Strategy – mid-term update
 - a) The Manager, Economic Development provided an update on implementation of the Resilient Economy Strategy to date, current trends and proposed initiatives for the 2017-2018 period (a copy of the presentation is attached).

b) The following discussion ensued:

- A question was asked as to whether the City's transportation portfolio fits under the resilient economy agenda to which staff answered that transportation supports economic development objectives but fits under a different department and under the City's broader transportation portfolio, as part of community-wide transportation, not economic development only
- A question was asked as to whether the proposed industrial land policy work is the same work as the employment lands study done for the OCP. Comments regarding industrial land conversion pressures and Metro Vancouver's work in the area. Staff answered that the goal with this proposed new initiative is to get more granular than the OCP and prior industrial land work.
- A discussion ensued on the pressures on industrial land and the City's outdated policies of addressing such pressures, e.g.:
 - proliferation of spot rezonings due to high specificity of permitted uses
 - pressure on existing stock (such as car dealerships)
 - new business models (e.g. e-commerce)
 - non-traditional uses, such as the movie business which do not leave anything open for long-term employers
 - other non-traditional uses, such as recreation which are allowed as the community strives to have livability yet operators migrate to the least expensive industrial stock, not being able to afford commercially zoned
 - projects that have to sell some off as strata to make it work financially – these parts of industrial are becoming “man caves” for personal storage and not employment generators
- A discussion regarding the City's ability to attract high paying jobs in the City Centre ensued. It was suggested that a rapid transit link connecting City Centre to 22nd Street would be beneficial and solve transportation challenges in the future. It was suggested that City Centre projects need to include fibre optic connectivity to attract technology uses, office, the internet of things. It was suggested that City Centre provides the connectivity and amenity for office based businesses, unlike the remote business parks in Richmond.

c) The Chair commented that the discussion demonstrates a lot of passion for the industrial policy project and that the EAC supports the 2017-2018 proposed initiatives . To that effect, the following motion was considered and unanimously passed:

It was moved and seconded that the EAC receive the Resilient Economy Strategy status update and support the (proposed) 2017/2018 economic development work plan.

4) City Updates

Staff provided the following high-level status updates to EAC members:

- Regional Prosperity Initiative:
 - an initiative of Metro Vancouver which began in 2015
 - it has had a series of regional stakeholder roundtables
 - governed by a steering committee of Metro Vancouver Directors
 - has a working group of various business/academia organization
 - no corporate structure yet
 - currently looking at “quick win” projects and engaging municipal staff on mobile business licenses and film permits
- Municipal and Regional District Tax (MRDT)
 - Staff provided background on the MRDT and advised that the City has successfully increased the rate from 2% to 3% on the price of accommodation
 - This will result in an estimated \$21 million towards tourism initiatives in Richmond for the July 1, 2017 to June 30, 2022 period, including destination marketing, sport hosting, and tourism product development
- Business Regulations
 - Council has voted to prohibit marijuana retail operations in City zones
 - Council is considering regulating short terms, under the Bed & Breakfast provisions of the City’s business licensing regulations and associated bylaws
 - Ride sharing – staff advised EAC of recent Provincial announcements on deregulating the taxi industry in preparation for the potential future entry of ride-sharing platforms
- Provincial Tax Deferment Program
 - In response to large increases of property assessed values for 2017 due to lag in the BC Assessment process, the Province has expanded the tax deferment program to families with children (previously restricted to 55+ property owners)
 - Under the program, the province pays the 2017 property tax for eligible owners, essentially providing a very low interest rate loan until the following year when it is expected assessments will adjust down
- George Massey Tunnel Replacement Project
 - The Ministry of Environment issued an environmental approval certificate for the project on February 14, 2017. DFO, FLNRO permits are next prior to start of construction

- The Agricultural Land Commission also approved the GMTR project on February 27, 2017
- Staff continue to work on technical implementation aspects related to the project through bi-weekly working group meetings
- 2017 City Budget Approved
 - \$103 million capital budget
 - \$376 million operating budget at same level of service, 3.45% increase:
 - 1.89% tax increase before additional levels of service
 - additional level increase at net impact of 0.56% (including 0.48% for 11 additional RCMP and 3 support staff)
 - 1% transfer to reserves per Council's long term financial management strategy
- Canada 150 Community Celebrations
 - The Canada 150 celebration in Richmond is a multi-faceted year-long initiative with over 60 events
 - A full program can be found at <http://www.richmondcanada150.com/>
- City Grants
 - Council approved approximately \$800,000 in health, social, cultural, recreational and child care community grants
- Major Facility Priorities
 - Council considered the next phase of facility projects, after Minoru and the Brighthouse Fire Hall. Top candidates are the City Centre Community Centre North (which was recently secured through the Yuanheng development project), the Steveston Community Centre and Library project, the Lawn Bowling Clubhouse, the Britannia Shipyards National Historic Site Completion project and a new animal shelter.
 - Council has approved \$2 million towards feasibility studies for these projects.

5) Other Business

- An EAC member requested more global trends, best practices and comparatives to other jurisdictions

- It was suggested that it would be beneficial for EAC members to have a sense of the desired outcome before meeting and more time allocated for discussion/contribution
- It was suggested that EAC members should add “burning issues” and topics of interest for discussion to the meeting agenda when it is sent out prior to the meetings

Meeting adjourned at 19:55

Chair:

Recorder:

Parm Sandhu

Neonila Lilova/Katie Ferland

Attachment 1: Resilient Economy Strategy – Mid-Term Report, Trends and 2017/18 Priorities



City of Richmond

Report to Committee

To: Finance Committee

Date: March 20, 2017

From: Jerry Chong
Director, Finance

File: 02-0600-01/2017-Vol
01

Re: 2016 Annual Procurement Report

Staff Recommendation

That the staff report titled "2016 Annual Procurement Report", dated March 20, 2017 from the Director of Finance, be received for information.

Jerry Chong
Director, Finance
(604-276-4064)

REPORT CONCURRENCE	
CONCURRENCE OF GENERAL MANAGER 	
REVIEWED BY STAFF REPORT / AGENDA REVIEW SUBCOMMITTEE	INITIALS:
APPROVED BY CAO 	

Staff Report

Origin

This report to Council is to provide information regarding the City's procurement activities during the 2016 calendar year and procurement metrics as recommended by the Auditor General for Local Government to all BC municipalities concerning Government Procurement Processes.

This report supports Council's 2014-2018 Term Goal #7 Strong Financial Stewardship:

Maintain the City's strong financial position through effective budget processes, the efficient and effective use of financial resources, and the prudent leveraging of economic and financial opportunities to increase current and long-term financial sustainability.

7.2. *Well-informed and sustainable financial decision making.*

7.3. *Transparent financial decisions that are appropriately communicated to the public.*

7.4. *Strategic financial opportunities are optimized.*

Analysis

This procurement report covers the period from January 1, 2016 to December 31, 2016 and documents the City of Richmond's procurement activities. The scope of this report includes the City's procurement achievements and procurement statistics.

This report is the second since the implementation of the amended Procurement Policy 3104. The policy continues to provide a strong basis in enabling a practical, collaborative approach to supply management.

Effective management of the acquisition and flow of goods and services, which represent approximately 19% of the total City 5 Year Financial Plan Bylaw (2016-2020), is both operationally and financially significant in delivering City services. Through the implementation of leading procurement practice staff continues to improve procurement and inventory management operations at the City and delivers value for money for internal partners. Procurement continues its commitment to process transparency, improved vendor relations and heightened internal controls.

The City's Purchasing Section, working collaboratively with all City departments, successfully negotiated and awarded over \$142M worth of contracts for goods, services and construction in 2016. These contracts resulted in savings of \$13.9M in 2016 and will continue to generate savings over the multi-year terms of the contracts; achieved through deployment of procurement strategies such as consolidation of spend, competitive bidding and aggressive negotiation processes.

1. Procurement Achievements

In September 2015 Council approved an amended Procurement Policy 3104. The policy provides direction from Council for the procurement of goods and services for the City with respect to contract approval authority limits, contract signing authority and sustainable and ethical procurement.

Purchasing continues to focus on delivering value through performance utilizing effective processes and systems. Some of the key activities and achievements that have been realised, or directly contributed to, through the procurement process include:

- Outdoor Street Furniture – Purchasing initiated the Request For Proposal (RFP) process which included a cross functional City team that established a contract for a standardized suite of modern street furniture with Pattison Outdoor Advertising that will contribute to a 20-year revenue stream worth approximately \$2.5M.
- Traffic Signal Maintenance – Purchasing, working with the City's Transportation division, established a contract through the competitive bid process with Cobra Electric for the supply of traffic signal maintenance services that will benefit the City for the next five years.
- Through a Request for Expressions of Interest process (RFEOI), a partnership was established between Cressey Developments and Atira Women's Resource Society to operate and manage affordable housing units and a child care facility within the new *Cadence* Development by Cressey.
- Working with Richmond Fire Rescue, Purchasing initiated an RFP process for the supply and delivery of one Pumper Apparatus and one Quint Apparatus at a cost of approximately \$1.9M.
- An RFEOI process was conducted on behalf of the Lulu Island Energy Company (LIEC) to identify potential partners to design, build, finance, maintain and operate a District Energy Utility (DEU). The DEU is to provide long-term cost-competitive thermal energy to City Centre North (CCN) residents and businesses, while enhancing environmental performance. Based on the results of the RFEOI, LIEC shortlisted three respondents to compete in an RFP which is still ongoing.
- The city-wide purchasing card (pcard) program continues to provide value by simplifying the purchasing and payment process while lowering overall transaction and administrative costs per purchase. In 2016, 380 City pcard accounts produced over 16K transactions for a total spend of \$4.6M. This is an increase of 22% in purchase card spend over 2015 and resulted in a rebate of \$41K, received in 2017.

2. Procurement Statistics

The following are key procurement statistics for the period of January 1, 2016 to December 31, 2016:

Total Value of Purchase Order Contracts Awarded in 2016	\$142.8M
Total Value of Procurement Savings* from Contracts Awarded	\$13.9M
Competitive Contracts Administered	186
Purchase Orders Issued	4,119
Purchasing Card Expenditures	\$ 4.6M

*Procurement savings represent a positive variance between current cost, anticipated cost or budget for goods, services and construction prior to the competitive bid process and the actual value at the time of contract award, for each procurement.

3. Strategic Sourcing

Strategic Sourcing is a systematic approach to managing the acquisition of goods, services and construction that matches internal partner needs with marketplace capabilities. Strategic sourcing focuses on long term supplier relationships with suppliers integral to the City's organizational strategy. In 2016 a total of 164 strategic sourcing projects (attached) led to the award of over \$60M in contracts on behalf of all City departments.

Financial Impact

None

Conclusion

The amended Purchasing Policy 3104 adopted by Council in September 2015, along with the purchasing guidelines, continue to augment the City's collaborative approach to strategic sourcing and strategic decision making on significant expenditures, increased compliance to policies and standardized systems and controls.

The emphasis for Purchasing in 2017 will be to continue to enhance operations through utilizing leading procurement and inventory management practices. Purchasing will finalize and implement updated competitive bid and contract documents that, together with a strategic collaborative approach to procurement, support the City's operational and capital programs.



Syd Stowe
Manager, Purchasing
(604-276-4061)

Att. 1: Competitive Bid Awards 2016

Strategic Sourcing 2016

	<i>Contract Name and Description</i>	<i>Award</i>	<i>Amount</i>	<i>Division</i>
1.	5679F IT development work of automated collection and reporting of SOFI expenses for more timely and accurate reporting	Blackstone Consulting Group Inc	\$50,000	Finance & Corporate Services
2.	5676F Continuation of annual software license and support services for Tempest system; includes user licensing, training and technology releases, technical support, software and critical patch updates Feb. 1, 2016 - January 31, 2017	Tempest Development Group Inc	\$107,632	Finance & Corporate Services
3.	5675F KSB submersible motor pumps for No. 2 Road North Drainage Pump Station Upgrade Three (3)	KSB Pumps Inc.	\$269,820	Engineering & Public Works
4.	5673F Service Connection Site Assessment Design Services for Single Family Building Permit Applications	Kerr Wood Leidel	\$45,000	Engineering & Public Works
5.	5671Q Desktop computers	Island Key Computers	\$39,562	Finance & Corporate Services
6.	5670S Dell Maintenance	Dell Canada Inc	\$36,163	Finance & Corporate Services
7.	5669S Backup software support and subscription renewal	CDW Canada	\$25,600	Finance & Corporate Services
8.	5668S Dell R730 ESX host server	Turning Point	\$53,785	Finance & Corporate Services
9.	5667S Supply and Delivery of a John Deer Terrain Cut Commercial Front Mower	Prairie Coast Equipment Inc	\$32,334	Engineering & Public Works
10.	5666J 7400 River Road Mechanical Maintenance Improvements - 2016	Ashton Service Group	\$174,941	Engineering & Public Works
11.	5665CM Gymnastics/Rod & Gun Clubs Tenant Improvement Project	Stuart Olson subcontracted to ICE Development	\$975,053	Engineering & Public Works

Strategic Sourcing 2016

12.	5664F Software Maintenance contract renewal	Open Text Corporation	\$184,809	Finance & Corporate Services
13.	5663F Fixed Network System Service Provider Fee (January 2016 to June 2017)	Neptune Technology Group (Canada) Ltd.	\$35,000	Engineering & Public Works
14.	5662J PW2015.06.01 Multi-family water meter installation at 12639 No. 2 Road (4" mechanical room install)	Ashton Service Group	\$39,114	Engineering & Public Works
15.	5660J Buemann Barn Construction	Ventana Construction Corporation	\$345,861	Engineering & Public Works
16.	5654F Temporary AutoCAD design services for Single Family Service Connections	AECOM Canada Ltd	\$35,000	Engineering & Public Works
17.	5653F Emergency Repair Sanitary Sewer in Minoru Park	Performance Contracting Brighthouse Ltd	\$200,000	Engineering & Public Works
18.	5609Q Supply and Delivery of 6 (Six) 3/4 Ton Super Cab with 8 (Eight) Foot Box Truck	Dams Ford Lincoln Sales Ltd	\$191,576	Engineering & Public Works
19.	T.5597 No. 1 Box Culvert Rehabilitation (Westminster Highway to River Road)	P.W. Trenchless	\$1,993,312	Engineering & Public Works
20.	5586Q Supply and Delivery 1 (One) Regular Cab and Chassis with Utility Body and Crane	Work Truck West	\$229,594	Engineering & Public Works
21.	T.5583 Lockhart Rd, Marrington Rd, and Beecham Rd Upgrades	Performance Contracting Ltd.	\$1,856,438	Engineering & Public Works
22.	5564Q Supply and Delivery of 1 (One) Diesel Turf Tractor	Rollins Machinery	\$60,710	Engineering & Public Works
23.	5685F Detailed Design, Construction Services and Record Drawings for Underground Water Meter Installations at existing multi-family complexes	Parsons	\$48,000	Engineering & Public Works
24.	5684Q MAC/OAC Concrete Mix Design Review & Testing	Metro Testing Laboratories Ltd	\$50,775	Engineering & Public Works

Strategic Sourcing 2016

25.	5683F Consulting Services for Contract Administration and Inspection Services on Lansdowne Road Extension Project	Aplin & Martin Consultants Ltd.	\$91,795	Engineering & Public Works
26.	5678F BC Hydro Service Cost to relocate hydro poles on Lansdowne Road	BC Hydro & Power Authority	\$140,418	Engineering & Public Works
27.	5677Q Demolition of 4560/4562 Garden City Rd	3R Demolition Group	\$47,502	Engineering & Public Works
28.	5622P Horseshoe Slough Pump Station Upgrade	Associated Engineering (B.C.) Ltd.	\$474,671	Engineering & Public Works
29.	5621Q ADEU - Energy Transfer Station Upgrades	All-Pro Services Ltd.	\$183,837	Engineering & Public Works
30.	5709F Enhancements of RichmondBC Mobile App	Opacity Design Group	\$73,800	Finance & Corporate Services
31.	5708F Implementation of Single Customer Login Profile	Nulli Secundus Inc	\$64,000	Finance & Corporate Services
32.	5707P Pitney Bowes Mail Folder and Inserter Machine	Pitney Bowes	\$31,440	Finance & Corporate Services
33.	5702S Oracle Software Support Renewal- one month February	Oracle Canada ULC	\$25,672	Finance & Corporate Services
34.	5706S Oracle Software Support Renewal- one month March	Oracle Canada ULC	\$25,672	Finance & Corporate Services
35.	5701J Thompson Community Centre Improvement Works 2016	Ashton Service Group	\$92,429	Engineering & Public Works
36.	5697Q Pacifica Benches and Apex Receptacles for Railway Corridor	Forms+Surfaces	\$69,037	Community Services
37.	5696F The design and Construction of approximately 30m of center-swale complete with lane drainage fronting 9880 Seaton Court	Anderson Creek Site Developing LTD	\$34,619	Engineering & Public Works

Strategic Sourcing 2016

38.	5695Q Middleware project WO Integration	Blackstone Consulting Group Inc	\$44,000	Finance & Corporate Services
39.	5691F Secondment of inspector for Parks and Recreation Services	Aplin & Martin Consultants Ltd.	\$100,000	Engineering & Public Works
40.	5688S RSRI Enterprise Licence Agreement	ESRI Canada	\$140,000	Finance & Corporate Services
41.	5741F Project Management and Business Analysis Consulting Services to Implement a Corporate Health and Safety System	Howza Solutions Inc.	\$91,200	Finance & Corporate Services
42.	5740F Raised Murakami Houses Design for Flood Protection at Britannia Shipyards	Ratio Architecture Interior Design + Planning Inc	\$57,500	Engineering & Public Works
43.	5739F Design Services for Raising Dike/Boardwalk for Flood Protection at Britannia Shipyards	Dillon Consulting Ltd	\$38,000	Engineering & Public Works
44.	5736F Emergency repair of Collapsed Storm Sewer at Cook Road and Garden City Road	Hexcel Construction	\$200,000	Engineering & Public Works
45.	5735F Supply and Install LANDesk Modules *\$92,168.08 USD converted at April 2016 rate of 1.2548 =\$120,671.70 CAD*	Network Consulting Services	\$120,671	Finance & Corporate Services
46.	5733J Richmond Ice Centre - Flooring Replacement - Phase 2	Ashton Service Group	\$127,753	Engineering & Public Works
47.	5731CM Fire Hall No 3 - Connection to the District Energy Utility	Stuart Olson subcontracted to Hexcel Construction Ltd.	\$180,695	Engineering & Public Works
48.	5729F Supply and Delivery of Trimble Survey Equipment	Cansel	\$30,459	Engineering & Public Works
49.	5728S Oracle PeopleSoft 5 Year Software License & Support	Oracle Canada ULC	\$1,495,511	Finance & Corporate Services
50.	5727Q Fire Hall No 3 Network Equipment	Scalar Decisions Inc	\$28,362	Engineering & Public Works

Strategic Sourcing 2016

51.	5700P Replacement of Artificial Turf Field at Richmond High School	AstroTurf West Distributors Ltd.	\$395,000	Community Services
52.	5689Q Occupational 1st Aid (Level I and II) Training for City Employees	Care Institute of Safety & Health Inc	\$28,800	Human Resources
53.	5680P Consulting Services for No. 7 Rd South Drainage Pump Station Upgrade	Associated Engineering (B.C.) Ltd.	\$412,518	Engineering & Public Works
54.	5674Q On Call Painting Services	Imperial Painting Ltd	\$40,000	Engineering & Public Works
55.	5655P Design Build Services for (Jessie) Wowk Neighborhood Park Playground Equipment	MacDonald & Lawrence Timber Framing Ltd	\$100,000	Community Services
56.	T.5636 Bridgeport Overpass Deck Rehabilitation	Giffels Westpro Constructors Inc.	\$464,262	Engineering & Public Works
57.	5629P Consulting Services - 2016 Drainage and Irrigation Upgrades	Opus DaytonKnight Consultants Ltd.	\$276,846	Engineering & Public Works
58.	5628P Civil Engineering Consulting Services for Donald Road Local Area Service Project	McElhanney Consulting Services Ltd	\$116,369	Engineering & Public Works
59.	5539Q Supply and Delivery of 1 (One) Tandem Axle Cab and Chassis C/W Dump Box and Front Plough	Peterbilt Pacific Inc	\$271,594	Engineering & Public Works
60.	5570Q On Call Roofing Contractor	Cambie Roofing	\$250,000	Engineering & Public Works
61.	5760EOI Offsite Storage Needs Assessment	Process Four	\$38,760	Finance & Corporate Services
62.	T.5692 Canal Stabilization at No. 3 Road	Terracanna Foundation Solutions	\$403,075	Engineering & Public Works
63.	5745F Supply and install rain gauges	Kerr Wood Leidal	\$31,800	Engineering & Public Works

Strategic Sourcing 2016

64.	5746Q Building Envelope Repairs at Administration Building at Public Works Yard: Operable Windows	MA-Eng Tech Construction Inc	\$46,700	Engineering & Public Works
65.	5747CM Pre-Construction Services for Buswell Street Gravity Sewer Installation	Stuart Olson Construction	\$26,521	Engineering & Public Works
66.	5748Q Alexandra District Energy Utility - Fire Alarm Expansion	Viking Fire Protection	\$28,680	Engineering & Public Works
67.	5750S Infor (HANSEN) 2016 Annual Support Contract Renewal July 1, 2016 - June 30, 2017	Infor Canada Ltd	\$98,155	Finance & Corporate Services
68.	5751CM Fire Hall # 3 - Energy Transfer Station	Stuart Olson Construction subcontracted to Hexcel Construction and Alpha Mechanical	\$240,173	Engineering & Public Works
69.	5753CM Pre-Construction Services for Horseshoe Slough Drainage Pump Station	Stuart Olson Construction	\$46,007	Engineering & Public Works
70.	5755CM Fire Hall No 1 Construction	Stuart Olson Construction – Prime Contractor Multiple subcontractor awards through Stuart Olson	\$15,408,079	Engineering & Public Works
71.	5756S City Hall Datacenter UPS, Battery and Capacitor replacement	Eaton Industries (Canada) Company	\$34,876	Finance & Corporate Services
72.	5758S Oracle database licence and support May 30, 2016 to May 29, 2017 (year 1 of 5)	Oracle Canada ULC	\$33,266	Finance & Corporate Services
73.	5759S Technical consulting services	Tempest Development Group Inc	\$100,000	Finance & Corporate Services
74.	5760Q Quantum i80 LTO6 Tape	Scalar Decisions Inc	\$49,478	Finance & Corporate Services
75.	5782F Software Consulting Services for On-line City Grant Application System	Mountain Interactive Inc	\$30,000	Finance & Corporate Services
76.	5781F ADEU Phase 3 Engineering Services	Kerr Wood Leidel & Associates	\$49,875	Engineering & Public Works

Strategic Sourcing 2016

77.	5779Q Garratt Wellness Centre - Architectural Design Services	DGBK Architects	\$43,320	Engineering & Public Works
78.	5778Q City Hall Ballast and Lighting Upgrades	Commercial Lighting	\$116,495	Engineering & Public Works
79.	5776Q Recruitment Services	Ravenhill Group Inc.	\$45,000	Human Resources
80.	5775F Identity Management and Single Sign on Software Infrastructure	Forgerock	\$30,910	Finance & Corporate Services
81.	5774Q South Arm Community Centre Upgrades Architectural Services	Shape Architecture	\$47,388	Engineering & Public Works
82.	5773Q Programming and Commissioning of the Controls Logic for the ADEU SmartREIT Energy Plant	Houle Electric	\$56,460	Engineering & Public Works
83.	5769F ADEU Phase 3 Upgrades	Corix Utilities Inc.	\$33,113	Engineering & Public Works
84.	5764J Lapidary Studio and Kiln Room Renovation at Library and Cultural Center	ICE Development Ltd	\$127,466	Engineering & Public Works
85.	5763Q Fire Hall # 3 Audiovisual Equipment	PJS Systems Inc	\$28,420	Engineering & Public Works
86.	5762CM Pre-Construction Services for No 7 Road South Drainage Pump Station	Stuart Olson Construction	\$49,412	Engineering & Public Works
87.	5761J Steveston Outdoor Pool Liner Replacement	Ashton Service Group	\$302,357	Engineering & Public Works
88.	5730P Provision of Engineering Inspection Consulting	Aplin & Martin Consultants Ltd.	\$250,000	Engineering & Public Works
89.	5672P Provision of Carbon Assessment Consulting Services for the Richmond Northeast Bog Forest	3Greentree	\$33,700	Engineering & Public Works
90.	5540P Garden City Lands - Design Consulting Services	PWL Partnership Landscape Architects	\$520,000	Community Services

Strategic Sourcing 2016

91.	5832Q Demolition. site clearing, 9120 Williams Road	D Litchfield Demolition	\$46,377	Community Services
92.	5831Q House demolition 9420 Alberta Road	Guest Excavating Ltd.	\$39,675	Community Services
93.	5830CM Construction Services for Beckwith and Gage Road Watermain Upgrades	Stuart Olson Construction subcontracted to Hexcel Construction Ltd	\$466,026	Engineering & Public Works
94.	5829CM Pre-Construction Services for Eckersley B Sanitary Pump Station and Spires Area Utilities Upgrades	Stuart Olson Construction	\$71,306	Engineering & Public Works
95.	5828F Sponsorship Inventory Asset Valuation	The Partnership Group	\$60,000	Finance & Corporate Services
96.	5822S TIBCO Middleware and Integration Platform System Annual Support and Maintenance	Tibco	\$62,383	Finance & Corporate Services
97.	5820Q Fire Hall 3 Wifi Supply and Install	Smartedge Networks	\$39,541	Engineering & Public Works
98.	5819J Minoru East Arena Re-Roofing Phase 1	ICE Development Ltd	\$89,032	Engineering & Public Works
99.	T.5786 4 Road and Tuttle Avenue Storm Culvert Replacement	King Hoe Excavating Ltd.	\$403,293	Engineering & Public Works
100.	5784Q Supply and Delivery of Access Points and Licences	X10 Networks	\$121,714	Finance & Corporate Services
101.	T.5766 Donald Road Local Area Service Program	Eurovia British Columbia Inc.	\$769,913	Engineering & Public Works
102.	5443P Firewall and Network Security Upgrade	Long View Systems Corporation	\$275,882	Finance & Corporate Services
103.	5863Q CAT6 Data Cabling and Fiber for WiFi and VoIP at Richmond Ice Centre	Plan Group	\$56,400	Finance & Corporate Services
104.	5855F #1220 Interurban Tram Car restoration - removal and disposal of hazardous materials	Pro Active Hazmat & Environmental	\$45,455	Community Services

Strategic Sourcing 2016

105.	5854Q MS SQL server	Softchoice	\$63,910	Finance & Corporate Services
106.	5853Q Dell Power Edge	CDW Canada	\$64,604	Finance & Corporate Services
107.	5851J Gateway Theatre - Carpet Replacement	Ventana Construction Corporation	\$77,030	Engineering & Public Works
108.	5850F Materials for emergency repair to drainage box culvert in the 6000 block No. 2 Road	Langley Concrete Limited Partnership	\$181,500	Engineering & Public Works
109.	5848J Watermania Boiler Upgrade and Wave Pool Heat Exchanger Installation - Phase 1	ICE Development Ltd	\$54,826	Engineering & Public Works
110.	5847F Rehabilitation of No. 2 Road and London Road intersection	Performance Contracting Brighthouse Ltd	\$48,208	Engineering & Public Works
111.	5846Q Centralized Paging	PJS Communications	\$39,254	Finance & Corporate Services
112.	5845Q Anderson Room Audio Visual Upgrade	PJS Communications	\$64,169	Finance & Corporate Services
113.	5844F Conduct surveys of onsite residential and visitor parking at 9 developments near Canada Line stations	ISL Engineering	\$25,000	Planning & Development
114.	5777P Provision of Actuarial Review of Post-Employment Benefit Obligation	Mercer	\$36,000	Finance & Corporate Services
115.	5742Q On Call Repair and Service of Generators	Simson Maxwell	\$55,000	Engineering & Public Works
116.	5867S Various Fire hoses and associated parts	WFR Wholesale Fire & Rescue Ltd.	\$29,779	Law & Community Services
117.	5866CM Minoru Sanitary Pump Station Replacement	Stuart Olson Construction Ltd subcontracted to Hexcel Construction	\$1,541,285	Engineering & Public Works
118.	5861F Richmond World Festival 2016: Stage Production Services	Briere Production Group Inc	\$39,300	Community Services

Strategic Sourcing 2016

119.	5860Q Library Cultural Centre - DDC Upgrade Project 2016	ESC Automations Inc	\$121,453	Engineering & Public Works
120.	5859CM MAC/OAC No 3 & 4 - Millwork, Ceiling/Wall Coverings, Door/Hardware, Finishes, Equipment, Controls/Security, Painting and Landscaping	Stuart Olson Construction Ltd – Prime Contractor. Multiple sub-contractor awards through Stuart Olson.	\$16,374,458	Engineering & Public Works
121.	5858S Supply and Install Two Bounce Mats at Garden City Community Park Playground	Rec-Tec Industries	\$36,238	Community Services
122.	5838Q No 2 Rd South Drainage Box Culvert Repair No 2 Road between Walton Road and Christina Road	Merletti Construction (1999) Ltd	\$1,014,000	Engineering & Public Works
123.	5817P - Provision of Civil Engineering Consulting Services for Belair Drive Laneway Drainage Upgrades	Dillon Consulting Ltd.	\$132,923	Engineering & Public Works
124.	5816P Provision of Civil Engineering Consulting Services for Thompson Gate PRV Station and Hamilton Area Sanitary Pump Stations	R.F. Binnie & Associates	\$229,130	Engineering & Public Works
125.	5812P No 2 Rd South Drainage Pump Station	Aplin & Martin Consultants Ltd.	\$396,345	Engineering & Public Works
126.	5811P Shell Rd North Drainage Pump Station	Aplin & Martin Consultants Ltd.	\$374,290	Engineering & Public Works
127.	5893Q 2016 Chevrolet Colorado 4wd Ext cab unit 1840	Dueck Richmond Chevrolet Buick Cadillac	\$30,886	Engineering & Public Works
128.	5892F DEU Post-commissioning services	Kerr Wood Leidel & Associates	\$42,600	Engineering & Public Works
129.	5890Q Fitness Equipment	Stak Fitness	\$68,065	Community Services
130.	5886F SAN Storage for City Hall and Work Yard	Dell Canada Inc	\$70,355	Finance & Corporate Services

Strategic Sourcing 2016

131.	5885F Trimble Nomad 900B units and Advantage II Probes for Neptune Water Meter reading	Fred Surridge Ltd.	\$36,514	Engineering & Public Works
132.	5884Q Watermania Controlled Entrance System	Gunnebo Canada Inc	\$88,804	Engineering & Public Works
133.	5883Q FORD Transit 350 Low Roof Passenger Wagon - MODEL X2Z	Brown Bros Ford Lincoln Sales & Service	\$36,106	Law & Community Services
134.	5882F Vermeer Brand Brush Chipper for Parks	Westerra Equipment Ltd	\$87,500	Community Services
135.	5881P Recruitment Services - Manager, Inspections	Davies Park Executive Search Consultants	\$31,400	Human Resources
136.	5880F Watermania Heating Plant Optimization Project	Trane Canada ULC	\$68,925	Engineering & Public Works
137.	5875Q Consulting Services PeopleSoft 9.2 Upgrade Reapply Customizations	Blackstone Consulting Group Inc	\$65,800	Finance & Corporate Services
138.	5873Q Recruitment Services - General Manager Law & Community Safety	Ravenhill Group Inc.	\$37,500	Human Resources
139.	5870Q Civil Engineering Consulting Services for 7000 Block No 4 Road Pavement Rehabilitation	R.F. Binnie & Associates	\$45,988	Engineering & Public Works
140.	5835EOI City of Richmond Solar PV Feasibility Study Reporting	Energy Canvas Ltd.	\$41,180	Engineering & Public Works
141.	5827P City of Richmond Micro Sewer Energy Recovery Feasibility Study	Kerr Wood Leidal	\$176,653	Engineering & Public Works
142.	5826Q Supply and Delivery of 1 (One) 1/2 (Half) Ton Double Cab Truck	Dueck Richmond GM	\$28,178	Engineering & Public Works
143.	5687EOI PeopleSoft HCM 9.2 Upgrade	Blackstone Consulting Group Inc	\$616,800	Finance & Corporate Services
144.	5914F Renewal Subscription for online Training/ Risk Management	Global Risk Innovations	\$42,147	Law & Community Services

Strategic Sourcing 2016

145.	5909F Odour Best Management Practices Review	Dillon Consulting Limited	\$37,000	Engineering & Public Works
146.	5908F Britannia Heritage Shipyard - Washroom Addition within Seine Net Loft Building	Ratio Architecture Interior Design + Planning Inc	\$39,425	Engineering & Public Works
147.	5906J Canada 150 Grant - LCC Library Launch Pad	ICE Development Ltd	\$206,212	Engineering & Public Works
148.	5905CM Britannia Heritage Shipyard - Flood Protection Improvements 2016	Stuart Olson Construction Ltd subcontracted to ALM2 Marine Ltd and Merletti Construction Ltd	\$1,265,746	Engineering & Public Works
149.	5904J Canada 150 Grant - Garratt Wellness Improvements 2016	Ashton Service Group	\$376,579	Engineering & Public Works
150.	5903CM Granville Avenue and City Centre Utility Upgrades	Stuart Olson Construction Ltd subcontracted to Hexcel and Stuart Olson	\$1,568,322	Engineering & Public Works
151.	5901S Three Automated CPR Devices and Accessories	Physio Control	\$43,584	Law & Community Services
152.	5900Q Railway Greenway Phase 2 - Ecological Enhancement Planting	Peel's Nursery	\$64,291	Community Services
153.	5899F Supplementary PeopleSoft Consulting Services	Blackstone Consulting Group Inc	\$85,000	Finance & Corporate Services
154.	5897Q 6 Light duty Kia Soul vehicles RFR	Kia West	\$110,466	Law & Community Services
155.	5895Q London Heritage Farm House - Kitchen Upgrades	Gentile's Cabinets Plus Ltd	\$37,800	Engineering & Public Works
156.	5894F Supply and Delivery of One Single Drum Vibratory Roller	Sunbelt Rentals	\$89,000	Engineering & Public Works
157.	5856Q Supply and Delivery of Bulk Road Salt 2016/2017	Mainroad Maintenance Products	\$75,000	Engineering & Public Works
158.	T.5837 Construction Services for Graybar Road Drainage and Sanitary Main Replacement	Performance Contracting Ltd.	\$354,854	Engineering & Public Works

Strategic Sourcing 2016

159.	5824Q Supply and Delivery of Two (2) 3/4 Ton Super Cab with 8 Foot Box Truck	Dams Ford Lincoln Sales Ltd	\$72,526	Engineering & Public Works
160.	5823Q Supply and Delivery of 3(Three) Walk thru Vans	Metro Motors	\$331,066	Engineering & Public Works
161.	5808Q Supply and Delivery of 1 (One) Ton Regular Cab Dump Truck with Crane	WorkTruck West	\$115,719	Engineering & Public Works
162.	5606Q Supply and Delivery of 1 (One) Water Utility Work Truck	Metro Motors	\$86,563	Engineering & Public Works
163.	5605Q Supply and Delivery of One (1) Walk Thru Van	Dams Ford Lincoln Sales Ltd	\$95,468	Engineering & Public Works
164.	5576Q Supply and Delivery of 1 (One) Full Size Front Wheel Drive High Roof 1 (One) Ton Single Rear Wheel Cargo Van	O'Conner Dodge Chrysler Jeep	\$70,262	Engineering & Public Works



City of Richmond

Report to Committee

To: Finance Committee

Date: March 19, 2017

From: Jerry Chong
Director, Finance

File: 03-0905-05-01/2017-
Vol 01



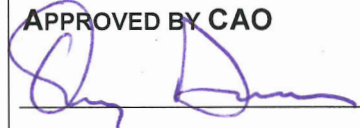
Re: 2016 Annual Development Cost Charges

Staff Recommendation

That the staff report titled, "2016 Annual Development Cost Charges," dated March 19, 2017 from the Director, Finance be received for information.


Jerry Chong
Director, Finance
(604-276-4064)

Att. 1

REPORT CONCURRENCE		
ROUTED TO:	CONCURRENCE	CONCURRENCE OF GENERAL MANAGER
Development Applications	<input checked="" type="checkbox"/>	
Engineering	<input checked="" type="checkbox"/>	
Parks Services	<input checked="" type="checkbox"/>	
Transportation	<input checked="" type="checkbox"/>	
REVIEWED BY STAFF REPORT / AGENDA REVIEW SUBCOMMITTEE	INITIALS: 	APPROVED BY CAO 

Staff Report

Origin

In compliance with section 937.01 of the *Local Government Act*, the City is required to prepare a Development Cost Charges (DCC) report on or before June 30th, with information from the previous year. The DCC report must include the following, reported under subsections (2) and (2.1) of section 933 for which the local government imposes development cost charges in the applicable year:

- (a) the amount of development cost charges received;*
- (b) the expenditures from the development cost charge reserve funds;*
- (c) the balance in the development cost charge reserve funds at the start and at the end of the applicable year;*
- (d) any waivers and reductions under section 933.1 (2).*

This report supports Council's 2014-2018 Term Goal #7 Strong Financial Stewardship:

- 7.2. Well-informed and sustainable financial decision making.*
- 7.3. Transparent financial decisions that are appropriately communicated to the public.*

This report supports Council's 2014-2018 Term Goal #9 A Well-Informed Citizenry:

- 9.1. Understandable, timely, easily accessible public communication.*

Analysis

The City's 2016 Annual DCC Report covers the following six broad categories:

- (i) Description and principles of the City of Richmond's DCC program,
- (ii) 2016 DCC reserve fund balances;
- (iii) 2016 DCC credits;
- (iv) 2016 and 2017 DCC programs;
- (v) Waivers and reductions; and
- (vi) Municipal assist factor.

The 2016 Annual Development Cost Charges Report includes contribution amounts for which the City holds a Letter of Credit from the developer, the cash will be received in the future based on the defined payment schedule. The Report does not include amounts received as of December 31, 2016 that are not confirmed due to potential DCC credits. These amounts, if applicable, will be reported in future periods.

DCC amounts collected in 2016 are based on rates established by the Development Cost Charges Bylaw No. 8024, Amendment Bylaw No. 8396 effective September 15, 2010.

A copy of the 2016 Annual Development Cost Charges Report, which will be available for public viewing on the City's website before June 30, 2017, is attached for information.

March 19, 2017

- 3 -

Conclusion

The attached 2016 Annual Development Cost Charges Report is in compliance with the annual reporting requirements as prescribed under section 937.01 of the *Local Government Act*.



Cindy Gilfillan
Manager, Financial Reporting
(604-276-4077)

Att. 1: 2016 Annual Development Cost Charges Report

2016 ANNUAL DEVELOPMENT COST CHARGES REPORT

For the year ended December 31, 2016

City of Richmond's Vision:
To be the most appealing, livable, and
well-managed community in Canada



CITY OF RICHMOND

2016 ANNUAL DEVELOPMENT COST CHARGES REPORT

This 2016 Annual Development Cost Charges (DCCs) Report is prepared by the City of Richmond (City) pursuant to Section 937.01 of the *Local Government Act*. This report contains information pertaining to the following reporting requirements:

- I. Description and Principles of the DCCs Program
- II. 2016 DCCs Reserve Fund Balances
- III. 2016 DCCs Credits
- IV. 2016 and 2017 DCCs Programs
- V. Waivers and Reductions
- VI. Municipal Assist Factor

I. DESCRIPTION AND PRINCIPLES OF THE DCCs PROGRAM

What is the purpose of the DCCs Program?

The purpose of the DCCs Program is to provide the municipality with a dedicated source of funding to plan, develop, and implement infrastructure services identified by the City. The objective of the DCCs program is to ensure that those people that will use and benefit from the services developed will pay their share of the costs in a fair and equitable basis. The DCCs program is one of the many pieces of the City's broader community development framework. It is developed in ways that are consistent with the City's long-term planning objectives and financial strategies.

What are DCCs?

DCCs are levies placed on new development to assist in financing the cost of upgrading or providing infrastructure services. They support the cost of acquiring and developing parkland needs in order to accommodate the growing population.

Capital projects include but are not limited to:

- New or widening of existing arterial roads, improvements to traffic signals, sidewalks, pedestrian and bicycle lanes, upgrades to transit-related road infrastructures and traffic safety projects;
- Replacement and upgrades to watermains, pressure reducing valve stations, drainage mains, pump stations and channel, upgrades to sanitary sewer mains and pump stations; and
- Acquisition and development of parkland (playing fields, drainage and irrigation, turf, etc.)

CITY OF RICHMOND

2016 ANNUAL DEVELOPMENT COST CHARGES REPORT

What are the guiding principles in developing the DCCs program?

Each local government has a fundamental philosophy with respect to development and the government's role in facilitating that development. The City's DCCs program, applicable in 2016 has been developed to be consistent with the following legislation, plans, and policy guides:

- Local Government Act
- Development Cost Charges Best Practices Guide
- Regional Growth Strategy/Metro 2040 (Metro Vancouver)
- Official Community Plan (OCP) Bylaw
- Richmond Urban Development Forecast
- 2022 Parks and Open Space Strategy
- Parks Land Acquisition and Development 2006 DCCs Program
- City Centre Transportation Plan
- City Centre Area Plan (CCAP)

Furthermore, to ensure that affected stakeholders are informed about the DCCs program, the City is required to consult, receive, and consider comments from representatives of the development industry. Representatives include members from the Urban Development Institute (UDI), Greater Vancouver Home Builders Association (GVHBA), National Association of Industrial and Office Properties (NAIOP), and local homebuilders and developers.

During 2017, a new DCC program will be presented to Council based on current plans, with the final adoption of the updated DCCs bylaw to take place once statutory approval is granted by the Province.

How are DCCs rates derived?

The City began the DCCs process by determining the amount of growth expected to occur over a specified period of time. The growth projections were based on information received in 2008 for various types of residential, commercial, industrial, and institutional growth. Based on the projections, the City identified specific infrastructure needs to accommodate the growth, and the corresponding estimated costs formed the basis of the DCCs Program.

DCCs amounts collected in 2016 are based on rates established by the Development Cost Charges Bylaw No. 8024, Amendment Bylaw No. 8396 effective September 15, 2010.

CITY OF RICHMOND

2016 ANNUAL DEVELOPMENT COST CHARGES REPORT

How are DCCs used?

Funds collected through the DCCs program are deposited in a separate reserve account. These funds may only be used to pay for the expenditures of the capital project or finance the costs related to debt incurred for the capital project.

DCCs cannot be used for costs incurred to operate and maintain parks, roads, watermain, sanitary and storm sewers already in place to serve the existing residents of the City, or to replace infrastructure if the replacement is not capacity-driven as a result of development. In addition, DCCs collected cannot be used to pay for services such as recreation, policing, fire and library that are affected by growth.

How are costs allocated to growth and existing users?

To achieve the objective of promoting growth and to ensuring the use of a fair and equitable basis of allocating costs, the costs of the DCCs are allocated between growth and the existing population based on assessed benefit factors.

II. 2016 DCCs RESERVE FUND BALANCES

The City records and maintains separate accounts for each DCCs reserve fund. The following table provides a continuity schedule of each DCCs reserve fund (by service) for the 2016 fiscal year:

	<i>(amounts expressed in thousands of dollars)</i>					
	January 1 Balance	Transfers In	Interest Earned	DCCs Credits	Transfers Out	December 31 Balance
Basic:						
Drainage	\$ 20,975	\$ 2,913	\$ 376	\$ -	\$ (380)	\$ 23,884
Parks Acquisition	17,420	8,688	316	(4,564)	(5,438)	16,422
Parks Development	17,763	3,229	222	(304)	(2,489)	18,421
Roads	27,944	7,893	423	(1,196)	(4,601)	30,463
Sewer	15,499	2,510	225	-	(665)	17,569
Water	4,735	938	76	(6)	(845)	4,898
Total Basic	\$ 104,336	\$ 26,171	\$ 1,638	\$ (6,070)	\$ (14,418)	\$ 111,657
Local Area - Alexandra:						
Drainage	\$ 1,069	\$ 61	\$ 21	\$ -	\$ -	\$ 1,151
Parks Acquisition	2,143	535	22	-	(2,088)	612
Parks Development	726	68	4	-	(126)	672
Roads	2,803	1,290	57	(1,221)	-	2,929
Sewer	353	35	7	-	-	395
Water	161	17	3	-	-	181
Total Local Area	\$ 7,255	\$ 2,006	\$ 114	\$ (1,221)	\$ (2,214)	\$ 5,940
Total DCCs Reserve	\$ 111,591	\$ 28,177	\$ 1,752	\$ (7,291)	\$ (16,632)	\$ 117,597

CITY OF RICHMOND
2016 ANNUAL DEVELOPMENT COST CHARGES REPORT

III. 2016 DCCs CREDITS

Site Address

Developer

Drainage

No credits for drainage were issued during 2016.

Parkland Acquisition

10788 No. 5 Road	ZGF Cotter Architects
3333 Brown Road	Polygon Avanti Homes
3331 Brown Road	Polygon Avanti Homes
8333 Sweet Avenue	Polygon Avanti Homes
10388 No. 2 Road	Polygon Kingsley Estates Ltd
12920 Mitchell Road	CTA Design Group

Parkland Development

9560 Alexandra Road	Sian Group Investments Inc
10788 No. 5 Road	ZGF Cotter Architects
12920 Mitchell Road	CTA Design Group

Roads

7671 Bridge Street	Kenneth P. Jarmana
9388 Tomicki Avenue	Polygon Alexandra Court Homes Ltd
12920 Mitchell Road	CTA Design Group
4751 McClelland Road	Andrew Lehman
4755 McClelland Road	Andrew Lehman
4771 McClelland Road	Andrew Lehman
4777 McClelland Road	Andrew Lehman

Sewer

No credits for sewer were issued during 2016.

Water

12920 Mitchell Road	CTA Design Group
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CITY OF RICHMOND
2016 ANNUAL DEVELOPMENT COST CHARGES REPORT

IV. 2016 and 2017 DCCs PROGRAMS

Drainage

The projects in the Drainage DCCs Program include upgrades to box culverts, drainage mains and pump stations.

A summary of the projects funded by the Drainage DCCs during 2016 and the projects set to begin in 2017 is contained in Appendix 1.

Parkland Acquisition and Park Development

The projects in the Parks Acquisition DCCs Program include acquisition of land for parks and open space required to meet the needs of the City's growth. The projects include park planning and development as well as playground improvements. Areas impacted include urban parks, community parks, neighbourhood parks, trails, natural areas and waterfront parks.

A summary of the projects funded by the Parks Acquisition and Parks Development DCCs during 2016 and the projects set to begin in 2017 is contained in Appendix 2.

Roads

The projects in the Roads DCCs Program include new/widening of roads, intersection and traffic signal improvements, selected arterial improvements, pedestrian and cyclist improvements, transit-related road infrastructure, traffic safety projects and debt repayments.

A summary of the projects funded by the Roads DCCs during 2016 and the projects set to begin in 2017 is contained in Appendix 3.

Sanitary Sewer

The projects in the Sanitary Sewer DCCs Program include upgrades to sanitary sewer gravity mains, forcemains and pump stations.

A summary of the projects funded by the Sewer DCCs during 2016 and the projects set to begin in 2017 is contained in Appendix 4.

Water

The projects in the Water DCCs Program include upgrades to watermain and pressure reducing valve stations.

A summary of the projects funded by the Water DCCs during 2016 and the projects set to begin in 2017 is contained in Appendix 5.

CITY OF RICHMOND
2016 ANNUAL DEVELOPMENT COST CHARGES REPORT

V. WAIVERS AND REDUCTIONS

Section 933.1 of the Local Government Act provides the option for municipalities to exempt or waive DCCs for the following classes of eligible development:

- Not-for-profit rental housing, including supportive living housing;
- For-profit affordable rental housing;
- Subdivisions of small lots that is designed to result in low greenhouse gas emission; and
- Developments designed to result in low environmental impact.

For the year of 2016, no waivers or reductions were granted.

VI. MUNICIPAL ASSIST FACTOR

The Local Government Act recognizes that the City and existing residents can also receive a marginal benefit from the associated capital improvements. As such, the Local Government Act stipulates that an assist factor will be included as part of the calculation of DCCs. An assist factor represents the City's contribution towards the capital projects that are attributable to new developments. In determining the municipal assist factor, the City considers the following factors:

- Future land use patterns and development;
- Phasing of works and services;
- Whether the charges are excessive in relation to the capital costs of prevailing standards of service;
- Whether the costs will deter development; or
- Whether the charges will discourage the construction of reasonably priced housing or the provision of reasonably priced serviced land.

Based on the above factors and the assessment that the majority of the capital improvements are a result of new growth, the 2016 City's municipal assist factor has been set at 1%.

DRAINAGE – 2016 Expenditures

This table summarizes all projects approved in 2016 and earlier that had expenditures funded by the Drainage DCCs during 2016:

Location	Type of Infrastructure / Description
No. 2 Road North	Pump station upgrade
River Road east of No 5 Road	Pump station upgrade

DRAINAGE – 2016 Projects – Amendment Bylaw

This table summarizes all projects funded by the Drainage DCCs that have been approved during 2016 through the Amendments to the 5 Year Consolidated Financial Plan (2016 – 2020) Bylaw 9521, Amendment Bylaw 9616:

Location	Type of Infrastructure / Description
Horseshoe Slough	Pump station upgrade
No. 2 Road South	Pump station upgrade
Shell Road North	Pump station upgrade

DRAINAGE – 2017 Projects

This table summarizes all projects funded by the Drainage DCCs that have been approved in the 2017 Capital Budget:

No projects funded from Drainage DCC's in 2017.

PARKS – 2016 Expenditures

This table summarizes all projects approved in 2016 and earlier that had expenditures funded by the Parks DCCs during 2016:

Location	Type of Infrastructure / Description
Britannia Shipyards	Britannia Heritage Shipyard improvements
City Wide	Characterization - neighbourhood parks
Saba Road and Buswell Street	Characterization - neighbourhood parks
Steveston Town Square	Development of neighbourhood park
West Cambie	Development of neighbourhood park
Fraserwood Trail	Dyke Road Fraserwood Road Widening and Trail Connection
Garden City Lands	Garden City lands – phase 1
Various	General development
Hollybridge Way and Middle Arm	Hollybridge Way and Middle Arm pier
Cambie Area	Neighbourhood park
Cambie Road & Hazelbridge	Neighbourhood park
Parkland Acquisition	Parkland acquisition and repayment
Various	Parks advance planning & design
King George Park	Playground improvement
The Gardens Agricultural Park	The Gardens Agricultural Park – phase 2
Various Locations	Trails
Middle Arm Waterfront	Upgrade/ beautification of the waterfront
Terra Nova Rural Park	Washrooms and landscaping

PARKS – 2017 Projects

This table summarizes all projects funded by the Parks DCCs that have been approved in the 2017 Capital Budget:

Location	Type of Infrastructure / Description
Britannia shipyards	Britannia landscaping improvements and wayfinding
Cambie area	Cambie City Center Park
Garden City Lands	Garden City lands phase 2
London Steveston Park	London Steveston phase 1
Minoru Park	Minoru Latrace backstop upgrades
Rideau Park	Park playground improvements
Various	Parkland acquisition
Various	Parks advance planning and design
Various	Parks general development
Various	Playground improvement program

ROADS – 2016 Expenditures

This table summarizes all projects approved in 2016 and earlier that had expenditures funded by the Roads DCCs during 2016:

Location	Type of Infrastructure / Description
City-wide	Accessible pedestrian signal program
City-wide	Active transportation improvement program
City-wide	Arterial roadway improvement program
City-wide	Functional and preliminary design (Transportation)
City-wide	Infrastructure advanced design
Lansdowne Road - Alderbridge Way to Minoru Blvd.	Interim road extension
City-wide	Lansdowne Road repayment
City-wide	Neighbourhood traffic safety program
City-wide	Neighbourhood walkway program
City-wide	Nelson Road interchange repayment
City-wide	Pedestrian and roadway improvement program
City-wide	River Road/North Loop repayment
Lockhart Road	Road improvements
No. 2 Road - Steveston Highway to Dyke Road	Road widening
Westminster Hwy: Nelson Rd to McMillan Way	Road widening
Dyke Road - Fraserwood Road	Road widening and trail connection
City-wide	Special crosswalk improvement program
City-wide	Traffic calming program
City-wide	Traffic signal program
City-wide	Transit-related amenity improvement program
City-wide	Transit-related roadway improvement program

ROADS – 2017 Projects

This table summarizes all projects funded by the Roads DCCs that have been approved in the 2017 Capital Budget:

Location	Type of Infrastructure / Description
City-wide	Accessible pedestrian signal program
City-wide	Active transportation improvement program
City-wide	Arterial roadway improvement program
City-wide	Functional and preliminary design (Transportation)
City-wide	Infrastructure advanced design
City-wide	Lansdowne Road repayment
City-wide	Neighbourhood walkway program
City-wide	Nelson Road interchange repayment
No. 4 Road to Van Home Way	River drive multi-use pathway
Gilbert to Cambie Road	River parkway (Phase 1) - design
City-wide	River Road/North Loop repayment
City-wide	Special crosswalk program
City-wide	Traffic calming program
City-wide	Traffic signal program
City-wide	Traffic video and communication program
City-wide	Transit-related amenity improvement program
City-wide	Transit-related roadway improvement program

SEWER – 2016 Expenditures

This table summarizes all projects approved in 2016 and earlier that had expenditures funded by the Sewer DCCs during 2016:

Location	Type of Infrastructure / Description
Lane North of 5600 Cedarbridge Way	Pump station and forcemain assessments and upgrades
8600-Cook Road	Pump station replacement
Broadmoor Sanitary Area	Pump station replacement
Cooney Rd, Spires Gate, Cook Gate and Cook Rd	Sewer and replacement and upgrades
Brown/ Leslie Road	Sewer upgrades

SEWER – 2017 Projects

This table summarizes all projects funded by the Sewer DCCs that have been approved in the 2017 Capital Budget:

Location	Type of Infrastructure / Description
Hamilton area	Hamilton area sanitary sewer and pump station

WATER – 2016 Expenditures

This table summarizes all projects approved in 2016 and earlier that had expenditures funded by the Water DCCs during 2016:

Location	Type of Infrastructure / Description
City-wide	Minor capital
Ryan Road Area	Watermain replacement
Ledway Area	Watermain replacement
Lulu Island West Area	Watermain replacement and upgrade
Lulu Island West Area - Steveston East	Watermain replacement and upgrade
North Beckwith Gate	Watermain replacement and upgrade
North Park Road	Watermain replacement and upgrade
West Woodward Road	Watermain replacement and upgrade
Cooney Rd, Spires Gate, Cook Gate and Cook Rd	Watermain replacement and upgrades

WATER – 2017 Projects

This table summarizes all projects funded by the Water DCCs that have been approved in the 2017 Capital Budget:

Location	Type of Infrastructure / Description
Lulu Island North Area	Watermain replacement