



General Purposes Committee

Anderson Room, City Hall
6911 No. 3 Road

Monday, November 4, 2019
4:00 p.m.

Pg. # ITEM

MINUTES

GP-7 *Motion to adopt the **minutes** of the meeting of the General Purposes Committee held on October 21, 2019.*



DELEGATIONS

1. RainCity Housing to present a summary of the management of the housing at 6999 Alderbridge Way.

FINANCE AND CORPORATE SERVICES DIVISION

2. **MUNICIPAL AND REGIONAL DISTRICT TAX (MRDT) REVENUE FROM ONLINE ACCOMMODATION PLATFORMS**
(File Ref. No. 08-4150-03-01) (REDMS No. 6271592)

GP-11

See Page GP-11 for full report

Designated Speaker: Katie Ferland

STAFF RECOMMENDATION

- (1) *That staff be directed to submit the necessary documentation to Destination BC for allocation of future Online Accommodation Platform (OAP) Municipal and Regional District Tax (MRDT) revenue to affordable housing initiatives in accordance with the City's Affordable Housing Strategy; and*
- (2) *That Municipal and Regional District Tax Imposition Bylaw No. 9631, Amendment Bylaw No. 10099, to add "affordable housing initiatives" as a permitted use for Online Accommodation Platform (OAP) MRDT revenue be introduced and given first, second and third reading.*



3. **2020 COUNCIL AND COMMITTEE MEETING SCHEDULE**

(File Ref. No. 01-0105-01) (REDMS No. 6307140 v. 2)

GP-20

See Page GP-20 for full report

Designated Speaker: Claudia Jesson

STAFF RECOMMENDATION

That the 2020 Council and Committee meeting schedule (Option 1), as shown in Attachment 1 to the staff report dated September 19, 2019, from the Director, City Clerk's Office, be approved with the following revisions as part of the regular August meeting break and December holiday season:

- (1) *That the Regular Council meetings (open and closed) of August 10, August 24, and December 28, 2020 be cancelled;*
- (2) *That the August 17, 2020 Public Hearing be rescheduled to September 8, 2020 at 7:00 p.m. in the Council Chambers at Richmond City Hall; and*
- (3) *That the December 21, 2020 Public Hearing be rescheduled to December 14, 2020 at 7:00 p.m. in the Council Chambers at Richmond City Hall.*



ENGINEERING AND PUBLIC WORKS DIVISION

4. **2020 DISTRICT ENERGY UTILITY RATES AND BYLAW HOUSEKEEPING AMENDMENTS**

(File Ref. No. 10-6600-10-02) (REDMS No. 6242601 v. 6)

GP-26

See Page GP-26 for full report

Designated Speaker: Peter Russell

STAFF RECOMMENDATION

- (1) *That the Alexandra District Energy Utility Bylaw No. 8641, Amendment Bylaw No. 10085 be introduced and given first, second and third readings; and*
- (2) *That the Oval Village District Energy Utility Bylaw No. 9134, Amendment Bylaw No.10086 be introduced and given first, second and third readings; and*
- (3) *That the City Centre District Energy Utility Bylaw No. 9895, Amendment Bylaw No.10087 be introduced and given first, second and third readings.*



COMMUNITY SAFETY DIVISION

5. **REVIEW OF LICENCING AND ENFORCEMENT OF SHORT-TERM RENTALS**

(File Ref. No. 12-8275-01) (REDMS No. 6201134 v. 7)

GP-76

See Page GP-76 for full report

Designated Speaker: Carli Williams

STAFF RECOMMENDATION

- (1) *That Richmond Zoning Bylaw No. 8500, Amendment Bylaw No. 10066, to clarify the definition of Boarding and Lodging, be introduced and given first reading;*
- (2) *That a business licensing program for Short-Term Boarding and Lodging be introduced and:*
 - (a) *That a new Regular Full-Time Licence Clerk position be approved and a position compliment control number assigned in order to administer the business licensing program; and*

- (b) *That each of the following Bylaws be introduced and given first, second and third readings in order to implement a licencing program, including new ticketing provisions, for Short-Term Boarding and Lodging:*
- (i) *Business Licence Bylaw No. 7360, Amendment Bylaw No. 10067;*
 - (ii) *Business Regulation Bylaw No. 7538, Amendment Bylaw No. 10068;*
 - (iii) *Municipal Ticket Information Bylaw No. 7321, Amendment Bylaw No. 10069;*
 - (iv) *Notice of Bylaw Violation Dispute Adjudication Bylaw No. 8122, Amendment Bylaw No. 10070; and*
 - (v) *Consolidated Fees Bylaw No. 8636, Amendment Bylaw No. 10089; and*
- (3) *That the addition of two full-time bylaw enforcement officers, as described in this staff report “Review of Licencing and Enforcement of Short-Term Rentals” dated October 1, 2019, from the General Manager, Community Safety be considered as a one-time expenditure, to be reviewed annually.*



6. **REVIEW OF STAFFING AND SERVICE LEVELS RELATED TO BYLAW ENFORCEMENT (EXCLUDING SHORT-TERM RENTALS)**
(File Ref. No. 12-8060-01) (REDMS No. 6201149 v. 8)

GP-99

See Page GP-99 for full report

Designated Speaker: Carli Williams

STAFF RECOMMENDATION

- (1) *That “Option A – Enhanced Enforcement” as described in the report titled, “Review of Staffing and Service Levels Related to Bylaw Enforcement (Excluding Short-Term Rentals)”, dated October 10, 2019, from the General Manager Community Safety, be endorsed; and*

- (2) *That a position complement control number be assigned to create a new Regular Full-Time Business License Inspector position using existing funding.*



COMMUNITY SERVICES DIVISION

7. **LOCAL ART PLANS, VISION AND THEMES, OPPORTUNITIES FOR YOUNG AND EMERGING ARTISTS AND COUNCIL APPROVAL OF PRIVATE DEVELOPMENT PUBLIC ART AND DEVELOPER CONTRIBUTIONS – NEW POLICY**

(File Ref. No. 11-7000-00) (REDMS No. 6272541 v. 7)

GP-110

[See Page GP-110 for full report](#)

Designated Speakers: Liesl Jauk & Biliانا Velkova

STAFF RECOMMENDATION

As per Council direction, as outlined in the report titled, “Local Art Plans, Vision and Themes, Opportunities for Young and Emerging Artists and Council Approval of Private Development Public Art and Developer Contributions – New Policy” from the Director, Arts, Culture and Heritage Services dated September 17, 2019:

- (1) *a new Public Art Program Policy (Attachment 7) be adopted, which includes per Council direction:*
- (a) *Council approval for all new Public Art plans and projects generated through the Public Art Program on private as well as City-controlled property; and*
 - (b) *Council approval for the allocation of voluntary developer contributions to provide public art, contribute to the Public Art and Arts Facilities Programs Reserve Fund, or a combination of the two;*
- (2) *a new Public Art and Arts Facilities Programs Reserve Fund be established to receive funds under the new policy;*
- (3) *the Public Art Program Administrative Procedures Manual be updated to reflect these policy and procedural changes; and*

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ITEM

- (4) *the new Public Art Program Policy applies to Private Development applications submitted to the City after the date of Council approval of the new Policy.*

☐

ADJOURNMENT

☐



General Purposes Committee

Date: Monday, October 21, 2019

Place: Anderson Room
Richmond City Hall

Present: Mayor Malcolm D. Brodie, Chair
Councillor Chak Au
Councillor Carol Day
Councillor Kelly Greene
Councillor Alexa Loo
Councillor Bill McNulty
Councillor Linda McPhail
Councillor Harold Steves
Councillor Michael Wolfe

Call to Order: The Chair called the meeting to order at 4:00 p.m.

MINUTES

It was moved and seconded

That the minutes of the meeting of the General Purposes Committee held on October 7, 2019, and the Special General Purposes Committee held on October 15, 2019 be adopted as circulated.

CARRIED

FINANCE AND CORPORATE SERVICES DIVISION

1. **AWARD OF CONTRACT 6430P-PROVISION FOR MANAGED PRINT SERVICES**

(File Ref. No. 04-1300-01) (REDMS No. 6138283 v. 28)

General Purposes Committee
Monday, October 21, 2019

It was moved and seconded

- (1) *That Contract 6430P–Provision for Managed Print Services, for a five (5) year contract with the option to extend for two additional one-year periods, be awarded to Xerox Canada Ltd., for the total amount of \$840,527.85; and*
- (2) *That the Chief Administrative Officer and the General Manager, Finance and Corporate Services be authorized to negotiate and execute a managed print services contract with Xerox Canada Ltd. on the terms and conditions of the contract as outlined in Contract 6430P–Provision for Managed Print Services.*

CARRIED

ENGINEERING AND PUBLIC WORKS DIVISION

2. 2020 POLLINATOR PARTNERSHIP INITIATIVES

(File Ref. No. 10-6161-06) (REDMS No. 6236942 v. 11)

Discussion ensued with regard to incorporating the initiatives with other City programs and promoting the preservation of bat habitat.

In reply to queries from Committee, staff noted that staff can examine potential programs that discourage use of the illegal bat market and that the partnership with Border Free Bees will have no financial impact to the City.

It was moved and seconded

That, as described in the report titled ‘2020 Pollinator Initiatives’ from the Manager, Environment, dated September 18, 2019:

- (1) *staff collaborate with Border Free Bees to carry out the Richmond Nectar Trail Pilot Project;*
- (2) *staff inform Council in 2020 with information on the final route for the Nectar Trail route in Richmond; and*
- (3) *the City of Richmond pursues “Bat-Friendly Community” certification from the Community Bat Programs of BC.*

CARRIED

COMMUNITY SAFETY DIVISION

3. **FINAL REGULATIONS FOR NEW CANNABIS PRODUCTS:
EDIBLES, EXTRACTS AND TOPICALS**

(File Ref. No. 09-5350-01) (REDMS No. 6222948 v. 4)

Discussion ensued with regard to (i) aligning of fines related to vaping with fines related to smoking, (ii) tracking medical incidents related to the consumption of cannabis products, (iii) collaborating with Vancouver Coastal Health on cannabis educational programs, and (iv) updating signage in public washrooms to discourage use of cannabis products.

In reply to queries from Committee, staff noted that staff can discuss fines related to cannabis offenses with the RCMP and odour-related complaints on the cultivation of cannabis are received by Metro Vancouver. Staff added that Metro Vancouver will be reviewing policies aimed at regulating odours related to cannabis production.

It was moved and seconded

- (1) *That the report titled “Final Regulations for New Cannabis Products: Edibles, Extracts and Topicals,” dated September 23, 2019, from the General Manager, Community Safety, be received for information;*
- (2) *That staff examine the discrepancies of the penalties related to smoking offenses compared to vaping offenses, and report back; and*
- (3) *That staff examine signage requirements related to cannabis in public facilities, and report back.*

CARRIED

COMMUNITY SERVICES DIVISION

4. **YOUTH CITY COUNCIL**

(File Ref. No. 07-3000-01) (REDMS No. 6236478 v. 13)

In reply to queries from Committee, staff noted that the proposed Youth Civic Engagement Program’s schedule would allow for participation of more youth, have a shorter time commitment, and be more operationally manageable compared to the Youth Council option.

Discussion ensued with regard to existing community youth civic education programs and combining aspects of the Youth Council option with the proposed Youth Civic Engagement Program such as mock Council meetings and annual conferences.

General Purposes Committee
Monday, October 21, 2019

It was moved and seconded

- (1) *That the Youth Civic Engagement Program (Option 1) as described in the staff report titled "Youth City Council," dated October 8, 2019, from the Director, Community Social Development be approved;*
- (2) *That staff consider establishing an annual conference for all program participants and explore collaboration opportunities such as mock Council meetings and visits with City Council members; and*
- (3) *That the Youth Civic Engagement Program be reviewed in one year.*

The question on the motion was not called as discussion ensued with regard to (i) extending participation to younger-aged youth and young adults, (ii) maintaining participation and interest in the Program, and (iii) collaborating with local post-secondary institutions on development of youth civic programs.

The question on the motion was then called and it was **CARRIED** with Cllrs. Day, Greene and Wolfe opposed.

ADJOURNMENT

It was moved and seconded

That the meeting adjourn (4:45 p.m.).

CARRIED

Certified a true and correct copy of the Minutes of the meeting of the General Purposes Committee of the Council of the City of Richmond held on Monday, October 21, 2019.

Mayor Malcolm D. Brodie
Chair

Evangel Biason
Legislative Services Coordinator



City of Richmond

Report to Committee

To: General Purposes Committee
From: Laurie Bachynski
Director, Corporate Business Service
Solutions
Date: October 18, 2019
File: 08-4150-03-01/2019-Vol 01
Re: **Municipal and Regional District Tax (MRDT) Revenue from Online
Accommodation Platforms**

Staff Recommendation

1. That staff be directed to submit the necessary documentation to Destination BC for allocation of future Online Accommodation Platform (OAP) Municipal and Regional District Tax (MRDT) revenue to affordable housing initiatives in accordance with the City's Affordable Housing Strategy.
2. That Municipal and Regional District Tax Imposition Bylaw No. 9631, Amendment Bylaw No. 10099, to add "affordable housing initiatives" as a permitted use for Online Accommodation Platform (OAP) MRDT revenue be introduced and given first, second and third reading.

Laurie Bachynski
Director, Corporate Business Service Solutions
(4335)

Att. (3)

REPORT CONCURRENCE		
ROUTED TO:	CONCURRENCE	CONCURRENCE OF GENERAL MANAGER
Law	<input checked="" type="checkbox"/>	
Affordable Housing	<input checked="" type="checkbox"/>	
Bylaws	<input checked="" type="checkbox"/>	
Finance	<input checked="" type="checkbox"/>	
REVIEWED BY STAFF REPORT / AGENDA REVIEW SUBCOMMITTEE	INITIALS: 	APPROVED BY CAO

Staff Report

Origin

The City of Richmond is a designated recipient of a 3% Municipal and Regional District Tax (MRDT), commonly known as the “hotel tax”, for the period July 1, 2017 to June 30, 2022. These funds are administered by the City through partnerships with the Richmond Hotel Association and Tourism Richmond.

The purposes for which these funds may be expended are established in the *Provincial Sales Tax Act* and accompanying Designated Accommodation Area Tax Regulation 93/2013 and are prescribed in the City of Richmond Municipal and Regional District Tax Imposition Bylaw No. 9631 as follows:

- a) tourism marketing, programs and projects;
- b) sport hosting marketing, programs and projects; and
- c) destination enhancement initiatives, including capital and non-capital investments in and operation of tourism attractions (including construction or renovation of infrastructure); major events; tourism product development; and direct sales.

In October 2018, changes were made to the legislation that allow the City to use MRDT funds collected through Online Accommodation Platforms (OAPs), such as Airbnb, for affordable housing initiatives.

This report supports Council’s Strategic Plan 2018-2022 Strategy #6 Strategic and Well-Planned Growth and #7 A Supported Economic Sector as follows:

- 6.5 *Ensure diverse housing options are available and accessible across the housing continuum; and,*
- 7.0 *Facilitate diversified economic growth through innovative and sustainable policies, practices and partnerships.*

Background

Overview

In 2018 the Province of BC made changes to the *Provincial Sales Tax Act* to expand the collection of the Municipal and Regional District Tax (MRDT) to include all short-term rental accommodations. The changes also allow local governments to use MRDT revenue collected through Online Accommodation Platforms (OAPs), such as Airbnb, to fund affordable housing initiatives.

Since October 2018 the City of Richmond has been receiving Online Accommodation Platform (OAP) MRDT revenue in addition to General MRDT revenue, both of which are described below:

General MRDT: revenues collected from traditional accommodation providers, including hotels and motels, bed and breakfasts, and vacation rental reservation systems that list properties with verifiable property managers.

Online Accommodation Platform (OAP) MRDT: new revenues collected from online marketplaces that facilitate transactions for renting short-term accommodation (many of which operate across jurisdictions) and typically list basement suites, individual rooms, or other forms of accommodation (such as trailers or motor homes).

In Richmond the General MRDT revenue is administered and managed under two contracts, the terms of which coincide with the Provincial Regulation that is in effect from July 1, 2017 to June 30, 2022. These two agreements govern the distribution of revenue among the tourism partners (the Richmond Hotel Association, Tourism Richmond, and the City of Richmond), and designate Tourism Richmond as the City's destination marketing organization. In 2018 approximately \$6.5 million of General MRDT revenue was received and used to fund tourism marketing and development in Richmond.

While General MRDT revenue cannot be used for affordable housing initiatives because of the above-noted partnerships and corresponding legal agreements, the City has the discretion to use all or part of future Online Accommodation Platform (OAP) MRDT revenue to fund affordable housing initiatives.

Analysis

Since the Provincial legislation changes came into effect, \$238,466.70 in Online Accommodation Platform (OAP) MRDT revenue was received by the City of Richmond over the nine-month period from October 2018 to June 2019. This amount has been added to General MRDT revenue and used to fund tourism marketing and destination enhancement initiatives.

Starting January 1, 2020, the City can allocate Online Accommodation Platform (OAP) MRDT revenue to affordable housing initiatives. Funds would be transferred to the City's Affordable Housing Reserve and spent on future projects in accordance with the City's Affordable Housing Strategy. As directed by City Policy 5008, the Affordable Housing Reserve is intended to support a range of City activities, including the acquisition of sites for affordable housing development; administration costs related to affordable housing projects; research and analysis; and other administrative related expenditures. In the last decade, the Affordable Housing Reserve has provided funding for a range of projects including the construction of the Storeys and Kiwanis Towers developments, as well as advancing actions in the City's Affordable Housing Strategy (2017-2027) and Homelessness Strategy (2019-2029). Specific affordable housing initiatives, including those which may directly or indirectly benefit the tourism and hospitality sector, will be brought forward for Council's consideration as they are developed.

Based on the amount of revenue received to date, it is estimated that the City will receive approximately \$320,000 of Online Accommodation Platform (OAP) MRDT revenue annually. Only a rough estimate can be provided at this stage as this new tax has not yet been in place for a complete annual cycle. This amount may also fluctuate as the number of short term rental

accommodation units rented using online booking platforms changes or as the City increases enforcement of illegal short term rentals.

Status of Short-Term Rentals in Richmond

In 2017 the City of Richmond introduced regulations to strengthen the City's bylaws related to short-term accommodation rentals (rentals of less than 30 days). There are currently two types of short-term rentals permitted in Richmond and these are described below.

- **Bed and Breakfast (B&B)** can be operated in a single detached housing dwelling unit where the home owner resides in the home and runs the business. A business licence is required and operators can host no more than six guests in up to three rooms. In addition, B&B's approved since 2017 can be no less than 500m apart.
- **Boarding and Lodging** applies when the owner or occupier of a residential unit hosts up to two guests at a time. This is a permitted use in all residential units and has existed in the Zoning Bylaw since it was first adopted. There is currently no requirement to obtain a business licence for Boarding and Lodging.

Both types of legal short-term rentals must be "hosted" by permanent residents of the residential unit. The short-term rental of an entire house or residential unit, with no permanent resident, is not permitted in Richmond under any circumstance. There are currently 67 licenced B&B's in Richmond operating 194 rooms. The number of boarding and lodging operations cannot be provided as there is currently no licensing system for this form of short-term rental.

Along with the above noted regulation changes, staff have also increased enforcement activity against illegal short-term rental operations. This has resulted in the issuance of approximately 200 tickets and the closure of over 600 illegal operations since 2017. Enforcement of illegal short-term rentals continues to be a priority for the City's bylaw enforcement department.

Implementation

Allocating future Online Accommodation Platform (OAP) MRDT revenue to affordable housing initiatives would require an amendment to Municipal and Regional District Tax Imposition Bylaw No. 9631, as well as submission of an Affordable Housing Plan to Destination BC by November 30, 2019. It would not impact the established tourism development partnership model under which General MRDT is administered and used to fund tourism marketing and destination enhancement initiatives.

Consultation with Tourism Partners

The Richmond Hotel Association and Tourism Richmond were consulted regarding the allocation of future Online Accommodation Platform (OAP) MRDT revenue to affordable housing initiatives, and both parties expressed their endorsement of this recommendation. Individual letters from the Richmond Hotel Association and Tourism Richmond are attached for reference.

Financial Impact

It is estimated that the City will receive approximately \$320,000 annually in Online Accommodation Platform (OAP) MRDT revenue. Beginning January 1, 2020, these funds can be transferred to the City's Affordable Housing Reserve and used to fund affordable housing initiatives.

Conclusion

Since October 2018 the City has been receiving a new stream of MRDT revenue from Online Accommodation Platforms (OAPs), such as Airbnb, that facilitate transactions for renting short-term accommodation. Moving forward the City has the discretion to use this revenue to fund affordable housing initiatives without impacting the established tourism development partnership model under which General MRDT is administered and used to fund tourism marketing and development in Richmond. In order to implement this change an amendment to Municipal and Regional District Tax Imposition Bylaw No. 9631 is required, as well as submission of an Affordable Housing Plan to Destination British Columbia by November 30, 2019.



Katie Ferland
Acting Manager, Economic Development
(604-247-4923)

- Att. 1 Municipal and Regional District Tax Imposition Bylaw No. 9631
- Att. 2 Letter of Endorsement from Richmond Hotel Association
- Att. 3 Letter of Endorsement from Tourism Richmond



City of
Richmond

Bylaw 9631

Municipal and Regional District Tax Imposition Bylaw No. 9631

The Council of the City of Richmond enacts as follows:

- 1) The Lieutenant Governor in Council is hereby requested to issue a regulation under Section 123(1) of the *Provincial Sales Tax Act* in respect to imposing a tax on accommodation purchased within the whole of the City of Richmond from and including July 1, 2017 to and including June 30, 2022.
- 2) The tax to be imposed under the provisions of the regulation referred to in section 1 of this Bylaw is requested to be three percent of the purchase price of the accommodation.
- 3) The purposes for which the amount paid to the City of Richmond out of the revenue collected from the tax to be imposed under the provisions of the regulation referred to in section 1 of this Bylaw may be expended are:
 - a) tourism marketing, programs and projects;
 - b) sport hosting marketing, programs and projects; and
 - c) destination enhancement initiatives, including capital and non-capital investments in and operation of tourism attractions (including construction or renovation of infrastructure); major events; tourism product development; and direct sales.
- 4) This Bylaw is cited as “**Municipal And Regional District Tax Imposition Bylaw No. 9631**” and is effective July 1, 2017.



City of Richmond
6911 No. 3 Road
Richmond, BC
V6Y 2C1

Attn: Katie Ferland, Acting Manager, Economic Development

The Richmond Hotel Association submits this letter of endorsement to the City of Richmond with regards to the City's application of the Online Accommodations Platform Municipal and District Revenue Tax (MRDT) Revenue towards affordable housing initiatives.

The Association membership was polled for feedback and the result, without exception, was to endorse this very important initiative.

Regards,

A handwritten signature in blue ink, appearing to read 'Steve Veinot'. The signature is fluid and cursive.

Steve Veinot
Richmond Hotel Association Chair
Cc: Andrew Nazareth, Debbie Morris



205 South Tower, 5811 Cooney Rd
Richmond, British Columbia
Canada, V6X 3M1
604 821 5474
info@tourismrichmond.com

City of Richmond
6911 No. 3 Road
Richmond, BC
V6Y 2C1

Attn: Katie Ferland, Acting Manager, Economic Development

Tourism Richmond submits this letter of endorsement to the City of Richmond with regards to the City's application of the Online Accommodations Platform Municipal and District Revenue Tax (MRDT) Revenue towards affordable housing initiatives.

We recognize the need for affordable housing initiatives and projects in Richmond. Realizing the City's vision of becoming the most appealing, livable and well-managed community in Canada requires a significant investment of time, human resources and funding.

We all work to attract people to our city. We are confident the additional revenue generated by the Online Accommodations Platform MRDT will go a long way to help create the ideal live-work-play city for residents, Tourism Richmond stakeholders and visitors alike.

Sincerely,

A handwritten signature in black ink that reads "Nancy Small". The signature is written in a cursive, flowing style.

Nancy Small
Chief Executive Officer
Tourism Richmond



**Municipal and Regional District Tax Imposition Bylaw No. 9631
Amendment Bylaw No. 10099**

The Council of the City of Richmond enacts as follows:



1. The Municipal and Regional District Tax Imposition Bylaw No. 9631 is amended as follows:
 - a) by adding the phrase "Except as provided in Section 4," to the beginning of Section 3;
and
 - b) by renumbering Section 4 so it appears as Section 5 and by adding the following as Section 4:
 - 4) The amounts paid to the City of Richmond out of the revenue collected from the tax imposed on purchases through online accommodation platforms may be expended on affordable housing initiatives.
2. This Bylaw is cited as "Municipal and Regional District Tax Imposition Bylaw No. 9631, Amendment Bylaw No. 10099" and is effective January 1, 2020.

FIRST READING

SECOND READING

THIRD READING

ADOPTED

CITY OF RICHMOND
APPROVED for content by originating dept. 
APPROVED for legality by Solicitor 

MAYOR

CORPORATE OFFICER



City of Richmond

Report to Committee

To: General Purposes Committee

Date: September 19, 2019

From: Claudia Jesson
Director, City Clerk's Office

File: 01-0105-01

Re: 2020 Council and Committee Meeting Schedule

Staff Recommendation

That the 2020 Council and Committee meeting schedule (Option 1), as shown in Attachment 1 to the staff report dated September 19, 2019, from the Director, City Clerk's Office, be approved with the following revisions as part of the regular August meeting break and December holiday season:

1. That the Regular Council meetings (open and closed) of August 10, August 24, and December 28, 2020 be cancelled;
2. That the August 17, 2020 Public Hearing be rescheduled to September 8, 2020 at 7:00 p.m. in the Council Chambers at Richmond City Hall; and
3. That the December 21, 2020 Public Hearing be rescheduled to December 14, 2020 at 7:00 p.m. in the Council Chambers at Richmond City Hall.

Claudia Jesson
Director, City Clerk's Office

Att. 2

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

Staff Report

Origin

Under the *Community Charter* and the Council Procedure Bylaw, Council must provide for advance public notice of Council and Committee meetings and, at least once per year, advertise the availability of the Council meeting schedule. Accordingly, the 2020 Council meeting schedule is being presented at this time to provide certainty and advance notice of Council's regular meeting schedule.

This report supports Council's Strategic Plan 2018-2022 Strategy #8 An Engaged and Informed Community:

Ensure citizens are well-informed with timely, accurate and easily accessible communication using a variety of methods and tools.

Analysis

Option 1 – August Meeting Break, December Holiday Season and a change to accommodate the Union of BC Municipalities (UBCM) convention (RECOMMENDED)

It has been the City's usual practice to observe a meeting break in August and to close City Hall during the December holiday season. In 2020, City Hall will be closed on Friday, December 25 and will re-open on Monday, January 4, 2021. In accordance with the Council Procedure Bylaw No. 7560, Council resolutions are required for any changes to the prescribed Council meeting schedule.

Changes to the Committee meeting dates may also be altered at the discretion of the Chair as circumstances arise closer to the dates of the meetings and do not require a Council resolution. Following the 2019 December City Hall closure, City Hall will re-open on Thursday, January 2, 2020 and the General Purposes and Finance Committees would fall on Monday, January 6, 2020 and the Planning Committee on Tuesday, January 7, 2020.

July 2020 Committee Meetings

Further proposed changes to the Committee schedule is a change to the Parks, Recreation and Cultural Services Committee (PRCS) meeting scheduled that would normally fall on July 28, 2020, the day after the last Council meeting before the August meeting break. In order for Council to consider any recommendations from this meeting at the Regular Council meeting of July 27, 2020, it is proposed that the PRCS meeting be moved to the previous week, following the Public Works and Transportation Committee on Wednesday, July 22, 2020.

August 2020 Meeting Break

In order to accommodate an August meeting break, it is recommended that the Regular Council meetings (open and closed) of August 10 and 24, 2020 and the Committee meetings associated to those Council meeting cycles be cancelled.

With regard to the August Public Hearing, in keeping with past practice, staff propose that it be rescheduled from August 17, 2020 to September 8, 2020. This change to the Public Hearing schedule minimizes the delay, due to the August meeting break, for consideration of land use applications that have been given first reading. There would be no need for a second scheduled Public Hearing during the third week of September.

UBCM Convention – September 21 to 25, 2020

In 2016, Council first considered whether changes to the meeting schedule would be made to accommodate attendance at the FCM or UBCM Conventions and the direction given was that the circumstances be considered each year.

With regards to the FCM, no schedule change would be necessary to accommodate the FCM convention as the 2020 convention (June 4 - 7, 2020) does not conflict with any usual meeting days.

As the UBCM convention is scheduled for September 21 - 25, 2020 in Victoria, staff recommend that the 2020 Council and Committee schedule be adjusted accordingly to enable Council members to attend the convention. Should Option 1 be endorsed, the meeting schedule would be adjusted to accommodate the convention as follows:

- the September 15, 2020 Community Safety Committee meeting be rescheduled for September 9, 2020, following the Planning Committee meeting;
- the September 21, 2020 General Purposes Committee meeting be rescheduled for September 15, 2020;
- the September 22 and the September 23, 2020 Planning Committee and Public Works and Transportation Committee be rescheduled in tandem on September 16, 2020; and
- the September 16, 2020 Development Permit Panel meeting be rescheduled to September 17, 2020.

Matters arising from September 15th and 16th Committees would be considered at the Regular Council meeting on September 28, 2020. These adjustments would avoid a scheduling conflict for Council members wishing to attend the UBCM convention.

December 2020 Committee Meetings

In order to accommodate the December 2020 Holiday Season and City Hall closure, staff are proposing the following schedule adjustments:

- cancel the open and closed Regular Council meetings that would otherwise fall during the 2020 December holiday season (on December 28, 2020) and, instead hold a Special Council meeting, following the December 16, 2020 Public Works and Transportation Committee and Parks, Recreation and Cultural Services Committee meetings to consider any business arising from the Committees that is of a time-sensitive nature.

The Option 1 meeting schedule is presented in Attachment 1, which incorporates adjustments for the August meeting break, the 2020 UBCM Convention and the December Holiday Season City Hall closure.

It should be noted that the proposed December schedule, with the final Special Council meeting taking place on December 16th, will enable staff to prepare, compile and distribute the agenda packages for the first cycle of 2021 meetings before the 2020 City Hall closure. For year 2021, it is anticipated that the City Hall would re-open on Monday, January 4, 2021 and that the General Purposes and Finance Committees would be scheduled for that day.

Option 2 – Includes all proposed changes under Option 1 with no adjustments to accommodate the Union of BC Municipalities (UBCM) Convention

The July, August and December 2020 schedule would remain as proposed in Option 1.

September 2020 Meeting Schedule

With no adjustments proposed to accommodate the UBCM Convention, the September 2020 Committee and Council meetings would be scheduled in a typical arrangement with the exception of the September 21, 2020 Public Hearing, which would be rescheduled for September 8, 2020.

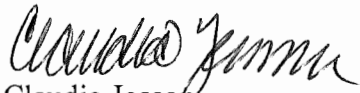
A draft meeting schedule for Option 2 is presented in Attachment 2, which incorporates adjustments for the August meeting break and the December Holiday Season City Hall closure.

Financial Impact

None.

Conclusion

It is recommended that the 2020 Council and Committee (Option 1) meeting schedule be approved as shown in Attachment 1. Should any unusual or urgent circumstances arise outside of the usual schedule, a Special Council meeting can be called with 24 hours' notice. In addition, Council and Committees may make adjustments to the meeting schedule through the year as circumstances may necessitate.



Claudia Jesson
Director, City Clerk's Office

Att. 1: Proposed 2020 Council and Committee Meeting Schedule - Option 1

Att. 2: Proposed 2020 Council and Committee Meeting Schedule - Option 2

SUN	MON	TUE	WED	THU	FRI	SAT	SUN	MON	TUE	WED	THU	FRI	SAT	SUN	MON	TUE	WED	THU	FRI	SAT
JANUARY							FEBRUARY							MARCH						
			STAT 1	2	3	4							1	1	GP 2	FC 3	PC 4	5	6	7
5	GP 6	FC 7	PC 8	9	10	11	2	GP 3	FC 4	PC 5	6	7	8	8	CO 9	CS 10	DP 11	12	13	14
12	CO 13	CS 14	DP 15	16	17	18	9	CO 10	CS 11	DP 12	13	14	15	15	GP 16	PH 17	PC 18	19	20	21
19	GP 20	PH 21	PWT 22	23	24	25	16	STAT 17	GP 18	PH 19	PWT 20	21	22	22	CO 23	PRC 24	DP 25	26	27	28
26	CO 27	PRC 28	DP 29	30	31		23	CO 24	PRC 25	DP 26	27	28	29	29	30	31				
APRIL							MAY							JUNE						
			1	2	3	4						1	2		GP 1	FC 2	PC 3	FCM 4	FCM 5	FCM 6
5	GP 6	FC 7	8	9	STAT 10	11	3	GP 4	FC 5	PC 6	7	8	9	FCM 7	CO 8	CS 9	DP 10	11	12	13
12	STAT 13	CO 14	CS 15	DP 16	17	18	10	CO 11	CS 12	DP 13	14	15	16	14	GP 15	PH 16	PWT 17	18	19	20
19	GP 20	PH 21	PWT 22	23	24	25	17	STAT 18	GP 19	PH 20	PWT 21	22	23	21	CO 22	PRC 23	DP 24	25	26	27
26	CO 27	PRC 28	DP 29	30			24	CO 25	PRC 26	DP 27	28	29	30	28	29	30				
							31													
JULY							AUGUST							SEPTEMBER						
			STAT 1	2	3	4							1			1	2	3	4	5
5	GP 6	FC 7	PC 8	9	10	11	2	STAT 3	4	5	6	7	8	6	STAT 7	GP 8	FC 9	PH 10	CS 11	12
12	CO 13	CS 14	DP 15	16	17	18	9	10	11	DP 12	13	14	15	13	CO 14	GP 15	PH 16	PWT 17	18	19
19	GP 20	PH 21	PWT 22	23	24	25	16	17	18	19	20	21	22	20	UBCM 21	UBCM 22	UBCM 23	UBCM 24	UBCM 25	26
26	CO 27	28	DP 29	30	31		23	24	25	DP 26	27	28	29	27	CO 28	PRC 29	DP 30			
							30	31												
OCTOBER							NOVEMBER							DECEMBER						
				1	2	3	1	GP 2	FC 3	PC 4	5	6	7			PC 1	2	3	4	5
4	GP 5	FC 6	PC 7	8	9	10	8	CO 9	CS 10	STAT 11	DP 12	13	14	6	CO 7	CS 8	DP 9	10	11	12
11	STAT 12	CO 13	CS 14	DP 15	16	17	15	GP 16	PH 17	PWT 18	19	20	21	13	GP 14	PH 15	PWT 16	PRC 17	CO 18	19
18	GP 19	PH 20	PWT 21	22	23	24	22	CO 23	PRC 24	DP 25	26	27	28	20	21	22	23	24	STAT 25	26
25	CO 26	PRC 27	DP 28	29	30	31	29	GP 30						27	STAT 28	29	30	31	STAT 1 JAN	2 JAN
														3 JAN						
											</									

October 23, 2019

- | | | | |
|-----------|---|-------------|--|
| CO | Regular Council Mtg., 7:00pm | PC | Planning, 4:00pm |
| | Regular (Closed) Council Mtg., 4:00pm | PH | Public Hearing, 7:00pm |
| CS | Community Safety, 4:00pm | PRC | Parks, Recreation & Cultural Services, 4:00pm |
| DP | Development Permit Panel, 3:30pm | PWT | Public Works & Transportation, 4:00pm |
| FC | Finance, following 1st General Purposes Meeting of each month | FCM | FCM |
| GP | General Purposes, 4:00pm | UBCM | UBCM |

Note: All meeting dates are subject to change.

2020 MEETING SCHEDULE

OPTION 2

SUN	MON	TUE	WED	THU	FRI	SAT	SUN	MON	TUE	WED	THU	FRI	SAT	SUN	MON	TUE	WED	THU	FRI	SAT
JANUARY							FEBRUARY							MARCH						
			STAT 1	2	3	4							1	1	GP 2	FC 3	4	5	6	7
5	GP 6	FC 7	8	9	10	11	2	GP 3	FC 4	5	6	7	8	8	CO 9	CS 10	DP 11	12	13	14
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26	CO 27	PRC 28	DP 29	30	31		23	CO 24	PRC 25	DP 26	27	28	29	29	30	31				
APRIL							MAY							JUNE						
			1	2	3	4						1	2		GP 1	FC 2	3	FCM 4	FCM 5	FCM 6
5	GP 6	FC 7	8	9	STAT 10	11	3	GP 4	FC 5	6	7	8	9	7	FCM 8	CO 9	CS 10	DP 11	12	13
12	STAT 13	CO 14	CS 15	DP 16	17	18	10	CO 11	CS 12	DP 13	14	15	16	14	GP 15	PH 16	PWT 17	18	19	20
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26	CO 27	PRC 28	DP 29	30			24	CO 25	PRC 26	DP 27	28	29	30	28	29	30				
							31													
JULY							AUGUST							SEPTEMBER						
			STAT 1	2	3	4							1			1	2	3	4	5
5	GP 6	FC 7	8	9	10	11	2	STAT 3	4	5	6	7	8	6	STAT 7	GP 8	FC 9	10	11	12
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19	GP 20	PH 21	PWT 22	23	24	25	16	17	18	19	20	21	22	20	GP 21	UBCM 22	PWT 23	UBCM 24	UBCM 25	26
26	CO 27	28	DP 29	30	31		23	24	25	DP 26	27	28	29	27	CO 28	PRC 29	DP 30			
							30	31												
OCTOBER							NOVEMBER							DECEMBER						
				1	2	3	1	GP 2	FC 3	4	5	6	7			PC 1	2	3	4	5
4	GP 5	FC 6	7	8	9	10	8	CO 9	CS 10	STAT 11	DP 12	13	14	6	CO 7	CS 8	DP 9	10	11	12
11	STAT 12	CO 13	CS 14	DP 15	16	17	15	GP 16	PH 17	PWT 18	19	20	21	13	GP 14	PH 15	PWT 16	17	18	19
18	GP 19	PH 20	PWT 21	22	23	24	22	CO 23	PRC 24	DP 25	26	27	28	20	21	22	23	24	STAT 25	26
25	CO 26	PRC 27	DP 28	29	30	31	29	GP 30						27	STAT 28	29	30	31	STAT 1 JAN	2 JAN
														3 JAN						

October 23, 2019

- CO** Regular Council Mtg., 7:00pm
Regular (Closed) Council Mtg., 4:00pm
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- PC** Planning, 4:00pm
- PH** Public Hearing, 7:00pm
- PRC** Parks, Recreation & Cultural Services, 4:00pm
- PWT** Public Works & Transportation, 4:00pm
- FCM** FCM
- UBCM** UBCM

Note: All meeting dates are subject to change.



City of Richmond

Report to Committee

To: General Purposes Committee

Date: August 30, 2019

From: Peter Russell, MCIP RPP
Director, Sustainability and District Energy

File: 10-6600-10-02/2019-
Vol 01

Re: 2020 District Energy Utility Rates and Bylaw Housekeeping Amendments

Staff Recommendation

1. That the Alexandra District Energy Utility Bylaw No. 8641, Amendment Bylaw No. 10085 be introduced and given first, second and third readings; and
2. That the Oval Village District Energy Utility Bylaw No. 9134, Amendment Bylaw No. 10086 be introduced and given first, second and third readings; and
3. That the City Centre District Energy Utility Bylaw No. 9895, Amendment Bylaw No. 10087 be introduced and given first, second and third readings.

Peter Russell, MCIP RPP
Director, Sustainability and District Energy
(604-276-4130)

Att. 8

REPORT CONCURRENCE		
ROUTED TO:	CONCURRENCE	CONCURRENCE OF GENERAL MANAGER
Finance Department Law	<input checked="" type="checkbox"/> <input checked="" type="checkbox"/>	
REVIEWED BY SMT	INITIALS:	APPROVED BY CAO

Staff Report

Origin

The purpose of this report is to recommend 2020 Alexandra District Energy Utility (ADEU), Oval Village District Energy Utility (OVDEU), and City Centre District Energy Utility (CCDEU) district energy utility rates. This report also proposes some housekeeping amendments to the ADEU and OVDEU Bylaws to ensure consistency across all DEU service area Bylaws. See Attachment 1 for a brief overview of the DEU service areas.

This report supports Council's Strategic Plan 2018-2022 Strategy #2: A Sustainable and Environmentally Conscious City:

Environmentally conscious decision-making that demonstrates leadership in implementing innovative, sustainable practices and supports the City's unique biodiversity and island ecology.

2.1 Continued leadership in addressing climate change and promoting circular economic principles.

2.2 Policies and practices that support Richmond's sustainability goals.

This report supports Council's Strategic Plan 2018-2022 Strategy #5 Sound Financial Management:

Accountable, transparent, and responsible financial management that supports the needs of the community into the future.

5.1 Maintain a strong and robust financial position.

Analysis

LIEC is a service provider appointed by Council to deliver energy services to its customers on behalf of the City. City Council is the regulator and thus sets customer rates for the ADEU, OVDEU and CCDEU service areas. In accordance with this structure, LIEC staff have assessed the following factors when developing the 2020 rate recommendation:

- **Financially self-sustainable:** The three service areas were established on the basis that all capital and operating costs would be recovered through revenues from user fees. The financial models for all three service areas have built in a rate increase of 4.0% annually to recover the capital, financing, operations, sales, general and administration costs to ensure the financial viability of the systems. The rate increase was based on the historical increase of conventional utility rates; this is consistent with the 4.0% average rate increase observed since the beginning of the DEU operations.

- **Concession Agreement between LIEC and Corix:** LIEC executed a concession agreement with Corix Utilities to design, construct, finance, operate and maintain the OVDEU. Under the agreement Corix recovers all capital and operating costs, as well as their return on investment. Corix's expenses are reviewed by LIEC in accordance with prudent utility practice. All obligations under the Concession Agreement have been met. Under the annual rate review process, as required under the Concession Agreement, Corix has submitted to LIEC a request for a 4.0% rate increase for 2020, as projected in the approved long term financial model, in order to continue the provision of the same level of service.
- **LIEC Cost Drivers:** Expenditures required to provide utility service include capital, operations, utilities, financing and administration costs. These costs are susceptible to non-discretionary increases due to material and equipment costs increases, rises in electricity and natural gas rates and general inflation. These costs are projected to increase in line with the requested 4.0% rate increase in 2020.
- **Competitive Rate:** The rate should provide end users with annual energy costs that are competitive to conventional system energy costs, based on the same level of service. For a residential customer, BC Hydro's rates are expected to increase in 2020. While natural gas commodity costs are expected to have a marginal increase in the Lower Mainland, Fortis BC customers will see increase in their rates in 2020 due to an increase in delivery charges and the escalation of the Provincial carbon tax. It is estimated that customers using energy from a conventional utility system in a Business as Usual (BAU) scenario would see a blended rate increase of around 2.5% in 2020¹, while the eight-year average blended BAU rate increase is estimated to be at 4.0% (see Table 1 below). LIEC customer rates have been increasing at or below the same pace as those of conventional utilities.

Table 1: Annual Percent Increase and 8-Year Average Comparison of Business as Usual (BAU) Rates

	2013	2014	2015	2016	2017	2018	2019	2020	8 Year Avg.
DEU Rate	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%
Blended BAU Rate	2.3%	6.5%	3.3%	4.5%	7.1%	2.4%	3.3%	2.5%	4.0%

Recommended Customer Rates

The DEU customer rates are inclusive of all capital, utility and operating costs required to provide energy services to the connected customers. The rates include replacement costs for the energy generation and distribution equipment; costs that would be borne by the customer if they weren't connected to a DEU system.

¹ The 2.5% blended increase for 2020 is based on an estimated 2.0% increase of electricity cost and a 3.1% increase in natural gas cost assuming that all energy was provided for heating. Non-fuel BAU costs are assumed to be 25% of total costs and that they increase by the CPI (2.0%).

LIEC utilities are still early in their operational life. The development of City Centre neighbourhoods is still in progress and the systems are continuously expanding. The utility (electricity and natural gas), operational, and maintenance costs are still largely based on the projections of the financial model. The initial capital investments required to start up the systems were significant and future infrastructure investment are still needed to be made in order to connect more customers and ensure future repayments and long term viability.

Taking into consideration the above factors, a 4.0% rate increase is recommended for the ADEU, OVDEU, and CCDEU services for 2020. The proposed rate increase follows the principle of full cost recovery. All capital, financing, operations, sales, general and administration costs, plus a marginal level of compensation for the risks and liabilities associated with the ownership and operation of the utilities (estimated at 2-5% in next 5 years), are recovered through revenues from user fees and the service fee², making LIEC a financially self-sustaining utility. The recommended rate increase also ensures the revenue necessary to recover these costs and obligations under the Concession Agreement with Corix. The proposed rate increase also follows LIEC financial models' rate increases. Not following these calculated rate increases could have a negative impact on the utility's financial performance by deferring payback, thus increasing the capital repayment deferral account balance and/or under-recovery of LIEC's operating expenses.

LIEC's Board of Directors has reviewed and approved the recommended 2019 LIEC rates for services. Attachments 6, 7 and 8 summarize the proposed 2020 rate for service for the ADEU, OVDEU and CCDEU service areas.

The recommended rate outlined in the proposed Alexandra District Energy Utility Bylaw No. 8641, Amendment Bylaw No. 10085, the proposed Oval Village District Energy Utility Bylaw No. 9134, Amendment Bylaw No. 10086, and the proposed City Centre District Energy Utility Bylaw No. 9895, Amendment Bylaw No. 10087 represents full cost recovery for the delivery of energy within the LIEC service areas.

Housekeeping Amendments

Housekeeping amendments are being proposed in the Alexandra District Energy Utility Bylaw No. 8641, Amendment Bylaw No. 10085, and Oval Village District Energy Utility Bylaw No. 9134, Amendment Bylaw No. 10086. The purpose of these amendments is to make the ADEU and OVDEU Bylaw definitions and structure more consistent with the more recently developed City Centre District Energy Utility Bylaw No. 9895, and to give developers more clarity on how service connection fees are calculated. These amendments will ensure consistency across all three Service area Bylaws.

Financial Impact

None.

² The service fee is for LIEC's services of advancing district energy opportunities in the City, which results in the numerous benefits to the local community. With or without LIEC, the City would need to fund these costs in order to successfully implement district energy initiatives for the City.

Conclusion

The recommended 4.0% increase for the 2020 LIEC service rates supports Council's objective to keep the annual energy costs for LIEC customers competitive with conventional energy costs, based on the same level of service. This rate increase also ensures sufficient revenues to offset the capital investment and operating costs. Staff will continuously monitor energy costs and review the rate to ensure fairness for consumers and cost recovery for LIEC.



Peter Russell, BAsC MSc MCIP RPP
Director, Sustainability & District Energy
(604-276-4130)

- Att.1: District Energy In Richmond
- Att.2: Alexandra Neighbourhood and ADEU Service Area Informational Map
- Att.3: Green House Gas Emissions Reduction Graph
- Att.4: Oval Village Neighbourhood and OVDEU Service Area Informational Map
- Att.5: City Centre Area and CCDEU Service Area Informational Map
- Att.6: ADEU Proposed 2020 Rates for Services
- Att.7: OVDEU Proposed 2020 Rates for Services
- Att.8: CCDEU Proposed 2020 Rates for Services

Attachment 1 – District Energy in Richmond

Richmond’s 2041 Official Community Plan (OCP) establishes a target to reduce greenhouse gas (GHG) emissions 33 per cent below 2007 levels by 2020 and 80 per cent by 2050. The OCP also aims to reduce energy use 10 per cent below 2007 levels by 2020. The City identified district energy utilities (DEUs) as a leading strategy to achieve City’s GHG reduction goals.

The City incorporated Lulu Island Energy Company Ltd. (LIEC) in 2013 for the purposes of carrying out the City’s district energy initiatives. LIEC owns and operates the Alexandra District Energy (ADEU) and Oval Village District Energy (OVDEU) Utilities and advances new district energy opportunities. Table 1 below provides a summary of the developments connected under the DEU service areas to-date.

Table 1 – District Energy Utility Service Areas

	Buildings To-Date	Residential Units To-Date	Floor Area	
			To-Date	Build-out
Alexandra District Energy Utility	10	1,736	1.9M ft ²	4.4M ft ²
Oval Village District Energy Utility	9	1,990	2.2M ft ²	6.4M ft ²
City Centre District Energy Utility	8 ⁽¹⁾	3,239 ⁽¹⁾	4.5Mft ² ⁽¹⁾	48M ft ²
DEU-Ready Developments ⁽²⁾	17	4,524	5.3M ft ²	N/A
Total Connected Floor Area			4.1M ft² ⁽³⁾	58.8M ft²

(1) Commitments secured from upcoming developments in the City Centre; first connection expected in 2021.

(2) DEU-Ready developments are designed to connect to the City Centre district energy system at a future point.

(3) The “To-Date Connected Floor Area” figure corresponds to constructed developments currently served by a DEU.

Alexandra District Energy Utility (ADEU)

ADEU provides heating and cooling services to seven residential buildings in the ADEU service area, the large commercial development at “Central at Garden City”, the Richmond Jamatkhana temple and Fire Hall No. 3, comprising over 1,735 residential units and over 1.9 million square feet of floor area. While some electricity is consumed for pumping and equipment operations, almost 100% of this energy is currently produced locally from the geo-exchange fields in the greenway corridor and West Cambie Park, and highly efficient air source heat pumps.

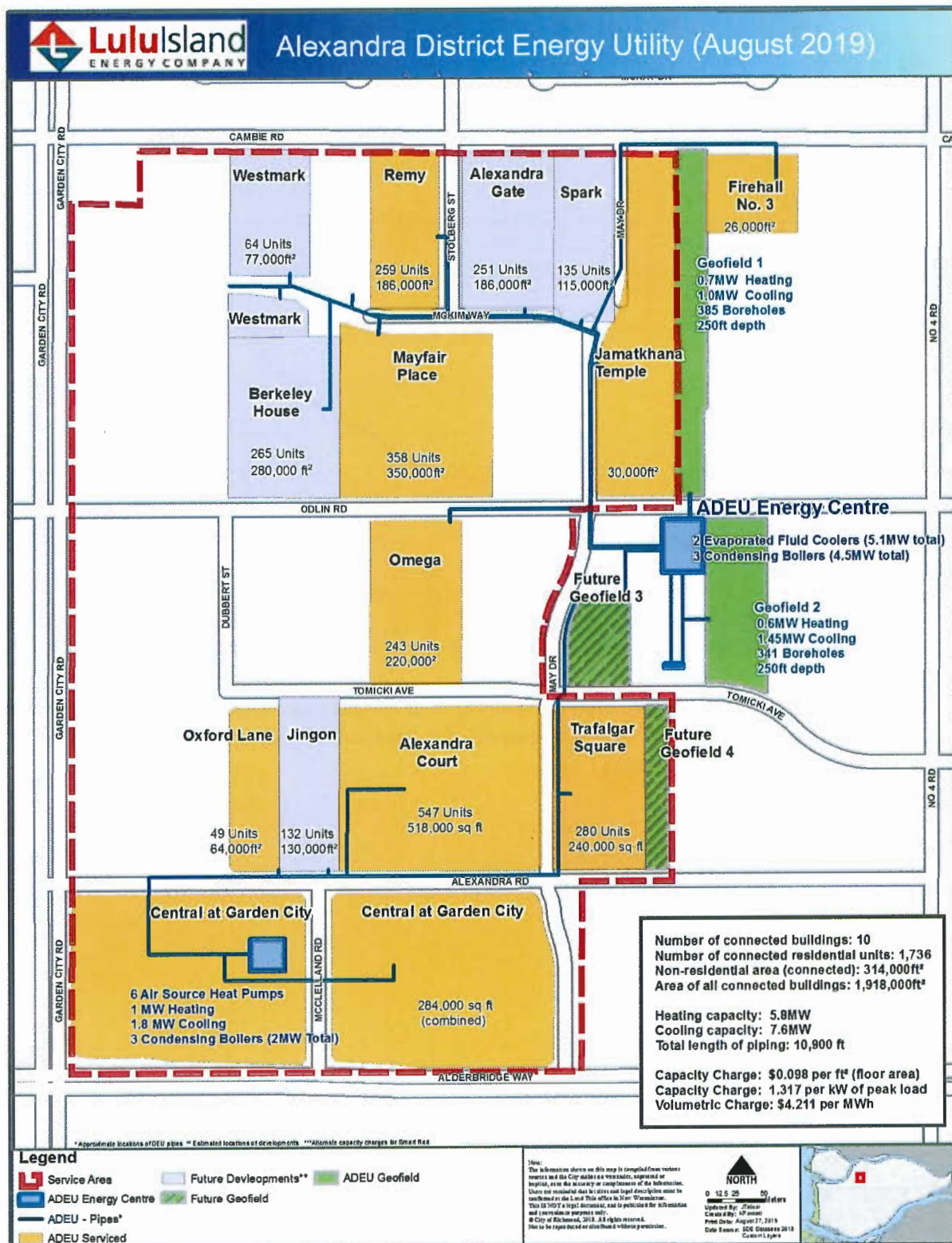
Oval Village District Energy Utility (OVDEU)

OVDEU services eight buildings in the OVDEU service area, containing over 1,700 residential units. Energy is currently supplied from the two interim energy centres with natural gas boilers which combined provide 11 MW of heating capacity. When enough buildings are connected to the system, a permanent energy centre will be built which will produce low-carbon energy. OVDEU is planned to harness energy from the Gilbert Trunk sanitary force main sewer through the implementation of the permanent energy centre in 2025.

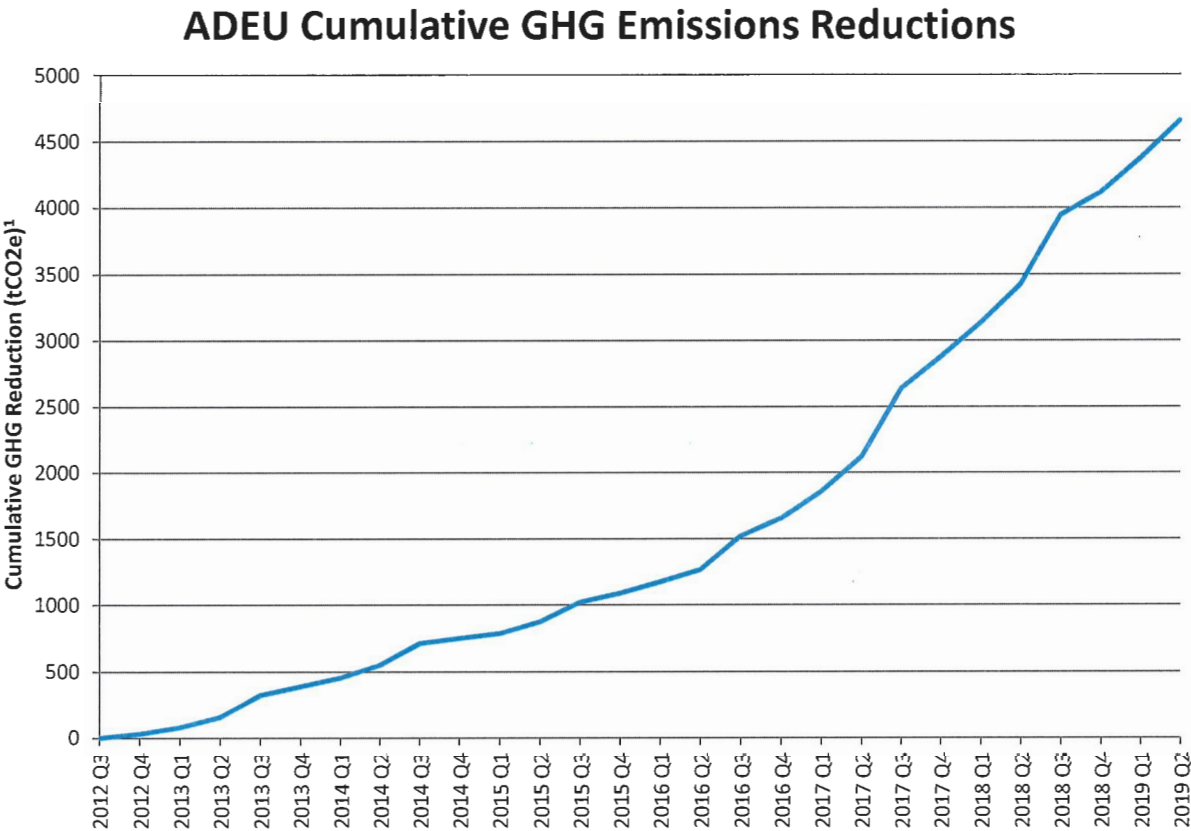
City Centre District Energy Utility (CCDEU)

Eight developments, comprising approximately 4.5 million square feet of residential, commercial, and hotel uses, have committed to construct and transfer low carbon energy plants to the City or LIEC at no cost to the City or LIEC. LIEC will operate and maintain these energy plants and provide heating and cooling services to these developments.

Attachment 2 – Alexandra Neighbourhood and ADEU Service Area Informational Map



Attachment 3 – ADEU Green House Gas (GHG) Emission Informational Graph

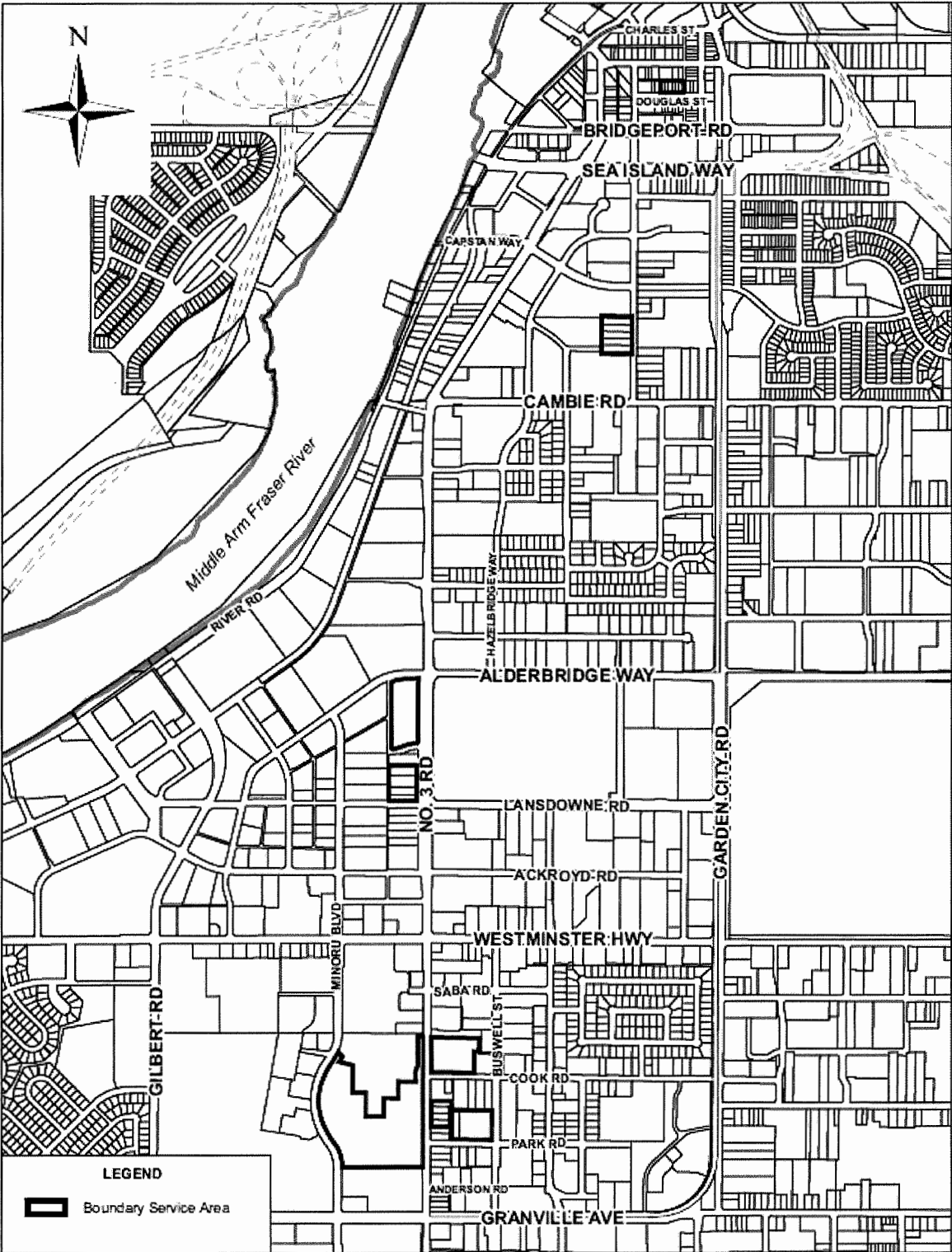


¹ Assumed that all energy was provided for heating. The business-as-usual (BAU) assumed that 40% of the building heating load would be provided from electricity and the remaining 60% would be from gas make-up air units.

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Attachment 5 – City Centre Area and CCDEU Service Area Informational Map



Attachment 6 – ADEU Proposed 2020 Rates for Services

Table 1: Proposed Rates for Services, excluding Area A

	ADEU	
	2019	2020
Capacity Charge One: Monthly charge per square foot of the building gross floor area	\$0.098	\$0.102
Capacity Charge Two: Monthly charge per kilowatt of the annual peak heating load supplied by DEU	\$1.317	\$1.370
Volumetric Charge: Charge per megawatt hour of energy consumed by the building	\$4.211	\$4.379

Table 2: Proposed Rates for Services, Area A

	Area A	
	2019	2020
Volumetric Charge: Charge per megawatt hour of energy consumed	\$75.28	\$78.29

Attachment 7 – OVDEU Proposed 2020 Rates for Services

OVDEU		
	2019	2020
Capacity Charge One: Monthly charge per square foot of the building gross floor area	\$0.0536	\$0.0557
Volumetric Charge: Charge per megawatt hour of energy consumed by the building	\$32.990	\$34.310
Excess Demand Fee - for each watt per square foot of the aggregate of the estimated peak heat energy demand that exceeds 6 W/ft ²	\$0.156	\$0.162

Attachment 8 – CCDEU Proposed 2020 Rates for Services

CCDEU		
	2019	2020
Capacity Charge One: Monthly charge per square foot of the building gross floor area	\$0.1090	\$0.1134
Volumetric Charge: Charge per megawatt hour of energy consumed by the building	\$0.000	\$0.000
Excess Demand Fee - for each watt per square foot of the aggregate of the estimated peak heat energy demand that exceeds 6 W/ft ²	\$0.140	\$0.146



**Alexandra District Energy Utility Bylaw No. 8641
Amendment Bylaw No. 10085**

The Council of the City of Richmond enacts as follows:

1. The **Alexandra District Energy Utility Bylaw No. 8641**, as amended, is further amended at the second recital by deleting the words “space and water heating and cooling” and replacing them with the words “space heating and cooling and domestic hot water heating”.
2. The **Alexandra District Energy Utility Bylaw No. 8641**, as amended, is further amended by deleting the words “building mechanical system” wherever they appear in the Bylaw and replacing them with the words “Building Mechanical System”.
3. The **Alexandra District Energy Utility Bylaw No. 8641**, as amended, is further amended at Section 1.2 (Definitions), by:
 - a) inserting the word “heating” after the words “domestic hot water” in the definition of “Building Mechanical System”;
 - b) inserting the words “from time to time” after the word “Council” in the definition of “City Engineer”;
 - c) deleting the definition of “City Solicitor” and replacing it with the following:

“**City Solicitor**” means the individual appointed by Council from time to time to be the City Solicitor of the Law Division of the City, or his or her designate;”
 - d) deleting the words “Site(s) and/or” from the definition of “Designated Property”;
 - e) inserting the words “by Council from time to time” after the words “so appointed” in the definition of “Director, Building Approvals”;
 - f) deleting the words “including ventilation systems and electrical pumps” in the definition of “Heat Exchanger”;
 - g) deleting the words “, including Heat Exchangers,” in the definition of “Meter Set”;
 - h) deleting the words “a Meter Set” and replacing them with the words “an Energy Transfer Station” in the definition of “Services”;

- i) deleting the words “providing a Service Connection” in the definition of “Services” and replacing them with the words “providing, supplying and installing Service Connections, Energy Transfer Stations and/or any components thereof”;
 - j) deleting the words “the City or such other Person” in the definition of “Service Provider” and replacing them with the words “such Person or Persons”; and
 - k) inserting the word “the” before the words “Strata Property Act” in the definition of “Strata Lot”.
4. The **Alexandra District Energy Utility Bylaw No. 8641**, as amended, is further amended at Section 1.2 (Definitions), by inserting the following definitions in alphabetical order as new subsections, and renumbering the remaining subsections in Section 1.2:
- “**Energy Transfer Station**” means, collectively, a Heat Exchanger and Meter Set and all related pipes, fittings and other equipment which control the transfer, and measure of Energy from the Distribution System to a Building Mechanical System;”
- “**ETS and Service Connection Installation Fee**” means the fee payable to the Service Provider under this Bylaw as specified in Schedule B (Fees);”.
5. The **Alexandra District Energy Utility Bylaw No. 8641**, as amended, is further amended at Section 1.2 (Definitions), by deleting the definition of “Site” and renumbering the remaining subsections in Section 1.2.
6. The **Alexandra District Energy Utility Bylaw No. 8641**, as amended, is further amended at Section 2.1 (Authorization of DEU) by deleting the words “the heating and cooling of space and water” and replacing them with the words “space heating and cooling and domestic hot water heating”.
7. The **Alexandra District Energy Utility Bylaw No. 8641**, as amended, is further amended at Section 2.2 (Ownership of DEU) by:
- a) deleting the words “vested in the City or its successors and assigns” and replacing them with the words “vested in the City or the Service Provider, or their respective successors and assigns”; and
 - b) deleting the words “Meter Sets and Heat Exchangers” and replacing them with the words “and Energy Transfer Stations”.
8. The **Alexandra District Energy Utility Bylaw No. 8641**, as amended, is further amended at Section 3.1 (Mandatory Use of DEU) by:
- a) deleting the words “Site or” before the words “new building or buildings proposed for construction”; and
 - b) inserting the word “heating” after the words “domestic hot water”.

9. The **Alexandra District Energy Utility Bylaw No. 8641**, as amended, is further amended at Section 3.2 (Permissive Use of DEU) by deleting the words “property located outside the Service Area” and replacing them with the words “an existing building located either inside the Service Area or located outside the Service Area”.
10. The **Alexandra District Energy Utility Bylaw No. 8641**, as amended, is further amended at Section 3.3 (Exemption from Mandatory Use of DEU for all buildings on Site) by:
 - a) deleting the word “Site” everywhere it appears in this Section and replacing it with the words “parcel of real property”; and
 - b) inserting the word “heating” after the words “domestic hot water”.
11. The **Alexandra District Energy Utility Bylaw No. 8641**, as amended, is further amended by inserting the following after Section 3.3 as a new Section 3.4:

“3.4 Operation
The City may operate the DEU and provide the Services directly, or through one or more other Service Providers.”.
12. The **Alexandra District Energy Utility Bylaw No. 8641**, as amended, is further amended at Section 5.2(a) by deleting the word “either”.
13. The **Alexandra District Energy Utility Bylaw No. 8641**, as amended, is further amended by deleting PART 6 (CONNECTING FOR SERVICES) in its entirety and replacing it with the following:

“PART 6: SERVICE CONNECTIONS AND ENERGY TRANSFER STATIONS

6.1 Service Connection and Energy Transfer Station

In order to provide the Services and bill a Customer for Energy delivered, the Service Provider will, subject to Section 6.3 (Supply and Installation of Service Connection and Energy Transfer Station by Customer) and Section 6.6 (Additional Service Connections, Energy Transfer Stations) below, serve each Designated Property with one Service Connection and one Energy Transfer Station. The technical specifications of all Service Connections and Energy Transfer Stations and the components thereof will be determined by the Service Provider.

6.2 Supply Installation of Energy Transfer Station and Service Connection by Service Provider

The Service Provider will:

- (a) together with the Director, Building Approvals, designate the location of the Energy Transfer Station and Service Connection on the Designated Property and determine the amount of space that must be left unobstructed around them to ensure sufficient and safe access thereto; and

(b) upon payment of the applicable ETS and Service Connection Installation Fee set out in Schedule B (Fees) to this Bylaw:

(i) provide, supply and install the Energy Transfer Station; and

(ii) provide, supply and install the Service Connection from the DEU to the Delivery Point on the Designated Property using the route which is the most suitable to the Service Provider.

6.3 Supply and Installation of Service Connection and Energy Transfer Station by Customer

An Owner or Customer may make an application to the Service Provider requesting prior written approval for the Owner or Customer, at its sole cost and expense, to:

(a) provide, supply and install the Energy Transfer Station, or any component thereof; and/or

(b) provide, supply and install the Service Connection from the DEU to the Delivery Point on the Designated Property using the route which is the most suitable to the Service Provider,

and the Service Provider, may, in its sole discretion:

(c) approve such application subject to the Service Provider being satisfied with the design, materials, equipment, location and installation of the Service Connection and Energy Transfer Station, and each component thereof; and

(d) waive or reduce payment of the applicable ETS and Service Connection Installation Fee set out in Schedule B (Fees) to this Bylaw.

6.4 Transfer of Service Connections and Energy Transfer Stations Supplied and Installed by Owner

The Owner or Customer will, upon request of the Service Provider or the City, at any time and from time to time, execute, acknowledge and deliver, or will cause be done, executed, acknowledged and delivered, all such further acts, bills of sale, assignments, transfers, conveyances, powers of attorney and assurances as may be required by the Service Provider or the City to evidence the transfer of legal and beneficial ownership of any Service Connections, Energy Transfer Stations, or any components thereof, procured, supplied or installed by the Owner or Customer, to the Service Provider or the City, in such form as requested by the Service Provider or the City. Without limiting the generality of the foregoing, in such bills of sale, assignments, transfers, conveyances, powers of attorney and assurances, the Service Provider or City may require the Owner or Customer to provide indemnities, security, representations and/or warranties in favour of the Service Provider or the City with respect to the title, condition, design and ongoing operation of any Service Connections, Energy Transfer Stations, or any components thereof.

6.5 Customer Requested Routing

If a Customer requests:

- (a) that its piping or Service Connection enter the Designated Property at a different point of entry or follow a different route from the point or route designated by the Service Provider; and/or
- (b) that the Energy Transfer Station, or any component thereof, be installed at a different location from the location designated by the Service Provider,

then, provided that:

- (c) the Customer pays the Service Provider in advance for all additional costs as determined by the Service Provider to install the Service Connection and Energy Transfer Station, or any component thereof, in accordance with the Customer's request; and
- (d) the Service Provider is satisfied that approving the Customer's request will not have an adverse effect on the operations of the DEU or create any other undesirable consequences, including but not limited to public health and safety concerns,

the Service Provider may accept the request. If the request is accepted, the Service Provider may either approve the requested routing or entry point or installation locations as originally requested or may, with the Customer's agreement, modify the requested routing or entry point or installation locations.

6.6 Additional Service Connections, Energy Transfer Stations

A Customer may apply to the Service Provider for one or more additional Service Connections at a Designated Property, which additional Service Connection(s) together with the related Energy Transfer Station(s) may be provided at the sole discretion of the Service Provider. If the Service Provider agrees to install an additional Service Connection and Energy Transfer Station, the Service Provider may charge the Customer additional ETS and Service Connection Installation Fees for the provision, supply, delivery and installation of the additional Service Connection and/or related Energy Transfer Station. The Service Provider may bill each additional Service Connection from a separate meter and account.

6.7 Site Preparation

Customers will be responsible for all necessary site preparation including but not limited to clearing building materials, construction waste, equipment, soil and gravel piles over the proposed service line route, to standards established by the Service Provider. The Service Provider may recover from Customers any additional costs associated with delays or site visits necessitated by inadequate or substandard site preparation.

6.8 Customer Requested Alterations

A Customer may apply to the Service Provider to remove, relocate or alter a Service Connection and/or an Energy Transfer Station, any component thereof, or related equipment

servicing a Designated Property, which removal, relocation or alteration may be provided at the sole discretion of the Service Provider. If the Service Provider agrees to remove, relocate, or alter a Service Connection and/or Energy Transfer Station, any component thereof, or related equipment, then in addition to the provisions of section 11.4 (Basis of Fees):

- (a) the Service Provider will give the Customer an estimate of the cost; and
- (b) if any of the changes to the Service Connection and/or Energy Transfer Station, any component thereof, or related equipment require the Service Provider to incur ongoing incremental operating and maintenance costs, the Service Provider may recover these costs from the Customer through the billing process established by this Bylaw.

6.9 Easement, Statutory Right of Way and Section 219 Covenant

- (a) An Owner of a Designated Property that is to receive Services under this Bylaw must sign and deliver to the Service Provider a section 219 covenant and statutory right of way to be registered against title to the Designated Property in favour of the City, in the form or forms supplied by the City and/or the Service Provider, for the installation, operation, maintenance and related services on the Designated Property of all necessary facilities for supplying the Services to the Designated Property. Each such section 219 covenant and statutory right of way will have priority over any other financial encumbrances registered against title to the Designated Property; and
- (b) If one or more privately-owned intervening properties are located between the Designated Property and the DEU, then the Customer will be responsible for all costs of obtaining licenses, statutory rights of way, easements, leases or other agreements, the form and content of which shall be as determined in the sole discretion of the City, for non-exclusive access to, on, over and under such properties in favour of the City, for the purpose of performing installation, operation, maintenance and related services on each intervening property of all necessary facilities for supplying the Services to the Designated Property.

6.10 Maintenance by Service Provider

Subject to Section 6.11 of this bylaw, the Service Provider will maintain the Service Connection and Energy Transfer Station.

6.11 Maintenance by Customer

Each Customer and Owner of Designated Property must maintain and repair the mechanical systems in all buildings on their Designated Properties, to the Delivery Points, including:

- (a) keeping the Building Mechanical Systems free of foreign material so as to prevent fouling of the Heat Exchangers; and

- (b) treating all fluid in the Building Mechanical System sufficiently to prevent corrosion of the Heat Exchangers.

6.12 Service Calls

A Customer or Owner may apply to the Service Provider to temporarily interrupt service to a Designated Property by closing the appropriate valves or by such other means as the Service Provider may find appropriate, and all applicable fees as specified in Schedule B (Fees) shall apply.

6.13 Protection of Equipment

The Customer must take reasonable care of and protect all Service Connections, Energy Transfer Stations, all components thereof, and related equipment on the Customer's Designated Property. The Customer's responsibility for expense, risk and liability with respect to all Service Connections, Energy Transfer Stations and related equipment is set out in Section 18.4 (Responsibility for Equipment) below.

6.14 Damage

The Customer must advise the Service Provider immediately of any damage to the Service Connection, Energy Transfer Station, or any components thereof.

6.15 No Obstruction

A Customer must not construct or permit to be constructed any permanent structure which, in the sole opinion of the Service Provider, obstructs access to a Service Connection, Energy Transfer Station, or any components thereof.

6.16 No Unauthorized Changes

Subject to Section 6.3 (Supply and Installation of service Connection and Energy Transfer Station by Customer) above, no Service Connection, Energy Transfer Station or any component thereof or related equipment will be installed, connected, moved or disconnected except by the Service Provider's authorized employees, contractors or agents or by other Persons acting with the Service Provider's written permission.

6.17 Removal of Service Connection

If the supply of Services to a Customer's Designated Property is discontinued or terminated for any reason then, the Service Provider may, but is not required to, remove Service Connections and/or Energy Transfer Stations, any component thereof and related equipment from the Customer's Designated Property.”.

14. The **Alexandra District Energy Utility Bylaw No. 8641**, as amended, is further amended by deleting PART 7 (HEAT EXCHANGERS, METER SETS AND METERING) in its entirety and replacing it with the following:

“PART 7: METERING

7.1 Measurement

The quantity of Energy delivered to a Designated Property will be metered using apparatus approved by the Service Provider. The amount of Energy registered by the Meter Set during each billing period will be converted to megawatt hours and rounded to the nearest one-tenth of a megawatt hour.

7.2 Testing Meters

A Customer may apply to the Service Provider to test a Meter Set, and, upon payment of the application for meter test fee set out in Schedule B (Fees), the Service Provider will notify such Customer of the date and time the test is to occur, and the Customer is entitled to be present for the test. If the testing indicates that the Meter Set is inaccurate in its measurement by 10% or more, then:

- (a) the Customer is entitled to return of the meter testing fee paid pursuant to this Section;
- (b) the cost of removing, replacing and testing the Meter Set will be borne by the Service Provider subject to Section 19.4 (Responsibility for Equipment on Designated Property) of this bylaw; and
- (c) the Service Provider will estimate the resulting billing overpayment or shortfall, and settle with the Customer accordingly, provided any such settlement will not extend beyond 12 months before the month in which the test takes place.

7.3 Defective Meter Set

If a Meter Set ceases to register, then the Service Provider will estimate the volume of Energy delivered to the Customer according to the procedures set out in Section 13.7 (Incorrect Register) of this bylaw.”.

15. The **Alexandra District Energy Utility Bylaw No. 8641**, as amended, is further amended at Section 9.1 (Access to Designated Property) by deleting the words “its authorized employees, contractors and agents have the right of entry, at any reasonable time, onto a Customer’s Designated Property, for the purpose of reading, testing, repairing or removing Service Connections, Meter Sets, Heat Exchanger, and ancillary equipment,” and replacing them with the words “its authorized officers, employees, agents, servants, contractors and subcontractors have the right of entry, at any reasonable time and except in the case of emergency, upon reasonable notice, onto a Customer’s Designated Property, for the purpose of reading, testing, repairing or removing Service Connections, Energy Transfer Stations and any component thereof, and ancillary equipment,”.
16. The **Alexandra District Energy Utility Bylaw No. 8641**, as amended, is further amended at Section 9.2 (Access to Equipment) by inserting the words “and except in the case of emergency, upon reasonable notice,” after the words “The Customer must at all reasonable times”.
17. The **Alexandra District Energy Utility Bylaw No. 8641**, as amended, is further amended at PART 10 by deleting the title “PART 10: APPLICATION AND SERVICE CONNECTION

INSTALLATION FEES” and replacing it with the words “PART 10: APPLICATION AND RECREATION FEES”.

18. The **Alexandra District Energy Utility Bylaw No. 8641**, as amended, is further amended by deleting section 10.1 (Fees for applications and installations) in its entirety and replacing it with the following:

“10.1 Fees for applications

Each person who submits an application to receive Services under this Bylaw must pay the applicable fee set out in Schedule B (Fees).”.

19. The **Alexandra District Energy Utility Bylaw No. 8641**, as amended, is further amended by deleting section 10.5 (Basis of Fees) in its entirety and marking it “Repealed.”

20. The **Alexandra District Energy Utility Bylaw No. 8641**, as amended, is further amended by deleting PART 11 (RATES, CHARGES, FEES AND OTHER COSTS) in its entirety and replacing it with the following:

“PART 11: RATES, CHARGES, FEES AND OTHER COSTS

11.1 Fees and Rates Payable

Each Customer must pay to the Service Provider:

- (a) the applicable fees as specified in Schedule B (Fees), as amended from time to time;
- (b) the applicable Rates for the Services as specified in Part 1 of Schedule C (Rates and Charges), as amended from time to time.

11.2 Electrical Costs

The Customer shall pay all costs of electricity consumed by an Energy Transfer Station or any component thereof, including electricity consumed by electrical pumps and other equipment installed for the operation of the Energy Transfer Station.

11.3 Basis of Fees

- (a) The fees specified in Schedule B (Fees) shall be estimated fees based on the full costs of providing, maintaining and/or expanding the Services, including, without limitation the capital and overhead costs of purchasing, renting, acquiring, providing, supplying, delivering and installing the Service Connection, and Energy Transfer Station or any component thereof, at a Designated Property, and costs of design, construction, administration, operations and other related activities associated with the Services, and may be different for each Designated Property based upon the use, capacity and consumption of each Designated Property, and the Service Connection and Energy Transfer Station installed thereon.

- (b) Where an Owner, Customer or other person is to have work done or Services received at cost, all fees payable shall be payable in advance before commencement of the work.
- (c) After completion of the work, the Service Provider will notify the Owner, Customer or other person of the actual cost.
- (d) If the actual cost is more than the estimated cost, the Owner, Customer or other person will be liable for and must pay the Service Provider the shortfall within 30 days after demand by the Service Provider.
- (e) If the actual cost is less than the estimated cost, the Service Provider will refund to the Owner, Customer or other person the excess, except that if the Customer owes any money under this Bylaw at that time, the Service Provider may apply the excess against such debt.
- (f) Calculation of the costs or estimated costs the City or Service Provider incurs or expects to incur under this Bylaw will include, without duplication, amounts spent by the City or Service Provider using its own work force or engaging an independent contractor for gross wages, employee fringe benefits, materials, equipment rentals at rates paid by the City or Service Provider or set by the City or Service Provider for its own equipment, and fees and other charges payable to an independent contractor, plus an amount equal to 20% of those costs to cover the City's or Service Provider's overhead and administrative expenses.”.

21. The **Alexandra District Energy Utility Bylaw No. 8641**, as amended, is further amended by deleting Section 13.2 in its entirety and replacing it with the following:

“13.2 Form of Bill

Each bill sent to a Customer by the Service Provider for Services provided will include:

- (a) the amounts of any fees, rates and charges, costs and taxes thereon, that are due and payable to the Service Provider;
- (b) the date when the bill is due and payable;
- (c) acceptable places and methods of payment; and
- (d) the number of megawatt hours of heat energy and cooling energy supplied to the Energy Transfer Station.”.

22. The **Alexandra District Energy Utility Bylaw No. 8641**, as amended, is further amended by deleting Section 13.12 in its entirety and replacing it with the following:

“13.12 Adjustment for Building Mechanical System

If:

- (a) the City or a Customer, discovers or is notified, that a Building Mechanical System is using the DEU for less than 70% of all the annual space heating and cooling and domestic hot water heating requirements for a building on a Designated Property, contrary to section 22.2 of this Bylaw;
- (b) the General Manager, Engineering & Public Works provides the Customer with written notice that the City is satisfied that the Customer did not know or could not reasonably have known of the non-compliance with section 22.2 of this Bylaw (the “**GM Notice**”);
- (c) the Customer carries out all necessary repairs and works to bring the Building Mechanical System into compliance with section 22.2 of this Bylaw or to the satisfaction of the General Manager, Engineering & Public Works (the “**Repair Works**”) within 12 months of the date of the GM Notice, or such longer or shorter period as may be agreed to by the City in writing (the “**Repair Period**”); and
- (d) the Customer supplies to the City, in form and content satisfactory to the General Manager, Engineering & Public Works, a letter signed by the registered professional responsible for the design of the Repair Works, confirming that all Repair Works have been completed,

then:

- (e) Part 20 (Offences) of this Bylaw will not apply to the Customer for the time period, as estimated by the City, during which the Customer was not in compliance with section 22.2 of this Bylaw; and
- (f) the City may adjust the Customer’s bill to provide a credit in accordance with section 13.13 below.”.

23. The **Alexandra District Energy Utility Bylaw No. 8641**, as amended, is further amended by deleting Section 14.1 in its entirety and replacing it with the following:

“14.1 When Required

The Service Provider may, in the circumstances specified herein, charge and demand, and the Service Provider may collect or receive, from Customers for the Services received, a greater or lesser compensation than that specified in bills to the Customers, provided that in the case of a minor adjustment to a Customer's bill, back-billing treatment may not be applied.”.

24. The **Alexandra District Energy Utility Bylaw No. 8641**, as amended, is further amended at Section (Tampering/Fraud), by:

- a) inserting the words “and the City” after the words “Service Provider” in Section 14.4(b); and
- b) deleting Section 14.4(c) in its entirety and replacing it with the following:

“(c) under-billing resulting from circumstances described above will bear interest computed at the rate and times specified in Schedule B (Fees) until the amount under-billed is paid in full.”.

25. The **Alexandra District Energy Utility Bylaw No. 8641**, as amended, is further amended at Section 15.1 (Late Payment Charge), by deleting the words “or by an agent acting on behalf of the Service Provider”.
26. The **Alexandra District Energy Utility Bylaw No. 8641**, as amended, is further amended at Section 15.2 (Returned Cheque Charge), by deleting the words “Fees Schedule” and replacing them with the words “Schedule B (Fees)”.
27. The **Alexandra District Energy Utility Bylaw No. 8641**, as amended, is further amended at Section 15.3 (Collection of Taxes), by deleting the words “If the City is the Service Provider, then any amount due from the Customer” and replacing them with the words “Any amount due from a Customer to the Service Provider”.
28. The **Alexandra District Energy Utility Bylaw No. 8641**, as amended, is further amended at Section 16.2(a) by deleting the word “perceived” and replacing it with the words “believed to existed or anticipated”.
29. The **Alexandra District Energy Utility Bylaw No. 8641**, as amended, is further amended at Section 17.1 (Discontinuance with Notice and Refusal Without Notice), by:
 - a) deleting Section 17.1(a) and replacing it with the following:

“(a) the Customer has failed to pay the bill for Services and/or Service Related Charges on or before the due date;”;
 - b) deleting the words “the Service Provider’s bill” in Section 17.1(c) and replacing them with the words “the bill for Services”;
 - c) deleting the words “the Service Provider’s bill” in Section 17.1(d) and replacing them with the words “the bill for Services”;
 - d) deleting the words “bills and/or Service Related Charges to the Service Provider” in Section 17.1(e) and replacing them with the words “bills for Services and/or Service Related Charges”;
 - e) deleting the words “the Heat Exchanger electrical pumps,” in Section 17.1(g) and replacing them with the words “the Energy Transfer Station or any component thereof, including any electrical pumps, and other equipment installed for the operation of the Energy Transfer Station,”;
 - f) deleting the words “all Heat Exchangers have been negatively affected; or” in Section 17.1(g) and replacing them with the words “of the Energy Transfer Stations have been negatively affected;”;

g) inserting the words “; or” after the words “jurisdiction over the environment” in Section 17.1(h); and

h) inserting the following after Section 17.1(h) as a new Section 17.1(i):

“(i) the Customer is otherwise in breach of the Energy Services Agreement.”.

30. The **Alexandra District Energy Utility Bylaw No. 8641**, as amended, is further amended at Section 17.2 by:

(a) deleting the word “or” at the end of Section 17.2(h);

(b) deleting the period at the end of Section 17.2(i) and replacing it with the words “; or”; and

(c) adding the following after Section 17.2(i) as a new section 17.2(j):

“(j) the Customer has sold, assigned, conveyed or otherwise disposed of the Customer's Designated Property, or any subdivided portion thereof, and has not obtained from the assignee, purchaser or transferee, and delivered to the Service Provider, a written Assignment and Assumption Agreement (General) or Assignment and Assumption Agreement (Strata), as the case may be, prior to the completion of such sale, transfer or other disposition of the Customer's Designated Property, or any subdivided portion thereof.”.

31. The **Alexandra District Energy Utility Bylaw No. 8641**, as amended, is further amended at Section 18.2 (Continuing Obligation) by deleting the words “Heat Exchangers, Meter Sets” and replacing them with the words “any Energy Transfer Station, any component thereof,”.

32. The **Alexandra District Energy Utility Bylaw No. 8641**, as amended, is further amended by deleting Section 19.1 in its entirety and replacing it with the following:

“19.1 Responsibility for Delivery of Energy

The Service Provider, and the City if the City is not the Service Provider, and their respective elected officials, directors, officers, employees, servants, contractors, representatives and agents are not responsible or liable for any loss, damage, costs or injury (including death) incurred by any Customer or any Person claiming by or through the Customer caused by or resulting from, directly or indirectly, any discontinuance, suspension or interruption of, or failure or defect in the supply or delivery or transportation of, or refusal to supply, deliver or transport Energy, or provide Services, unless the loss, damage, costs or injury (including death) is directly attributable to the gross negligence or wilful misconduct of the Service Provider or the City if the City is not the Service Provider, and their respective elected officials, directors, officers, employees, servants, contractors, representatives and agents provided, however, that the Service Provider and the City, and their respective elected officials, directors, officers, employees, servants, contractors, representatives and agents are not responsible or liable for any loss of profit, loss of revenues, or other economic loss even if the loss is directly attributable to the gross negligence or wilful misconduct of the Service

Provider or the City, or their respective elected officials, directors, officers, employees, servants, contractors, representatives and agents.”.

33. The **Alexandra District Energy Utility Bylaw No. 8641**, as amended, is further amended at Section 19.4 (Responsibility for Heat Exchanger and Meter Set) by:

- a) deleting the words “Heat Exchanger and Meter Set” in the title and replacing them with the words “Equipment on Designated Property”;
- b) deleting the words “Heat Exchangers, Meter Sets or related equipment” in the first paragraph and replacing them with the words “Service Connections, Energy Transfer Stations, any component thereof, and all related equipment located at, in, on, over, under, across or along”; and
- c) deleting the words “Heat Exchangers, Meter Sets or related Equipment on” in the last paragraph and replacing them with the words “Service Connections, Energy Transfer Stations or related equipment at, in, on, over, under, across or along”.

34. The **Alexandra District Energy Utility Bylaw No. 8641**, as amended, is further amended by at Section 19.5 (Customer Indemnification”) by:

- a) inserting the words “the City is” before the words “not the Service Provider”;
- b) inserting the words “at or” after the words “presence of Energy”; and
- c) inserting the words “equipment or” before the word “facilities”.

35. The **Alexandra District Energy Utility Bylaw No. 8641**, as amended, is further amended by deleting PART 21 (BULIDING PERMIT REQUIREMENTS FOR DEU COMPATIBLE BUILDING MECHANICAL SYSTEMS) in its entirety and replacing it with the following:

“PART 21: BULIDING PERMIT REQUIREMENTS FOR DEU COMPATIBLE BUILDING MECHANICAL SYSTEMS

21.1 Building Permit Application

A person who applies, under the Building Regulation Bylaw, for a permit that is to authorize the installation or alteration of a Building Mechanical System must include in, or submit with, the application:

- (a) an acknowledgment signed by the Owner that the building is located on a Designated Property;
- (b) a duly signed section 219 covenant and a statutory right of way in accordance with section 6.9 of this Bylaw, to be registered against title to the Designated Property prior to building permit being issued;
- (c) mechanical and other plans and documentation as the City Engineer may require, signed or certified by the registered professional responsible for design of the Building Mechanical System;

- (d) a certificate signed by the Service Provider, acting as the City's agent for this limited purpose, that the specifications, design, mechanical and other plans relating to the Building Mechanical System are compatible with the DEU;
- (e) an energy modelling report, signed by the registered professional who is responsible for design of the Building Mechanical System, estimating the:
 - (i) peak heat energy demand for space heating;
 - (ii) peak heat energy demand for domestic hot water;
 - (iii) combined peak heat energy demand for any uses other than space heating and domestic hot water; and
 - (iv) hour by hour consumption of energy;
- (f) a cheque in the amount of:
 - (i) the ETS and Service Connection Installation Fee, as specified in Schedule B (Fees); and
 - (ii) building permit application DEU review fee, as specified in Schedule B (Fees). For certainty, the building permit application DEU review fee shall, notwithstanding section 11.4, be a fixed fee and not an estimated fee;
- (g) the proposed location of the Energy Transfer Station, certified by the Service Provider as approved;
- (h) the proposed location of the Service Connection, certified by the Service Provider as approved;
- (i) the proposed location of Distribution System components in or on the Designated Property, certified by the Service Provider as approved;
- (j) the proposed location of the Delivery Points, certified by the Service Provider as approved;
- (k) the proposed schedule for installation or alteration of the Building Mechanical System;
- (l) the proposed commencement date for the delivery of Energy by the Service Provider to the Energy Transfer Station; and
- (m) such other information as the Service Provider or City Engineer may require.

21.2 Submission of copy of application

An applicant must submit a copy of the building permit application to the City Engineer.

21.3 Approval of Energy Modelling Report

The report submitted under section 21.1(f) is subject to approval by the City Engineer.

21.4 Approval of Locations - General

The location of each of the:

- (a) Energy Transfer Station, submitted under section 21.1(h);
- (b) Service Connection, submitted under section 21.1(i);
- (c) Distribution System components in or on the Designated Property, submitted under section 21.1(j); and
- (d) Delivery Points, submitted under section 21.1(k);

is subject to approval by the Director, Building Approvals and City Engineer.

21.5 Approval of schedule

The proposed schedule for installation or alteration of the Building Mechanical System is subject to approval by the City Engineer.

21.6 Design of Building Mechanical System

The design of the Building Mechanical System is subject to approval by the Director, Building Approvals and City Engineer following certification by the Service Provider under section 21.1(d).

21.7 Approval of building permit

The building permit is subject to approval by the:

- (a) Director, Building Approvals under the Building Regulation Bylaw; and
- (b) Director, Building Approvals and City Engineer under this By-law.

21.8 No work before permit issuance

A person must not begin to install or alter a Building Mechanical System until the Director, Building Approvals has issued the building permit.

21.9 Signed Energy Services Agreement required

No building permit for a Building Mechanical System will be issued until an Energy Services Agreement has been signed relating to the Designated Property.”.

36. The **Alexandra District Energy Utility Bylaw No. 8641**, as amended, is further amended at Section 22.2 (Prohibited Components) by deleting the word “21.1(d)” and replacing them with the word “21.1(e)”.

37. The **Alexandra District Energy Utility Bylaw No. 8641**, as amended, is further amended at Section 22.4 (Service Provider’s scheduling) by:

- a) deleting the words “is to co-ordinate” and replacing them with the words “will co-ordinate”; and
 - b) deleting the words “, Heat Exchangers and Meter Sets” and replacing them with the words “and Energy Transfer Stations”.
38. The **Alexandra District Energy Utility Bylaw No. 8641**, as amended, is further amended by deleting Section 22.6 (Adjustment of Increased Installation costs) in its entirety and marking it “Repealed.”.
39. The **Alexandra District Energy Utility Bylaw No. 8641**, as amended, is further amended at Section 22.7 (No occupancy allowed) by deleting the words “City any shortfall under section 22.6(a)” and replacing them with the words “Service Provider all applicable fees and charges in accordance with section 11.4”.
40. The **Alexandra District Energy Utility Bylaw No. 8641**, as amended, is further amended by deleting Schedule B (Fees) in its entirety and replacing it with a new Schedule B attached as Schedule A to this Amendment Bylaw.
41. The **Alexandra District Energy Utility Bylaw No. 8641**, as amended, is further amended by deleting Schedule C (Rates and Charges) in its entirety and replacing it with a new Schedule C attached as Schedule B to this Amendment Bylaw.
42. This Bylaw is cited as “**Alexandra District Energy Utility Bylaw No. 8641, Amendment Bylaw No. 10085**”

FIRST READING

SECOND READING

THIRD READING

ADOPTED

MAYOR_____
CORPORATE OFFICER

CITY OF RICHMOND
APPROVED for content by originating dept. CR
APPROVED for legality by Solicitor BRB

Schedule A to Amendment Bylaw No. 10085
SCHEDULE B to BYLAW NO. 8641

Fees

Section	Application	Fee
4.1, 10.1	Application for service to Designated Property	No fee
3.2, 10.1	Application for voluntary use of energy utility system	By estimate
3.3	Application for exemption of some buildings on a parcel of real property from use of energy utility system	By estimate
6.2, 6.3, 6.6 & 10.1	ETS and Service Connection Installation Fee	By estimate
6.5	Customer requested routing	By estimate
6.8	Application to remove, relocate, or alter Energy Transfer Station, any component thereof, or related equipment or distribution system extension servicing	\$400.00
6.12	Service call during Service Provider's normal business hours	\$150.00
6.12	Service call outside Service Provider's normal business hours	\$400.00
7.2	Application for meter test	\$400.00
10.3	Reactivation fee	By estimate
10.4	Re-identification of Meter Set	By estimate
12.2 & 14.6	Interest on security deposit and over-billed amounts	Bank of Canada prime rate minus 2 % per annum payable monthly
15.1	Late Payment Charge	\$100.00
15.2	Cheque returned to the Service Provider	\$100.00
21.1(g)(iii)	Building permit application that includes DEU review fee charged in addition to building permit application fee under Building Regulation Bylaw	2% of the Building Permit fee

Schedule B to Amendment Bylaw No. 10085***SCHEDULE C to BYLAW NO. 8641******Rates and Charges*****PART 1 - RATES FOR SERVICES**

The following charges, as amended from time to time, will constitute the Rates for Services for the Service Area excluding shaded Area A as shown in Schedule A to this Bylaw:

- (a) Capacity charge – a monthly charge of \$0.102 per square foot of Gross Floor Area, and a monthly charge of \$1.370 per kilowatt of the annual peak heating load supplied by DEU as shown in the energy modeling report required under Section 21.1(c); and*
- (b) Volumetric charge – a charge of \$4.379 per megawatt hour of Energy returned from the Energy Transfer Station at the Designated Property.*

PART 2 - RATES FOR SERVICES APPLICABLE TO AREA A

The following charges will constitute the Rates for Services applicable only to the Designated Properties identified within the shaded area (Area A) shown in Schedule A to this bylaw:

- (a) Volumetric charge – a charge of \$78.29 per megawatt hour of Energy returned from the Energy Transfer Station at the Designated Property calculated on each of (i) an energy use of 2644 MWh per annum (“Basic Supply Amount”), and (ii) any energy use in excess of the Basic Supply Amount.*



**Oval Village District Energy Utility Bylaw No. 9134
Amendment Bylaw No. 10086**

The Council of the City of Richmond enacts as follows:

1. The **Oval Village District Energy Utility Bylaw No. 9134**, as amended, is further amended the second recital by deleting the words “space and domestic water heating” and replacing them with the words “space heating and domestic hot water heating”.
2. The **Oval Village District Energy Utility Bylaw No. 9134**, as amended, is further amended at Section 4 (Ownership of DEU) by deleting the words “Service Connections, Meter Sets and Heat Exchangers” and replacing them with the words “Energy Transfer Station, Service Connections, and any components thereof.”.
3. The **Oval Village District Energy Utility Bylaw No. 9134**, as amended, is further amended at Section 8 (Rates and Charges), by:
 - a) inserting the word “Fees,” in the title before the word “Rates”;
 - b) inserting the word “fees,” before the words “rates and charges” in the first sentence; and
 - c) deleting the words “Schedule D” and replacing them with the words “Schedules C and D”.
4. The **Oval Village District Energy Utility Bylaw No. 9134**, as amended, is further amended by deleting Section 15 (Severability) in its entirety and replacing it with the following:

“15. **Severability.** Each provision of this Bylaw and the General Terms and Conditions is intended to be severable and if any provision is determined by a court of competent jurisdiction to be illegal or invalid or unenforceable for any reason whatsoever such provision shall be severed from this Bylaw and will not affect the legality, validity or enforceability of the remainder of or any other provision of this Bylaw or the General Terms and Conditions.”.
5. The **Oval Village District Energy Utility Bylaw No. 9134**, as amended, is further amended by deleting the words “building mechanical system” wherever they appear in Schedule B of the Bylaw and replacing them with the words “Building Mechanical System”.
6. The **Oval Village District Energy Utility Bylaw No. 9134**, as amended, is further amended at Section 1.1 (Definitions) of Schedule B, by:

- a) deleting the words “Heat Exchangers and Meter Sets” in the definition of “DEU” and replacing them with the words “Energy Transfer Stations and any component thereof”;
 - b) deleting the words “including ventilation systems and electrical pumps” from the definition of “Heat Exchanger”;
 - c) deleting the words “, including Heat Exchangers” from the definition of “Meter Set”;
 - d) deleting the words “a Meter Set” in the definition of “Services” and replacing them with the words “an Energy Transfer Station”;
 - e) deleting the words “providing a Service Connection” in the definition of “Services” and replacing it with the words “providing, supplying and installing Service Connections, Energy Transfer Stations and/or any component thereof”; and
 - f) inserting the word “the” before the words “Strata Property Act” in the definition of “Strata Lot”.
7. The **Oval Village District Energy Utility Bylaw No. 9134**, as amended, is further amended at Section 1.1 (Definitions) of Schedule B, by inserting the following definitions in alphabetical order as new subsections, and renumbering the remaining subsections in section 1.1:
- “**City**” means the City of Richmond;
- “**Energy Transfer Station**” means, collectively, a Heat Exchanger and Meter Set and all related pipes, fittings and other equipment which control the transfer, and measure of Energy from the Distribution System to a Building Mechanical System;
- “**ETS and Service Connection Installation Fee**” means the fee payable to the Service Provider under this Bylaw as specified in Schedule C (Fees);
- “**General Terms and Conditions**” means the terms and conditions set out in this Schedule B;”.
8. The **Oval Village District Energy Utility Bylaw No. 9134**, as amended, is further amended at Section 2.5 (Refusal of Application) of Schedule B, by deleting the words “Section 15” and replacing them with the words “Part 15”.
9. The **Oval Village District Energy Utility Bylaw No. 9134**, as amended, is further amended at Section 3.2(a) of Schedule B, by deleting the word “either”.
10. The **Oval Village District Energy Utility Bylaw No. 9134**, as amended, is further amended at Schedule B, by deleting PART 4 (CONNECTING FOR SERVICES) in its entirety and replacing it with the following:

“PART 4: SERVICE CONNECTIONS AND ENERGYTRANSFER STATIONS

4.1 Service Connection and Energy Transfer Station

In order to provide the Services and bill a Customer for Energy delivered, the Service Provider will, subject to Section 4.6 (Supply and Installation of Service Connection and Energy Transfer Station by Customer) below, serve each Designated Property with one Service Connection and one Energy Transfer Station. The technical specifications of all Service Connections and Energy Transfer Stations and the components thereof will be determined by the Service Provider.

4.2 Supply and Installation of Energy Transfer Station and Service Connection by Service Provider

The Service Provider will:

- (a) together with the Director, Building Approvals, designate the location of the Energy Transfer Station and Service Connection on the Designated Property and determine the amount of space that must be left unobstructed around them to ensure sufficient and safe access thereto; and
- (b) upon payment of the applicable ETS and Service Connection Installation Fee set out in Schedule C (Fees) to this Bylaw:
 - (i) provide, supply and install the Energy Transfer Station; and
 - (ii) provide, supply and install the Service Connection from the DEU to the Delivery Point on the Designated Property using the route which is the most suitable to the Service Provider.

4.3 Supply and Installation of Service Connection and Energy Transfer Station by Customer

An Owner or Customer may make an application to the Service Provider requesting prior written approval for the Owner or Customer, at its sole cost and expense, to:

- (a) provide, supply and install the Energy Transfer Station, or any component thereof; and/or
- (b) provide, supply and install the Service Connection from the DEU to the Delivery Point on the Designated Property using the route which is the most suitable to the Service Provider,

and the Service Provider, may, in its sole discretion:

- (c) approve such application subject to the Service Provider being satisfied with the design, materials, equipment, location and installation of the Service Connection and Energy Transfer Station, and each component thereof; and
- (d) waive or reduce payment of the applicable ETS and Service Connection Installation Fee set out in Schedule C (Fees) to this Bylaw.

4.4 Transfer of Service Connections and Energy Transfer Stations Supplied and Installed by Owner

The Owner or Customer will, upon request of the Service Provider or the City, at any time and from time to time, execute, acknowledge and deliver, or will cause be done, executed, acknowledged and delivered, all such further acts, bills of sale, assignments, transfers, conveyances, powers of attorney and assurances as may be required by the Service Provider or the City to evidence the transfer of legal and beneficial ownership of any Service Connections, Energy Transfer Stations, or any components thereof, procured, supplied or installed by the Owner or Customer, to the Service Provider or the City, in such form as requested by the Service Provider or the City. Without limiting the generality of the foregoing, in such bills of sale, assignments, transfers, conveyances, powers of attorney and assurances, the Service Provider or City may require the Owner or Customer to provide indemnities, security, representations and/or warranties in favour of the Service Provider or the City with respect to the title, condition, design and ongoing operation of any Service Connections, Energy Transfer Stations, or any components thereof.

4.5 Customer Requested Routing

If a Customer requests:

- (a) that its piping or Service Connection enter the Designated Property at a different point of entry or follow a different route from the point or route designated by the Service Provider; and/or
- (b) that the Energy Transfer Station, or any component thereof, be installed at a different location from the location designated by the Service Provider,

then, provided that:

- (c) the Customer pays the Service Provider in advance for all additional costs as advised by the Service Provider to install the Service Connection and Energy Transfer Station, or any component thereof, in accordance with the Customer's request; and
- (d) the Service Provider is satisfied that approving the Customer's request will not have an adverse effect on the operations of the DEU or create any other undesirable consequences, including but not limited to public health and safety concerns,

the Service Provider may accept the request. If the request is accepted, the Service Provider may either approve the requested routing or entry point or installation locations as originally requested or may, with the Customer's agreement, modify the requested routing or entry point or installation locations.

4.6 Additional Service Connections, Energy Transfer Stations

A Customer may apply to the Service Provider for one or more additional Service Connections at a Designated Property, which additional Service Connection(s) together with the related Energy Transfer Station(s) may be provided at the sole discretion of the Service Provider. If the

Service Provider agrees to install an additional Service Connection and Energy Transfer Station, the Service Provider may charge the Customer additional ETS and Service Connection Installation Fees for the provision, supply, delivery and installation of the additional Service Connection and/or related Energy Transfer Station. The Service Provider may bill each additional Service Connection from a separate meter and account.

4.7 Site Preparation

Customers will be responsible for all necessary site preparation including but not limited to clearing building materials, construction waste, equipment, soil and gravel piles over the proposed service line route, to standards established by the Service Provider. The Service Provider may recover from Customers any additional costs associated with delays or site visits necessitated by inadequate or substandard site preparation.

4.8 Customer Requested Alterations

A Customer may apply to the Service Provider to remove, relocate or alter a Service Connection and/or an Energy Transfer Station, any component thereof, or related equipment servicing a Designated Property, which removal, relocation or alteration may be provided at the sole discretion of the Service Provider. If the Service Provider agrees to remove, relocate, or alter a Service Connection and/or Energy Transfer Station, any component thereof, or related equipment, then in addition to the provisions of section 9.4 (Basis of Fees):

- (a) the Service Provider will give the Customer an estimate of the cost; and
- (b) if any of the changes to the Service Connection and/or Energy Transfer Station, any component thereof, or related equipment require the Service Provider to incur ongoing incremental operating and maintenance costs, the Service Provider may recover these costs from the Customer through the billing process established by this Bylaw.

4.9 Easement, Statutory Right of Way and Section 219 Covenant

- (a) An Owner of a Designated Property that is to receive Services under this Bylaw must sign and deliver to the Service Provider a Section 219 covenant and statutory right of way to be registered against title to the Designated Property in favour of the City, in the form or forms supplied by City and/or the Service Provider, for the installation, operation, maintenances and related services on the Designated Property of all necessary facilities for supplying the Services to the Designated Property. Each such Section 219 covenant and statutory right of way will have priority over any other financial encumbrances registered against title to the Designated Property; and
- (b) If one or more privately-owned intervening properties are located between the Designated Property and the DEU, then the Customer will be responsible for all costs of obtaining licenses, statutory rights of way, easements, leases or other agreements, the form and content of which shall be as determined in the sole discretion of the City, for non-exclusive access to, on, over and under such properties in favour of the City, for the purposes of performing installation, operation, maintenances and related services on each

intervening property of all necessary facilities for supplying the Services to the Designated Property.

4.10 Maintenance by Service Provider

Subject to Section 4.11 (Maintenance by Customer) below, the Service Provider will maintain the Service Connection and Energy Transfer Station.

4.11 Maintenance by Customer

Each Customer and Owner of Designated Property must maintain and repair the Building Mechanical Systems in all buildings on their Designated Properties, to the Delivery Points, including:

- (a) keeping the Building Mechanical Systems free of foreign material so as to prevent fouling of the Heat Exchangers; and
- (b) treating all fluids in the Building Mechanical System sufficiently to prevent corrosion of the Heat Exchangers.

4.12 Service Calls

A Customer or Owner may apply to the Service Provider to temporarily interrupt service to a Designated Property by closing the appropriate valves or by such other means as the Service Provider may find appropriate, and the applicable fees as specified in Schedule C (Fees) shall apply.

4.13 Protection of equipment

The Customer must take reasonable care of and protect all Service Connections, Energy Transfer Stations, all components thereof, and related equipment on the Customer's Designated Property. The Customer's responsibility for expense, risk and liability with respect to all Service Connections, Energy Transfer Stations and related equipment is set out in Section 17.4 (Responsibility for Equipment) below.

4.14 Damage

The Customer must advise the Service Provider immediately of any damage to the Service Connection, Energy Transfer Station, or any components thereof.

4.15 No Obstruction

A Customer must not construct or allow to be constructed any permanent structure which, in the sole opinion of the Service Provider, obstructs access to a Service Connection or Energy Transfer Station, or any components thereof.

4.16 No Unauthorised Changes

Subject to Section 4.3 (Supply and Installation of service Connection and Energy Transfer Station by Customer) above, no Service Connection, Energy Transfer Station or any component thereof or related equipment will be installed, connected, moved or disconnected except by the Service Provider's authorized employees, contractors or agents or by other Persons acting with the Service Provider's written permission.

4.17 Removal of Equipment

If the supply of Services to a Customer's Designated Property is discontinued or terminated for any reason then, the Service Provider may, but is not required to, remove Service Connections and/or Energy Transfer Stations, any component thereof and related equipment from the Customer's Designated Property.”.

11. The **Oval Village District Energy Utility Bylaw No. 9134**, as amended, is further amended at Schedule B, by deleting PART 5 (HEAT EXCHANGERS, METER SETS AND METERING) in its entirety and replacing it with the following:

“PART 5: METERING

5.1 Measurement

The quantity of Energy delivered to a Designated Property will be metered using apparatus approved by the Service Provider. The amount of Energy registered by the Meter Set during each billing period will be converted to megawatt hours and rounded to the nearest one-tenth of a megawatt hour.

5.2 Testing Meters

A Customer may apply to the Service Provider to test a Meter Set, and, upon payment of the application for meter test fee set out in Schedule C (Fees), the Service Provider will notify such Customer of the date and time the test is to occur, and the Customer is entitled to be present for the test. If the testing indicates that the Meter Set is inaccurate in its measurement by 10% or more, then:

- (a) the Customer is entitled to return of the meter testing fee paid pursuant to this Section;
- (b) the cost of removing, replacing and testing the Meter Set will be borne by the Service Provider subject to Section 17.4 (Responsibility for Energy Transfer Station) below; and
- (c) the Service Provider will estimate the resulting billing overpayment or shortfall, and settle with the Customer accordingly, provided any such settlement will not extend beyond 12 months before the month in which the test takes place.

5.3 Defective Meter Set

If a Meter Set ceases to register, then the Service Provider will estimate the volume of Energy delivered to the Customer according to the procedures set out in Section 11.7 (Incorrect Register) below.”,

12. The **Oval Village District Energy Utility Bylaw No. 9134**, as amended, is further amended at Section 7.1 (Access of Designated Property) of Schedule B, by deleting the words “Meter Sets, Heat Exchangers” and replacing them with the words “Energy Transfer Stations and any components thereof”.
13. The **Oval Village District Energy Utility Bylaw No. 9134**, as amended, is further amended at Part 8 (Application and Service Connection Fees) of Schedule B, by deleting the words “Service Connection Installation” in the title of this Part and replacing them with the word “REACTIVATION”.
14. The **Oval Village District Energy Utility Bylaw No. 9134**, as amended, is further amended at Schedule B, by deleting Section 8.1 (Fees for applications and installations) in its entirety and replacing it with the following:

“8.1 Fees for applications

Each person who submits an application to receive Services under this Bylaw must pay the applicable fee set out in Schedule C (Fees).”.

15. The **Oval Village District Energy Utility Bylaw No. 9134**, as amended, is further amended at Schedule B, by deleting Section 8.3 in its entirety and replacing it with the following:

“8.3 Reactivation Fees

If Services are terminated

- (a) for any of the reasons described in Part 15 (Discontinuance of Service and Refusal of Services) of this bylaw; or
- (b) to permit a Customer to make alterations to their Designated Property,

and the same Customer or the spouse, employee, contractor, agent or partner of the same Customer requests reactivation of Services to the Designated Property within 12 months of the date of Services termination, then the applicant for reactivation must pay the greater of:

- (c) the costs the Service Provider incurs in de-activating and re-activating the Services; or
- (d) the sum of the applicable minimum Rates and charges set out in Schedule D (Rates and Charges) which would have been paid by the Customer between the time of termination and the time of reactivation of Services.”.

16. The **Oval Village District Energy Utility Bylaw No. 9134**, as amended, is further amended at Schedule B, by deleting Section 9.1 (Rates Payable) in its entirety and replacing it with the following:

“9.1 Fees and Rates Payable

Each Customer must pay to the Service Provider:

- (a) the applicable fees as specified in Schedule C (Fees), as amended from time to time; and
- (b) the applicable Rates for the Services as specified in Part 1 of Schedule D (Rates and Charges), as amended from time to time.”.

17. The **Oval Village District Energy Utility Bylaw No. 9134**, as amended, is further amended at Schedule B, by deleting Section 9.3 (Electrical pump costs) in its entirety and replacing it with the following:

“9.3 Electrical costs

The Customer shall pay all costs of electricity consumed by an Energy Transfer Station or any component thereof, including electricity consumed by electrical pumps and other equipment installed for the operation of the Energy Transfer Station.”.

18. The **Oval Village District Energy Utility Bylaw No. 9134**, as amended, is further amended at Section 9.4 (Basis of Fees) in Schedule B, by:

- a) deleting Section 9.4(a) in its entirety and replacing it with the following:

“(a) The fees specified in Schedule C (Fees) shall be estimated fees based on the full costs of providing, maintaining and/or expanding the Services, including, without limitation the capital and overhead costs of purchasing, renting, acquiring, providing, supplying, delivering and installing the Service Connection, and Energy Transfer Station or any component thereof, at a Designated Property, and costs of design, construction, administration, operations and other related activities associated with the Services, and may be different for each Designated Property based upon the use, capacity and consumption of each Designated Property, and the Service Connection and Energy Transfer Station installed thereon.”; and

- b) inserting the following after Section 9.4(e) as a new Section 9.4(f):

“(f) Calculation of the costs or estimated costs the City or Service Provider incurs or expects to incur under this Bylaw will include, without duplication, amounts spent by the City or Service Provider using its own work force or engaging an independent contractor for gross wages, employee fringe benefits, materials, equipment rentals at rates paid by the City or Service Provider or set by the City or Service Provider for its own equipment, and fees and other charges payable to an independent contractor, plus an amount equal to 20% of those costs to cover the City’s or Service Provider’s overhead and administrative expenses.”.

19. The **Oval Village District Energy Utility Bylaw No. 9134**, as amended, is further amended at Section 10.5 (Application of Deposit) of Schedule B, by deleting the words “Section 15” and replacing them with the words “Part 15”.

20. The **Oval Village District Energy Utility Bylaw No. 9134**, as amended, is further amended at Section 10.7 (Failure to Provide Security Deposit) of Schedule B, by deleting the words “Section 15” and replacing them with the words “Part 15”.

21. The **Oval Village District Energy Utility Bylaw No. 9134**, as amended, is further amended at Section 11.2 (Form of Bill) of Schedule B, by deleting the words “Heat Exchanger and Meter Set” in Section 11.2(d) and replacing them with the words “Energy Transfer Station”.
22. The **Oval Village District Energy Utility Bylaw No. 9134**, as amended, is further amended at Section 11.7 (Incorrect Register) of Schedule B, by deleting the words “Section 12” and replacing them with the words “Part 12”.
23. The **Oval Village District Energy Utility Bylaw No. 9134**, as amended, is further amended at Section 15.1 (Discontinuance With Notice and Refusal Without Notice) of Schedule B, by:
- a) deleting the words “Heat Exchanger electrical pumps” in Section 15.1(g) and replacing them with the words “Energy Transfer Station or any component thereof, including any electrical pumps and other equipment installed for the operation of the Energy Transfer Station”;
 - b) deleting the words “all Heat Exchangers” in Section 15.1(g) and replacing them with the words “of the Energy Transfer Stations”;
 - c) adding the words “; or” after the word “environment” at the end of Section 15.1(h); and
 - d) adding the following after Section 15.1(h) as a new Section 15.1(i):
“(i) the Customer is otherwise in breach of the Energy Services Agreement.”.
24. The **Oval Village District Energy Utility Bylaw No. 9134**, as amended, is further amended at Section 15.2 (Discontinuance or Refusal Without Notice) of Schedule B, by:
- a) renumbering sections 15.2(d) and 15.2(e) as sections 15.2(c)(i) and 15.2(c)(ii), and renumbering the remaining subsections in section 15.2;
 - b) deleting the word “or” from the newly numbered section 15.2(g);
 - c) deleting the period at the end of the newly numbered section 15.2(h) and replacing with “;”; and
 - d) adding the following after the newly numbered section 15.2(h) as new sections 15.2(i) and 15.2(j):
“(i) the Customer’s Energy Services Agreement is terminated for any reason; or
(j) the Customer has sold, assigned, conveyed or otherwise disposed of the Customer's Designated Property, or any subdivided portion thereof, and has not obtained from the assignee, purchaser or transferee, and delivered to the Service Provider, a written Assignment and Assumption Agreement (General) or Assignment and Assumption Agreement (Strata), as the case may be, prior to the completion of such sale, transfer or other disposition of the Customer's Designated Property, or any subdivided portion thereof.”.

25. The **Oval Village District Energy Utility Bylaw No. 9134**, as amended, is further amended at Section 16.1 (Termination by the Service Provider) of Schedule B, by:

- a) inserting the words “unless the Energy Services Agreement provides otherwise,” after the words “orders and policies,”; and
- b) deleting the word “Section” and replacing it with the word “Part”.

26. The **Oval Village District Energy Utility Bylaw No. 9134**, as amended, is further amended at Section 16.2 (Continuing Obligation) of Schedule B, by deleting the words “Heat Exchangers, Meter Sets” and replacing them with the words “any Energy Transfer Station, any component thereof,”.

27. The **Oval Village District Energy Utility Bylaw No. 9134**, as amended, is further amended at Schedule B, by deleting Section 17.1 (Responsibility for Delivery of Energy) in its entirety and replacing it with the following:

“17.1 Responsibility for Delivery of Energy

The Service Provider, and the City if the City is not the Service Provider, and their respective elected officials, directors, officers, employees, servants, contractors, representatives and agents are not responsible or liable for any loss, damage, costs or injury (including death) incurred by any Customer or any Person claiming by or through the Customer caused by or resulting from, directly or indirectly, any discontinuance, suspension or interruption of, or failure or defect in the supply or delivery or transportation of, or refusal to supply, deliver or transport Energy, or provide Services, unless the loss, damage, costs or injury (including death) is directly attributable to the gross negligence or wilful misconduct of the Service Provider or the City if the City is not the Service Provider, and their respective elected officials, directors, officers, employees, servants, contractors, representatives and agents provided, however, that the Service Provider and the City, and their respective elected officials, directors, officers, employees, servants, contractors, representatives and agents are not responsible or liable for any loss of profit, loss of revenues, or other economic loss even if the loss is directly attributable to the gross negligence or wilful misconduct of the Service Provider or the City, or their respective elected officials, directors, officers, employees, servants, contractors, representatives and agents.”.

28. The **Oval Village District Energy Utility Bylaw No. 9134**, as amended, is further amended at Section 17.4 (Responsibility for Heat Exchanger and Meter Set) of Schedule B, by:

- a) deleting the words “Heat Exchanger and Meter Set” in the title and replacing them with the words “Equipment on Designated Property”;
- b) deleting the words “Heat Exchangers, Meter Sets or related equipment on the Customer’s Designated Property” in the first paragraph, and replacing them with the words “Service Connections, Energy Transfer Stations, any components thereof, and all related equipment located at, in, on, over, under, across or along the Customer’s Designated Property”; and

- c) deleting the words “Heat Exchangers, Meter Sets or related equipment at the Customer’s Designated Property” in the last paragraph, and replacing them with the words “Service Connections, Energy Transfer Stations or related equipment at, in, on, over, under, across or along the Customer’s Designated Property”.
29. The **Oval Village District Energy Utility Bylaw No. 9134**, as amended, is further amended at Section 17.5 (Customer Indemnification) of Schedule B, by:
- a) inserting the words “at or” after the words “or the presence of Energy”; and
 - b) inserting the words “equipment or” before the word “facilities”.
30. The **Oval Village District Energy Utility Bylaw No. 9134**, as amended, is further amended at Section 18.1 (Offence) of Schedule B, by deleting the word “Section” and replacing it with the word “Part”.
31. The **Oval Village District Energy Utility Bylaw No. 9134**, as amended, is further amended at Section 18.2(a) of Schedule B, by deleting the word “4.9” and replacing it with the word “4.11”.
32. The **Oval Village District Energy Utility Bylaw No. 9134**, as amended, is further amended at Section 19.1 (Building Permit Application) of Schedule B, by:
- a) deleting the word “4.7” in Section 19.1(b) and replacing it with the word “4.9”;
 - b) deleting the words “service connection installation fee” in Section 19.1(f)(ii) and replacing them with the words “ETS and Service Connection Installation Fee”;
 - c) deleting the words “Heat Exchanger and Meter Set” in Section 19.1(g) and replacing them with the words “Energy Transfer Station”;
 - d) deleting the words “Heat Exchanger and Meter Set” in Sections 19.1(k) and replacing them with the words “Energy Transfer Station”;
 - e) inserting the following after Section 19.1(g) as a new Section 19.1(h), and renumbering the remaining subsections in Section 19.1:
 - “(h) the proposed location of the Service Connection, certified by the Service Provider as approved;”.
33. The **Oval Village District Energy Utility Bylaw No. 9134**, as amended, is further amended at Section 19.4 (Approval of Locations - General) of Schedule B, by:
- a) deleting the words “Heat Exchanger and Meter Set” in Section 19.4(a) and replacing them with the words “Energy Transfer Station”;
 - b) deleting the word “19.1(h)” in Section 19.4(b) and replacing it with the word “19.1(i)”;
 - c) deleting the word “19.1(i)” in Section 19.4(c) and replacing it with the word “19.1(j)”;
and

- d) inserting the following after Section 19.4(a) as a new Section 19.4(b) and renumbering the remaining subsections in Section 19.4:

“(b) Service Connection, submitted under section 19.1(h);”.

34. The **Oval Village District Energy Utility Bylaw No. 9134**, as amended, is further amended at Section 20.4 (Service Provider’s Scheduling) of Schedule B, by deleting the words “, Heat Exchanger and Meter Sets” and replacing them with the words “and Energy Transfer Stations”.
35. The **Oval Village District Energy Utility Bylaw No. 9134**, as amended, is further amended by deleting **Schedule C (Fees)** of the Bylaw in its entirety and replacing it with a new Schedule C as attached as Schedule A to this Amendment Bylaw.
36. The **Oval Village District Energy Utility Bylaw No. 9134**, as amended, is further amended by deleting **Schedule D (Rates and Charges)** of the Bylaw in its entirety and replacing it with a new Schedule D as attached as Schedule B to this Amendment Bylaw.
37. This Bylaw is cited as “**Oval Village District Energy Utility Bylaw No. 9134, Amendment Bylaw No. 10086**”.

FIRST READING

SECOND READING

THIRD READING

ADOPTED

MAYOR

CORPORATE OFFICER

CITY OF RICHMOND
APPROVED for content by originating dept. <i>CR</i>
APPROVED for legality by Solicitor <i>BRS</i>

Schedule A to Amendment Bylaw No. 10086**SCHEDULE C****Fees**

Bylaw Section	General Terms and Conditions Section(s)	Application	Fee
	2.1, 8.1	Application for service to Designated Property	No fee
6	8.1	Application for voluntary use of energy utility system	BY ESTIMATE
	4.2 & 4.3 & 4.6 & 8.1	ETS and Service Connection Installation Fee	BY ESTIMATE
	4.5	Customer requested routing	BY ESTIMATE
	4.8	Application to remove, relocate, or alter Energy Transfer Station, any component thereof, or related equipment or distribution system extension servicing	\$400.00
	4.12	Service call during Service Provider's normal business hours	\$150.00
	4.12	Service call outside Service Provider's normal business hours	\$400.00
	5.2	Application for meter test	\$400.00
	8.3	Reactivation fee	BY ESTIMATE
	8.4	Re-identification of Meter Set	BY ESTIMATE
	10.2 & 12.6	Interest on security deposit and over-billed amounts	Bank of Canada prime rate minus 2% per annum payable monthly
	13.1	Late Payment Charge	\$100.00
	13.2	Cheque returned to the Service Provider	\$100.00
	19.1(f)(iii)	Building permit application DEU review fee charged in addition to building permit application fee under Building Regulation Bylaw.	2% of the Building Permit fee

Schedule B to Amendment Bylaw No. 10086**SCHEDULE D****Rates and Charges****PART 1 - RATES FOR SERVICES**

The following charges, as amended from time to time, will constitute the Rates for Services:

- (a) capacity charge - a monthly charge of \$0.0557 per square foot of gross floor area; and
- (b) volumetric charge – a monthly charge of \$34.310 per megawatt hour of Energy returned from the Energy Transfer Station at the Designated Property.

PART 2 - EXCESS DEMAND FEE

Excess demand fee of \$0.162 for each watt per square foot of the aggregate of the estimated peak heat energy demand referred to in section 19.1(e) (i), (ii), and (iii) that exceeds 6 watts per square foot.



**City Centre District Energy Utility Bylaw No. 9895
Amendment Bylaw No. 10087**

The Council of the City of Richmond enacts as follows:

1. The **City Centre District Energy Utility Bylaw No. 9895** is amended by deleting **Schedule D (Rates and Charges)** of the Bylaw in its entirety and replacing it with a new Schedule D as attached as Schedule A to this Amendment Bylaw.
2. This Bylaw is cited as “**City Centre District Energy Utility Bylaw No. 9895, Amendment Bylaw No. 10087**”.

FIRST READING

SECOND READING

THIRD READING

ADOPTED

MAYOR

CORPORATE OFFICER



Schedule A to Amendment Bylaw No. 10087

SCHEDULE D

Rates and Charges

PART 1 - RATES FOR SERVICES

The following charges, as amended from time to time, will constitute the Rates for Services:

- (a) capacity charge - a monthly charge of \$0.1134 per square foot of gross floor area;
and
- (b) volumetric charge – a monthly charge of \$0.00 per megawatt hour of Energy
returned from the Energy Transfer Station at the Designated Property.

PART 2 - EXCESS DEMAND FEE

Excess demand fee of \$0.146 for each watt per square foot of the aggregate of the estimated peak heat energy demand referred to in section 19.1(f) (i), 19.1(f) (ii) and 19.1(f) (iii) that exceeds 6 watts per square foot.

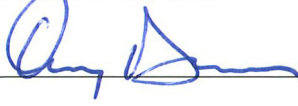


To: General Purposes Committee **Date:** October 1, 2019
From: Cecilia Achiam **File:** 12-8275-01/2019-Vol 01
General Manager, Community Safety
Re: **Review of Licencing and Enforcement of Short-Term Rentals**

Staff Recommendation

1. That Richmond Zoning Bylaw No. 8500, Amendment Bylaw No. 10066, to clarify the definition of Boarding and Lodging, be introduced and given first reading;
2. That a business licencing program for Short-Term Boarding and Lodging be introduced and:
 - a. That a new Regular Full-Time Licence Clerk position be approved and a position compliment control number assigned in order to administer the business licencing program; and
 - b. That each of the following Bylaws be introduced and given first, second and third readings in order to implement a licencing program, including new ticketing provisions, for Short-Term Boarding and Lodging:
 - i. Business Licence Bylaw No. 7360, Amendment Bylaw No. 10067;
 - ii. Business Regulation Bylaw No. 7538, Amendment Bylaw No. 10068;
 - iii. Municipal Ticket Information Bylaw No. 7321, Amendment Bylaw No. 10069;
 - iv. Notice of Bylaw Violation Dispute Adjudication Bylaw No. 8122, Amendment Bylaw No. 10070; and
 - v. Consolidated Fees Bylaw No. 8636, Amendment Bylaw No. 10089; and
3. That the addition of two full-time bylaw enforcement officers, as described in this staff report "Review of Licencing and Enforcement of Short-Term Rentals" dated October 1, 2019, from the General Manager, Community Safety be considered as a one-time expenditure, to be reviewed annually.

Cecilia Achiam
General Manager, Community Safety
(604-276-4122)

REPORT CONCURRENCE	
ROUTED TO:	CONCURRENCE
Economic Development	<input checked="" type="checkbox"/>
Finance Department	<input checked="" type="checkbox"/>
Law	<input checked="" type="checkbox"/>
Affordable Housing	<input checked="" type="checkbox"/>
Policy Planning	<input checked="" type="checkbox"/>
REVIEWED BY STAFF REPORT / AGENDA REVIEW SUBCOMMITTEE	INITIALS: GJ
APPROVED BY CAO 	

Staff Report

Origin

During the January 14, 2019 Council meeting, Council made the following referral:

That staff be instructed to report back on a licencing program, including an analysis of resources for its implementation, to regulate boarding and lodging in order to create a public registry.

During the March 25, 2019 Council Meeting, Council made the following referral:

That staff review the bed and breakfast business license application process, specifically the screening process for owners of multiple properties.

During the May 27, 2019 Council Meeting, Council made the following referral:

- 1) That the City conduct more assertive enforcement of short-term rentals, including issuance of multiple tickets, and proactive enforcement; and*
- 2) That staff explore hiring additional Bylaw staff to actively investigate every short-term rental and bed and breakfast listing in Richmond and report back.*

This report supports Council's Strategic Plan 2018-2022 Strategy #1 A Safe and Resilient City:

Enhance and protect the safety and well-being of Richmond.

Analysis

History

Issues related to short-term rentals were discussed at several meetings of Council in 2017. Short-term rentals include any residential unit rented for less than 30 days. In consideration of the issues related to regulation of short-term rentals, Council considered the following impacts:

- **Effect on Rental Housing Stock** – Residential units offered for short-term rental can decrease the availability of long term rentals. The vacancy rate has improved slightly since the start of the short-term rental program, from 0.6 to 0.7%. However, the rental vacancy rate is influenced by a range of direct factors – from rental construction trends to provincial regulations.
- **Land Use Conflicts** – Short-term rentals may have a number of impacts on residential neighbourhoods, including parking and noise, and these continue to be the main issues of concern expressed by complainants.
- **Level Playing Field** – When the short-term rental enforcement program began, those offering short-term rentals were not subject to the same taxes paid by hotels. However,

the Province changed the regulations and the Municipal and Regional District Tax (“MRDT”) now applies to all short-term rentals.

- **Health, Fire and Safety** – Hotels must comply with certain building and fire code standards whereas short-term rentals are located in houses or strata lots and not subjected to the same requirements. Under the current regulations, bed and breakfast businesses are inspected but other forms of short-term rentals are not (including those offering boarding and lodging).
- **Economic Benefits** – Short-term rentals can provide economic benefits to residents and the local economy by generating supplementary income for homeowners and providing alternate forms of accommodation for visitors. There is also a benefit to the City through collection of the MRDT to fund tourism marketing and development.

In consideration of the impacts and benefits of short-term rentals, Council established the following principles to guide the development of regulations:

- Preserve affordable long-term housing;
- Provide opportunities for revenue to assist in home ownership;
- Continue to enable sport hosting and cultural exchanges; and
- Prohibit illegal hotel operations and “party houses”.

As a result, staff were directed to limit short-term rentals to boarding and lodging¹ and bed and breakfast businesses², as already permitted in Richmond Zoning Bylaw No. 8500 (the “Zoning Bylaw”). The feedback from public consultation indicated a general desire to retain “boarding and lodging” use for the purpose of sport hosting, home stay and student exchange type programs that are well-established in the community. Staff also confirmed that these long-standing practices rarely generated any complaints or concerns from the community.

Staff were further directed to enhance regulations related to bed and breakfasts and strengthen the enforcement against illegal operations. As part of the bylaw changes to enhance regulations, the requirements to run a bed and breakfast now include that the operator must own the premises and must be an individual and not a corporation. In Richmond, all legal short-term rentals are required to be “hosted” with the operator living on the premise. As such, a legal short-term rental does not displace rental units, either entire suites or homes.

Along with changes to the rules governing bed and breakfast businesses, staff also undertook a targeted enforcement campaign to identify illegal short-term rentals. In 2017, the CAO authorized four temporary Bylaw Officers for a six month period to specifically address the proliferation of short-term rental listings in Richmond to be funded from vacancies in Community Bylaws. These temporary resources were devoted to enforcement of short-term rentals, to identify as many addresses from the listing sites as possible and to develop a procedure to investigate and enforce all suspected illegal operations. Since this enhanced enforcement period, the staffing level in Community Bylaws has returned to its full regular

¹ Boarding and lodging means sleeping unit accommodation, without cooking facilities, that is supplied for not more than 2 boarders.

² Bed and breakfast is the commercial accommodation of guests for periods of 30 days or less in a single detached dwelling unit.

compliment and enforcement of illegal short-term rentals has become part of the regular work load of the property use inspection section.

With the dedicated resources and efforts in 2017, the number of short-term rental listings in Richmond has seen a significant decrease from almost 1,600 listings in 2016 to holding steady between 600-800, depending on the season. It should be noted that this is the total number of listings and includes both legal and illegal operations. In addition, each listing does not represent a separate address as many properties have multiple listings and/or advertise on multiple sites.

As a comparison of magnitude, there is approximately 4,700 active short-term rental listings in Vancouver in March 2019³. While it is likely impossible to fully eliminate illegal short-term rental operations, the results achieved by the City have seen a significant improvement.

Best Practices for Regulating Short-Term Rentals

A report, recently presented to the Federation of Canadian Municipalities from the Urban Politics and Governance research group from McGill University (report can be found at <http://upgo.lab.mcgill.ca/airbnb/>), looked at the impact of short-term rentals on Canadian housing markets. This report made three key recommendations:

1. Hosts should only be allowed one operation and should not be permitted to operate short-term rentals at multiple locations;
2. Cities should not allow full-time, entire-home rentals; and
3. Platforms should be responsible for enforcement and engaged in the process to identify and discontinue illegal operations.

Staff have carefully reviewed these recommendations and can confirm that these are either already addressed in the City's current regulations or will be by the proposed business licencing program and bylaw changes outlined in this report.

Enforcement Data

As directed by Council, enforcement of illegal short-term rentals is one of the highest priorities by staff in Community Bylaws. Addresses are identified and case files are opened based on complaints received as well as by enforcement staff monitoring internet postings.

Since the start of the targeted enforcement campaign in 2017, staff have identified and shut down over 600 illegal operations and collected \$94,000 in fines (see Tables 1 and 2). While progress on shutting down illegal operations is continuing, it has been staff's experience that illegal short-term rental operators are getting increasingly more sophisticated and it is more difficult and requires more time to collect evidence for enforcement. As an example, internet listings used to include addresses but this is rarely the case for current listings. It is also common to find multiple listings for one address.

³ <https://www.cbc.ca/news/canada/british-columbia/city-of-vancouver-cracks-down-on-820-short-term-rentals-1.5056914>

The statistics in Tables 1 & 2 indicate that there has been less short-term rental enforcement (investigation of illegal short-term rentals) within the property use portfolio over time due to the reduction of listings and less dedicated resources. Enforcement staff follow up on every listing they find but do not always have time to undertake proactive enforcement and files can be time consuming and take several months to be resolved.

Table 1: Summary of Enforcement of Illegal Short-term Rentals

Action	2017	2018	2019 YTD	Total
Number of Addresses identified	289	272	63	624
Home Inspections	404	685	76	1156
Tickets issued	87	87	21	190
Order to comply (verbal or written)	286	243	51	580
Operations that have ceased short-term rental	289	271	53	614

Table 2: Tickets and Revenue collected from Illegal Short-Term Rentals

Year	Tickets Issued	Revenue Collected
2017	87	\$ 41,800
2018	87	\$46,200
2019 YTD	21	\$6,000

Recommendation 1 – Bylaw Changes to Clarify Boarding and Lodging

Boarding and lodging is currently defined in the Zoning Bylaw as “...sleeping unit accommodation, without cooking facilities in the sleeping units, that is supplied for remuneration for not more than 2 boarders, and which may or may not include meal service...”. The proposed bylaw amendments clarify that boarding and lodging is a secondary use and can only occur when it is secondary to the main principal residential use. This means that boarding and lodging must be “hosted” in that it can occur only in conjunction with a permanent resident within the same residential unit. Renting out entire units (entire houses, secondary suites or condos without a permanent resident living in the same unit) for less than 30 days is not permitted. This is an important pillar of the current regulations and is consistent with recommendations for best practices in regulating short-term rentals. Prohibiting entire home rentals prevents “party houses” and the conversion of long term housing over to short-term rentals.

Approval of this recommendation requires only a bylaw amendment and has no associated costs. While each of the recommendations may be considered separately, the bylaw amendment put forward in this recommendation is needed to strengthen enforcement regardless of any changes to service levels.

Recommendation 2 - Business Licencing Program for Short-Term Boarding and Lodging

While bed and breakfast businesses are permitted in single family zones only, boarding and lodging is permitted in nearly all residential zones, including multi-family units. Regardless of the location, legal short-term rentals in Richmond are required to be hosted by a permanent resident of the home or suite. While there is a well-established licencing regime for bed and breakfast businesses in Richmond, there is currently no requirement for boarding and lodging to be licenced. This poses a number of problems related to enforcement, tracking the locations and verifying legal operations.

This report recommends a licencing program specific to short-term boarding and lodging, including bylaw amendments, fees and ticketing to recover the cost of administering the program. The new program would only apply to for-profit operations and would exempt not-for-profit short-term boarding and lodging such as sport hosting and cultural exchanges. A licencing program for short-term boarding and lodging would enable the City to pursue agreements with internet providers, such as Airbnb, to publish business licence numbers to confirm legal operations and not allow listings of illegal operations.

Licencing short-term boarding and lodging will not affect the number of residential units available for long term housing but it will provide several benefits. A licensing program would mean that all forms of legal short-term rentals are licenced and on a level playing field in terms of taxation and safety standards. This includes hotels, bed and breakfasts and boarding and lodging. It would also increase transparency throughout the community around what is permitted related to short-term rentals and provide assurance to visitors that they are staying in a legal accommodation. Any licencing program put in place by the City would not exempt individual owners from the requirement to comply with their strata bylaws or renters from getting the permission of the property owner to provide boarding and lodging.

While the Business Licence Bylaw No. 7360 (the “Business Licence Bylaw”) requires licences in order to carry on commercial undertakings of any kind, this has not been interpreted to include boarding and lodging. The bylaw amendments proposed by this report include changes to the Business Licence Bylaw and to the Business Regulation Bylaw No. 7538 (the “Business Regulation Bylaw”) to add short-term boarding and lodging as a regulated business and make it clear that a licence is required for commercial (for-profit) operations.

The proposed new licencing program will also include application requirements for those applying to host boarding and lodging. All applicants will be required to provide identification to prove that they live in the unit and that they have the permission of the property owner and the Strata Corporation (where applicable). The strata will retain its authority to allow/prohibit short-term rentals regardless of the proposed licencing regime. Identifying the host of each operation will ensure that hosts cannot operate short-term rentals in more than one location. A business licence process will provide access to the residential unit for inspections to check compliance for other bylaws such as the Building Regulation Bylaw No. 7230. The proposed fee for this licence will be \$143, the same as the base fee for other businesses.

A licencing program for boarding and lodging, as described in this report, will represent an increase in service level that will require additional resources and staff but is cost neutral to the

operating budget. Staff will have to review and process applications, undertake inspections and maintain a registry. While there are currently 70 licenced bed and breakfast operations, it is expected that there will be many more licenced boarding and lodging operations.

If endorsed, it is proposed that one full-time clerk position be added to the licencing group, at a cost of \$80,000, in order to service the additional workload. There are currently 600-800 listings for short-term rentals and there could be more once a legal scheme is put in place. It is estimated that the cost of an additional clerk will be recovered by an increase in fees collected. There is no net cost to this program but Council approval is required in order to create a new position.

Recommendation 3 – Hiring Staff for Proactive Enforcement of Illegal Short-Term Rentals

At the start of the short-term rental enforcement campaign in 2017, the CAO approved four temporary staff for six months to provide dedicated enforcement. Since that time, enforcement of illegal operations has been distributed among the four permanent staff in the property use group that provide enforcement of several other community bylaws in addition to illegal short-term rentals. Since June 2019, the CAO has approved two additional temporary staff in response to recent Council's direction conduct more assertive enforcement and this recommendation proposes that this funding be extended for at least another year.

Past experience indicated Community Bylaws will not be able to sustain an increase in service level to conduct more assertive enforcement on short-term rentals without additional staff. If Council wishes to establish a higher level of service specifically for the enforcement of illegal short-term rentals, it would require additional bylaw enforcement officers. The additional officers would be dedicated to enforcement of illegal short-term rentals in the spring and summer, when there are the most listings, and can help the team on other bylaw enforcement matters in the winter if the workload decreases. Alternatively, staff could be redeployed from other areas of Community Bylaws but this would result in a corresponding decrease in service level to other areas and is not recommended.

A bylaw enforcement officer working in this capacity (enforcement of illegal short-term rentals) has a cost of \$120,000 annually (salary, benefits, inspection vehicle and equipment) and collects approximately \$20,000 in bylaw fines (tickets). If endorsed, staff will request funding for a one-time expenditure so that there is no on-going impact to the operating budget or taxes. This funding would be reviewed each year based on the need and effectiveness of the additional resources and to determine if further funding is warranted as part of the budget process. While adding additional staff will result in more enforcement, it is unclear whether this will be effective in preventing new illegal operations or if there will be a continuing need for enforcement once other measures, like the licencing program for boarding and lodging, are in place.

In addition to an increase to staff resources, staff investigated third-party internet listing services that could be used to help with enforcement of illegal short-term rentals. These programs use data from multiple sources (Airbnb, Expedia, Hotels.com, etc.) to identify addresses of current listings and provide statistics about how many are operating and what type of accommodation is being offered.

There are several internet listing services currently in the marketplace but their effectiveness is limited and the price to obtain minimum service is \$50,000 annually. None of the services are able to identify addresses within multi-family properties (condos or townhouses) and they do not search the Chinese language sites. In consideration of limited effectiveness and the cost, this is not recommended as a cost effective approach at this time.

Bed and Breakfast Application and Licencing Requirements

Current regulations for bed and breakfast businesses require that they be operated by an individual who owns and resides in the house. The house cannot be owned by a corporation and the business cannot be run by someone who is not an owner and occupier of the house. The Business Licence Bylaw requires individuals to provide government issued identification and a utility or tax bill to prove their residence. Staff also undertake an inspection of the home.

Council recently considered an appeal by an individual who was refused a business licence for a bed and breakfast because the home is owned by a corporation. While it appeared as though this individual was potentially the single shareholder of the corporation, staff were able to locate another residential property owned by the same individual. As a result, staff were asked to review the process of screening property owners who apply for a bed and breakfast business.

Searching property records for properties owned by the same person is possible but cannot be relied upon under the current Provincial regulations. Staff have no way to determine if the identities of a person listed on one record is the same as the identity of a person on another record (even if their name is the same). It is recommended that this type of search be used to inform the process in cases where the owner volunteers ownership information of other properties or is appealing to Council to overturn a rejection. Performing a search on all applications will be onerous and ineffective. It is not recommended at this time. Staff will continue to monitor the provincial property record system and revisit the feasibility of enabling owner-occupiers who wish to operate a bed and breakfast business under a corporate registration in the future.

Summary of Recommendations and Response to Council Referrals

This report responds to three separate referrals from Council related to short-term rentals. In response, staff recommend a number of changes to bylaws and service level increases that can be approved separately or altogether. Each recommendation incrementally increases the City's response to enforcement of illegal short-term rentals. There are additional expenses associated with recommendations 2 and 3; however, a portion of these costs will be recovered by additional licence fees and bylaw fines. Table 3 summarizes how each of the Council referrals has been addressed in this report and Table 4 summarizes the revenue and cost related to each separate recommendation.

Table 3 – Summary of Responses to Council Referrals

Referral	Recommended Response	Benefits
<i>That staff be instructed to report back on a licencing program, including an analysis of resources for its implementation, to regulate boarding and lodging in order to create a public registry.</i>	Clarify language in the Zoning Bylaw that boarding and lodging is a secondary use and can only occur in dwelling with a principal resident.	This prevents whole home rental and ensures that long term housing is not converted to short-term rental.
	Hire new Licencing Clerk to administer short-term boarding and lodging business licence program.	Clerk will be responsible to review applications, maintain registry and schedule inspections.
	Update Business Regulation, Business Licence, Municipal Ticket Information, Bylaw Notice and Consolidated Fees bylaws to implement new licencing program for short-term boarding and lodging.	Bylaw changes will ensure a level playing field with all types of short-term rentals and clarify that short-term rentals are “hosted” and do not allow whole home rentals or rentals from anywhere but a person’s principal residence.
<i>That staff review the bed and breakfast business license application process, specifically the screening process for owners of multiple properties.</i>	No change to existing process.	Appeals to this requirement should continue to be handled on an individual basis based on the specific circumstances of the business in question.
<i>That the City conduct more assertive enforcement of short-term rentals, including issuance of multiple tickets, and proactive enforcement.</i>	No direction needed from Council at this time, staff have been instructed to issue multiple tickets.	Consistent enforcement with significant consequences will encourage compliance.
<i>That staff explore hiring additional Bylaw staff to actively investigate every short-term rental and bed and breakfast listing in Richmond and report back.</i>	One-time finding to hire two additional Bylaw Enforcement Offices to be dedicated to enforcement of illegal short-term rentals.	Dedicated resources will provide proactive and consistent enforcement of illegal short-term rentals and need for on-going funding will be reviewed each year.

Table 4 – Summary of Revenues and Costs of Recommended Initiatives

Recommendation		Expense	Revenue from tickets and licences	Net Funding Request
1	Clarify language in Zoning Bylaw	N/A	N/A	N/A
2	Licencing Program for Short-Term Boarding and Lodging <ul style="list-style-type: none"> • Addition of Licencing Clerk • Bylaw changes to support program 	\$80,000	\$80,000	\$0
3	One-time funding for 2 Additional Bylaw Officers dedicated to Short-Term Rentals	\$240,000	\$40,000	\$200,000
TOTAL		\$320,000	\$120,000	\$200,000

Financial Impact

The recommendations in this report can be considered and approved separately and the expenses and revenue of each option are shown in Table 4. The only recommendation with an associated net cost is Recommendation 3. Should Council approve Recommendation 3, staff will make a request for a one-time expenditure of \$200,000. This funding will be renewed annually and will have no impact on the operating budget or on taxes.

Conclusion

The City's current regulations only permit short-term rentals to occur in licenced bed and breakfasts in single family zones or as boarding and lodging in all residential zones. This prevents legal short-term rentals from depleting long term rental stock while providing an opportunity for residents to generate additional income to assist with the rising cost of housing.

If approved, the recommendations in this report provide improvements to the licencing program for legal short-term rentals and the enforcement program for illegal operations. Each recommendation can be considered separately but it is recommended that all three be approved.



Carli Williams, P.Eng.
 Manager, Community Bylaws and Licencing
 (604-276-4136)



**Richmond Zoning Bylaw No. 8500
Amendment Bylaw No. 10066
(Boarding & Lodging, Hosted)**

The Council of the City of Richmond, in open meeting assembled, enacts as follows:

1. Richmond Zoning Bylaw No. 8500, as amended, is further amended at Section 3.4 by deleting and replacing the definition of **Boarding and lodging** with the following:

“Boarding and lodging means a **secondary use** of a **dwelling unit** by a resident of the **dwelling unit**, to supply **sleeping unit** accommodation, without cooking facilities in the **sleeping units** for remuneration for not more than 2 **boarders**, and which may or may not include meal service, but does not include senior citizen lodges, **hotels, motels, congregate housing, bed and breakfasts, agri-tourist accommodation, minor or major community care facilities, secondary suite or coach house.**”

2. This Bylaw is cited as **“Richmond Zoning Bylaw No. 8500, Amendment Bylaw No. 10066”**.

FIRST READING

PUBLIC HEARING

SECOND READING

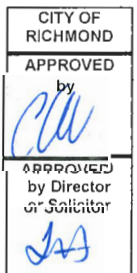
THIRD READING

OTHER CONDITIONS SATISFIED

ADOPTED

MAYOR

CORPORATE OFFICER





**Business Licence Bylaw No. 7360,
Amendment Bylaw No. 10067**

The Council of the City of Richmond enacts as follows:

1. **Business Licence Bylaw No. 7360**, as amended, is further amended by inserting the following as new Section 2.5:

“2.5 Short Term Boarding and Lodging

2.5.1 Every **short term boarding and lodging applicant** must at the time of application:

- (a) certify that they reside in the premises as their **principal residence** and provide proof that the premises are the **applicant’s principal residence**. To demonstrate that the premises is their **principal residence**, an **applicant** must be able to produce copies of the **applicant’s** government issued picture identification showing the **applicant’s** address as the premises, and copies of either one or both of the following:
 - (i) a tax assessment for the current year for the lot upon which the premises are constructed showing the **applicant** as payor, or
 - (ii) a utility bill (electricity, district energy, gas, internet, cable or telephone) issued within the previous 3 months for the premises showing the **applicant** as payor, or
 - (iii) such other evidence as required by the **City** from time to time;
- (b) provide proof that the **registered owner(s)** of the premises has consented to the use of the premises for **short term boarding and lodging** by providing one of the following, as applicable:
 - (i) if the **applicant** is an **individual registered owner**, a copy of legal title to the premises showing the **applicant** as an **individual registered owner**, or
 - (i) if the **applicant** is a director of the **corporate registered owner** of the premises, a copy of legal title to the premises showing the **corporate registered owner** as owner, and a copy of a corporate search showing the **applicant** as a director of the **corporate registered owner**, or

(ii) if the **applicant** is not the **registered owner** of the premises, a copy of legal title to the premises identifying the **registered owner** and a declaration from the **registered owner** of the premises certifying that use of the premises as for **short term boarding and lodging** by the **applicant** is permitted;

(c) if the premises are a strata lot, provide proof that the use of the premises for **short term boarding and lodging** is permitted by the applicable strata bylaws by providing a letter from the applicable strata council acknowledging that the use of the premises as for **short term boarding and lodging** by the **applicant** is permitted; and

(d) pay the required annual boarding and lodging licence fee specified in the Consolidated Fee Bylaw No. 8636 for the Short Term Boarding and Lodging Use category of this bylaw.

2.5.2 Notwithstanding the forgoing, the provision of section 2.5.1 above do not apply where the **short term boarding and lodging** is provided on a not-for profit basis (for example cultural exchanges and sports hosting) by a person where the premises is their **primary residence**.”.

2. **Business Licence Bylaw No. 7360**, as amended, is further amended at Part 3 by adding the following as a new Section 3.7B following the Section 3.7A:

“3.7B BOARDING AND LODGING USE CATEGORY means the use of premises or facilities for **Boarding and Lodging**, as permitted by this bylaw, the **Business Regulation Bylaw**, and the **Zoning Bylaw**.”.

3. **Business Licence Bylaw No. 7360**, as amended, is further amended at Section 7.1 by adding the following as the definition of **“boarding and lodging”** in alphabetical order:

“Boarding and Lodging means boarding and lodging as defined in the **City’s zoning bylaw**.”.

4. **Business Licence Bylaw No. 7360**, as amended, is further amended at Section 7.1 by adding the following as the definition of **“short term boarding and lodging”** in alphabetical order:

“Short Term Boarding and Lodging means **boarding and lodging**, where the rental period is less than 30 days.”.

5. **Business Licence Bylaw No. 7360**, as amended, is further amended at Section 7.1 by adding the following as the definition of **“corporate registered owner** in alphabetical order:

“Corporate Registered Owner means with respect to land, any corporation who is the registered owner of an estate in fee simple.”.

6. **Business Licence Bylaw No. 7360**, as amended, is further amended at Section 7.1 by deleting the definition of “**individual registered owner**” and replacing it with the following:

“**Individual Registered Owner** means an individual registered owner as defined in the **City’s zoning bylaw**.”.

7. **Business Licence Bylaw No. 7360**, as amended, is further amended at Section 7.1 by adding the following as the definition of “**registered owner**” in alphabetical order:

“**Registered Owner** means an **individual registered owner** or a **corporate registered owner**.”.

8. This Bylaw is cited as “**Business Licence Bylaw No. 7360, Amendment Bylaw No. 10067**.”.

FIRST READING

SECOND READING

THIRD READING

ADOPTED

MAYOR

CORPORATE OFFICER

CITY OF RICHMOND
APPROVED for content by originating Division 
APPROVED for legality by Solicitor 



**Business Regulation Bylaw No. 7538,
Amendment Bylaw No. 10068**

The Council of the City of Richmond enacts as follows:

1. **Business Regulation Bylaw No. 7538**, as amended, is further amended by inserting the following as new Part Twenty-Three and renumbering the remaining sections:

“PART TWENTY-THREE: BOARDING AND LODGING REGULATIONS

- 23.1 Without first obtaining a **licence** for **short term boarding and lodging**, persons must not provide guests with **boarding and lodging** for rental periods of less than 30 days.
- 23.2 **Boarding and lodging** shall be subject to the following regulations:
 - 23.2.1 the premises must be the **operator’s principal residence**;
 - 23.2.2 the **operator** must be an **individual registered owner** of the premises, a director of a **corporate registered owner**, or have the permission of the **registered owner**;
 - 23.2.3 if the premises are a strata lot, the **operator** must have the permission of the applicable strata council;
 - 23.2.4 the **operator** must not provide **boarding and lodging** to more than 2 guests at any one time;
 - 23.2.5 the **operator** must not provide or install any equipment or facilities used for the preparation of food in any bedroom or sleeping unit used for guest accommodation;
 - 23.2.6 the **operator** must not **market** the **boarding and lodging** they are licenced to provide without including their **licence** number in a conspicuous place in any medium or material used to **market** the **boarding and lodging**; and
 - 23.2.6 notwithstanding Section 1.1 and 23.1 of this bylaw, **boarding and lodging** provided on a not-for-profit basis (for example cultural exchange or sport hosting) or for rental periods of 30 days or longer does not require a **licence**.”

2. **Business Regulation Bylaw No. 7538**, as amended, is further amended at Part Twenty-Two: Bed & Breakfast Establishment Regulations by adding the following as new subsection 22.2.6:

“22.2.6 the **operator** must not **market** the **residential rental accommodation** they are licenced to provide without including their **licence** number in a conspicuous place in any medium or material used to **market** the **residential rental accommodation**.”

3. **Business Regulation Bylaw No. 7538**, as amended, is further amended at Section 26.1 by:

- (a) adding the following as the definition of “**corporate registered owner**” in alphabetical order:

“**corporate registered owner** means a corporate registered owner as defined in the **Business Licence Bylaw**.”;

- (b) adding the following as the definition of “**market**” in alphabetical order:

“**market** means to offer for sale, promote, canvass, solicit, advertise, or facilitate **boarding and lodging** or **residential rental accommodation**, and includes placing, posting or erecting advertisements physically or online, but does not include the mere provision of a neutral space or location for such marketing in newspapers, bulletin boards, or online.”; and

- (a) adding the following as the definition of “**registered owner**” in alphabetical order:

“**registered owner** means a registered owner as defined in the **Business Licence Bylaw**.”; and

- (b) adding the following as the definition of “**short term boarding and lodging**” in alphabetical order:

“**short term boarding and lodging** means short term boarding and lodging as defined in the **Business Licence Bylaw**.”.

4. This Bylaw is cited as **“Business Regulation Bylaw No. 7538, Amendment Bylaw No. 10068”**.

FIRST READING

SECOND READING

THIRD READING

ADOPTED

MAYOR

CORPORATE OFFICER

CITY OF RICHMOND
APPROVED for content by originating Division 
APPROVED for legality by Solicitor 



**Municipal Ticket Information Authorization Bylaw No. 7321,
Amendment Bylaw No. 10069**

The Council of the City of Richmond enacts as follows:

1. **Municipal Ticket Information Authorization Bylaw No. 7321**, as amended, is further amended at Schedule B 3 by adding the following to Schedule B 3 in numerical order:

SCHEDULE B 3

BUSINESS REGULATION BYLAW NO. 7538

Column 1 Offence	Column 2 Section	Column 3 Fine
Marketing without displaying licence number	22.2.6	\$750
Boarding and lodging for less than 30 days without licence	23.1	\$1000
Premises not operator's principal residence	23.2.1	\$1000
Operator not registered owner of premises or not have registered owner's permission	23.2.2	\$1000
No Strata Permission	23.2.3	\$1000
Boarding and lodging provided to more than 2 guests	23.2.4	\$1000
Food preparation in room used for guest accommodation	23.2.5	\$250
Marketing without displaying licence number	23.2.6	\$750

2. This Bylaw is cited as "**Municipal Ticket Information Authorization Bylaw No. 7321, Amendment Bylaw No. 10069**".

FIRST READING

SECOND READING

THIRD READING

ADOPTED

MAYOR

CORPORATE OFFICER

CITY OF RICHMOND
APPROVED for content by originating dept. <i>[Signature]</i>
APPROVED for legality by Solicitor <i>[Signature]</i>



**Notice of Bylaw Violation Dispute Adjudication Bylaw No. 8122,
Amendment Bylaw No. 10070**

The Council of the City of Richmond enacts as follows:

1. Notice of Bylaw Violation Dispute Adjudication Bylaw No. 8122, as amended, is further amended at Part One – Application by adding the following to the list in Section 1.1 in alphabetical order:

“Business Regulation Bylaw No. 7538, as amended;”.
2. Notice of Bylaw Violation Dispute Adjudication Bylaw No. 8122, as amended, is further amended by adding the content of the table in Schedule A attached to and forming part of this bylaw, as a new “Schedule – Business Regulation Bylaw No. 7538” in Bylaw No. 8122 in numerical order.
3. This Bylaw is cited as “**Notice of Bylaw Violation Dispute Adjudication Bylaw No. 8122, Amendment Bylaw No. 10070**”.

FIRST READING

SECOND READING

THIRD READING

ADOPTED

MAYOR

CORPORATE OFFICER

CITY OF RICHMOND
APPROVED for content by originating Division 
APPROVED for legality by Solicitor 

SCHEDULE A to BYLAW NO. 10070

A1 Bylaw	A2 Description of Contravention	A3 Section	A4 Compliance Agreement Available	A5 Penalty	A6 Early Payment Option	A7 Late Payment Amount	A8 Compliance Agreement Discount
Business Regulation Bylaw No. 7538	Period of Time from Receipt (inclusive)		n/a	29 to 60 days	1 to 28 days	61 days or more	n/a
	Rentals for less than 30 days without licence	22.1	No	\$450.00	\$400.00	\$500.00	n/a
	Premises not operator's principal residence	22.2.1	No	\$450.00	\$400.00	\$500.00	n/a
	Operator not registered owner of premises or family member	22.2.2	No	\$450.00	\$400.00	\$500.00	n/a
	No access to Guest Register	22.2.3	No	\$450.00	\$400.00	\$500.00	n/a
	Failure to maintain Fire Evacuation Plan	22.2.4	No	\$450.00	\$400.00	\$500.00	n/a
	Food preparation in room used for guest accommodation	22.2.5	No	\$125.00	\$100.00	\$150.00	n/a
	Marketing without displaying licence number	22.2.6	No	\$450.00	\$400.00	\$500.00	n/a
	Boarding and lodging for less than 30 days without licence	23.1	No	\$450.00	\$400.00	\$500.00	n/a
	Premises not operator's principal residence	23.2.1	No	\$450.00	\$400.00	\$500.00	n/a
	Operator not registered owner of premises or not have registered owner's permission	23.2.2	No	\$450.00	\$400.00	\$500.00	n/a
	No Strata Permission	23.2.3	No	\$450.00	\$400.00	\$500.00	n/a
	Boarding and lodging provided to more than 2 guests	23.2.4	No	\$450.00	\$400.00	\$500.00	n/a
	Food preparation in room used for guest accommodation	23.2.5	No	\$125.00	\$100.00	\$ 150.00	n/a
	Marketing without displaying licence number	23.2.6	No	\$450.00	\$400.00	\$500.00	n/a



**CONSOLIDATED FEES BYLAW NO. 8636,
AMENDMENT BYLAW NO. 10089**

The Council of the City of Richmond enacts as follows:

1. The **Consolidated Fees Bylaw No. 8636**, as amended, is further amended by adding the Business Licence Bylaw No. 7360, Boarding and Lodging Use Table set out in Schedule A to this Bylaw following the Business Licence Bylaw No. 7360, Residential Use Table forming part of SCHEDULE – BUSINESS LICENCE to Consolidated Fees Bylaw No. 8636.
2. This Bylaw is cited as “**Consolidated Fees Bylaw No. 8636, Amendment Bylaw No. 10089**”.

FIRST READING

SECOND READING

THIRD READING

ADOPTED

MAYOR

CORPORATE OFFICER

CITY OF RICHMOND
APPROVED for content by originating dept. 
APPROVED for legality by Solicitor 

Business Licence Bylaw No. 7360
Short Term Boarding and Lodging Use

Description	Fee
Short Term Boarding and Lodging Business Licence	\$143.00



City of Richmond

Report to Committee

To: General Purposes Committee **Date:** October 10, 2019
From: Cecilia Achiam **File:** 12-8060-01/2019-Vol 01
General Manager, Community Safety
Re: **Review of Staffing and Service Levels Related to Bylaw Enforcement
(Excluding Short-Term Rentals)**

Staff Recommendation

1. That "Option A – Enhanced Enforcement" as described in the report titled, "Review of Staffing and Service Levels Related to Bylaw Enforcement (Excluding Short-Term Rentals)", dated October 10, 2019, from the General Manager Community Safety, be endorsed; and
2. That a position complement control number be assigned to create a new Regular Full-Time Business License Inspector position using existing funding.

Cecilia Achiam
General Manager, Community Safety
(604-276-4122)

REPORT CONCURRENCE	
ROUTED TO:	CONCURRENCE
Finance	<input checked="" type="checkbox"/>
REVIEWED BY STAFF REPORT / AGENDA REVIEW SUBCOMMITTEE	INITIALS:
APPROVED BY CAO 	

Staff Report

Origin

During the May 27, 2019 Council Meeting, Council made the following referral:

That staff explore hiring additional Bylaw staff to:

- (a) actively investigate every short-term rental and bed and breakfast listing in Richmond;*
 - (b) increase parking enforcement; and*
 - (c) increase dog enforcement;*
- and report back.*

Please note that a separate staff report titled “Review of Licencing and Enforcement of Short-Term Rentals”, dated October 1, 2019, to be presented at the same General Purposes meeting as this report provides detailed analysis and recommendations on establishing a licencing program for short-term rentals (STR), other than licenced bed and breakfast businesses, and the resource requirements to increase the service level of STR enforcement. The establishment of a licencing program for short-term rentals represents an increase in service level which will require additional resources to implement.

During the June 24, 2019 Council meeting, Council made the following referral:

That bylaw enforcement staff move from complaint based to proactive investigations on all bylaw issues.

This report supports Council’s Strategic Plan 2018-2022 Strategy #1 A Safe and Resilient City:

Enhance and protect the safety and well-being of Richmond.

Findings of Fact

The majority of bylaw enforcement for the City of Richmond is undertaken by Community Bylaws and Licencing. Key areas of responsibilities include parking enforcement, licencing and regulation of businesses, taxis, illegal land use (suites and short-term rentals), property maintenance, animal control, liquor sales, business signs and soil depositions.

Bylaw officers conduct regular proactive enforcement on many issues while some are enforced on a “complaint only” basis. Most issues enforced on a complaint basis are related to single family homes, where regular street patrol is unlikely to reveal an offence that is occurring within the premise. For clarity and illustration purposes, Table 1 lists bylaw issues according to whether bylaw enforcement is carried out on a proactive versus a complaint basis.

The ranges of bylaw enforcement activities summarized in Table 1 are undertaken by 16 full-time equivalent bylaw enforcement staff (eight for parking and animal control and eight for all other bylaws). This number is supplemented by temporary staff in the summer for dog canvassing plus animal control staff that work for the City’s animal control contractor, the Regional Animal Protection Society (“RAPS”).

Table 1: Areas of Bylaw Enforcement

<u>Proactive Enforcement</u>	<u>Complaint Based Enforcement</u>
Daily Parking and safety infraction patrols	Illegal secondary suites
Hourly parking in commercial areas	Hourly parking in residential areas
Dogs off-leash	Commercial vehicle parking on private property
Illegal soil deposition	General noise complaints
Illegal short-term rentals	Burning or camping in parks
Illegal taxis	Vacant Houses
Signs	Over-height fences (between neighbours)
Unlicensed businesses	Overgrown greenery (on private property)
Unsanitary premises	Specific concerns related to businesses
Overnight vehicle parking	Land use complaints
Dog licence canvassing	Dog barking
Snow removal	Dog in hot car
Boulevard Maintenance	Dog bites
Weight Restricted Road – commercial vehicles	Smoking and Vaping complaints
	Patrolling homeless camps

In areas where staff provide proactive enforcement, it is still not possible to catch all bylaw infractions and staff rely on information from the public. Regular operational occurrences such as staffing vacancies, attendance in court and administrative duties impact the ability of bylaw enforcement officers to patrol their respective areas. Some proactive enforcement is carried out in campaigns where staff specifically target one type of bylaw violation. Examples of these campaigns are illegal taxi enforcement, construction trades licence checks, dog licence canvassing and commercial vehicle enforcement.

While the City has the authority to choose how and when it conducts enforcement, staff are expected to address citizens' complaints promptly as part of the City's corporate expectation for customer service excellence. Since responding to complaints is an operational priority, staff will typically have less time for proactive enforcement at times when complaints are higher.

Analysis

Comparison to other Cities

In order to compare the model used to provide property use related bylaw enforcement in Richmond, staff surveyed other municipalities in the region and Province. The results of the survey are shown in Table 2 below.

The survey looked specifically at:

- Number of staff per capita as an approximation of staff availability;
- Hours of operation to differentiate between Monday to Friday (5 days) or 7 days a week service; and
- The enforcement model used by the municipality and whether it is complaint based or proactive (not including parking and animal control).

Table 2: Property Use Related Bylaw Enforcement Model by City
(does not include parking enforcement and animal control)

Municipality	# of Bylaw Staff FTE	Population per Bylaw Staff FTE	Days/week	Enforcement Model
Delta	14	7,900	7	proactive
Coquitlam	11	13,000	7	hybrid
Surrey	39	13,000	5	hybrid
Vancouver	35	19,000	5	hybrid
New West	3	24,000	5	complaint based
Saanich	5	24,000	5	complaint based
Burnaby	10	25,000	5	complaint based
Richmond	8	28,000	7	hybrid

Most other municipalities respond to property use related bylaw violations on a complaint basis or, like Richmond, using a hybrid model where some items are by complaint and others are picked up by enforcement officers targeting a specific issue. In a comparison to the operating models of other cities, it was found that most provide non-parking/animal control bylaw enforcement 5 days a week from Monday to Friday. Richmond has recently moved to 7 days per week property use related bylaw enforcement in order to provide more timely response to complaints about noise and illegal signs and also to investigate short-term rentals.

While Table 2 is a general guide to staffing levels in other communities, there are many differences between municipalities in how they are organized and which bylaws are handled by each workgroup. Generally, the table looks only at property and business related bylaw enforcement (not including parking or animal control). According to the information collected, Richmond has the fewest number of bylaw enforcement staff per capita with a population to staff ratio of approximately 1:28,000 while delivering relatively comparable or higher level of service (7 day coverage and hybrid response).

Richmond Bylaw Enforcement Review

Property Use

The workload managed by staff in Community Bylaws, specifically the Property Use section, varies throughout the year. While a portion of the work is driven by proactive enforcement (self-generated), the highs and lows are influenced by the number of complaints received from the public, which are higher in the spring and summer months. These files are currently handled by four full-time Bylaw Liaison Officer IIs (Bylaw II Officer), a full-time supervisor and an auxiliary officer that works one weekend day per week. In addition, the CAO has recently approved two temporary bylaw enforcement staff to provide temporary additional resources to deal with the backlog of cases from the spring and summer and to action Council's direction for more proactive enforcement in STR investigation, parking enforcement and dog patrol.

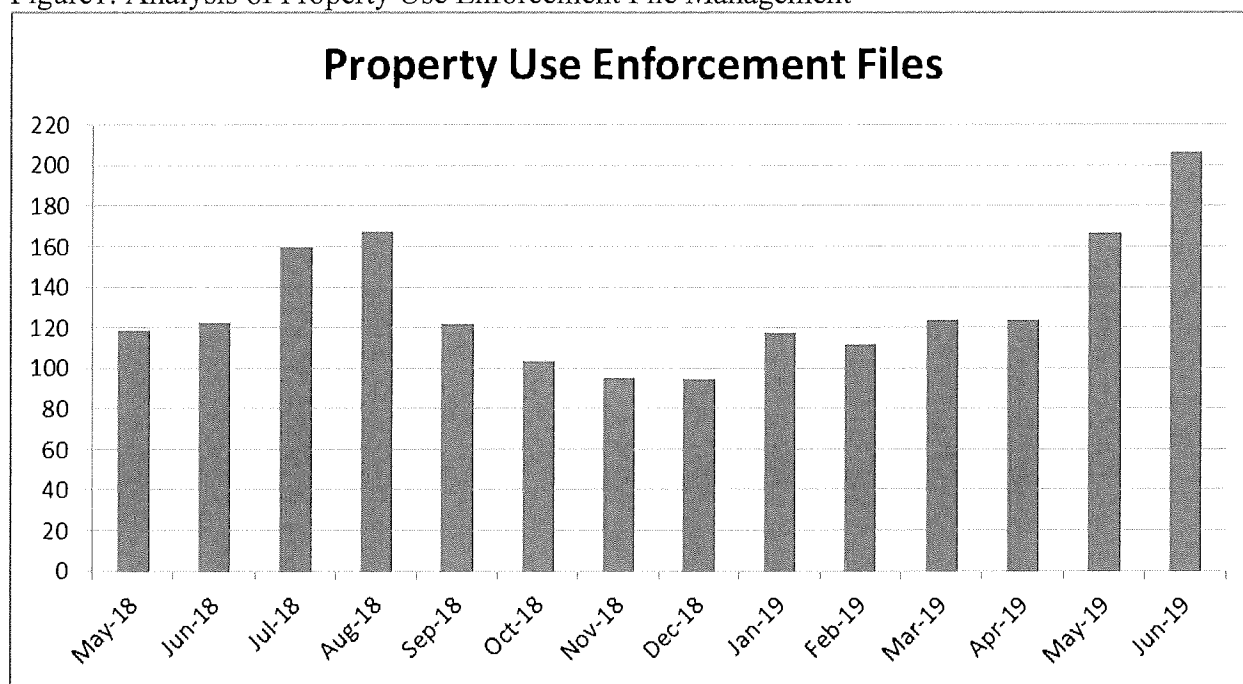
Based on regular review by the manager, Bylaw II Officers are able to handle 20-30 files at any given time so that deadlines for complaints are met and investigations are completed in a timely

manner. Currently, Officers have been assigned in excess of 40 files each which has negatively impacted productivity (accuracy and efficiency) for addressing case files. In order to manage this, Officers have been directed to prioritize complaint based calls for service, while those issues which are determined to be lower priority may wait several weeks to be resolved. This lag in service should be addressed to maintain the service level expected by Council.

Community Bylaws management has also reviewed and improved enforcement processes (complaints intake, work assignment, tracking and oversight) since 2018 and have compiled one full year of observation and analysis of Richmond's operational needs for property use enforcement.

Figure 1 summarizes the average number of files received monthly and shows the seasonal variability in open enforcement files being managed by the team in the Property Use section. These figures are reviewed every 2-3 weeks to ensure balance among the staff members in the group. The Bylaw II Officers are generally assigned to specific geographic areas within the City to encourage familiarity with their assigned areas and facilitate relationship building with local businesses and area residents. The more complex files may be assigned based on experience and aptitude of the officers.

Figure1: Analysis of Property Use Enforcement File Management



The Property Use section is currently experiencing a higher than normal volume of enforcement files. As well there are more complex and long lasting trends emerging in the community including people experiencing homelessness, cannabis legalization, illegal ride-sharing, etc. that this section (in coordinated efforts with other City departments and agencies) respond to. There is no evidence that this trend toward higher number of calls, more emerging issues and more complex response to files, will decline.

Overall, the number of files that each property use inspector manages has increased by approximately 50% year over year due to the increase in complexity of files. While it is typical to see an increase in calls in the spring and summer months when more people are outside, calls in May of 2019 had already surpassed the peak seen in August of the previous year. The calls continued to increase through the August, which was 46% higher than previous years. In response, the CAO directed staff to negotiate flexibility with the Union (CUPE) regarding shifting for improved coverage as well as two temporary property use inspectors (Bylaw Liaison Officer II) to address the spike in call volume.

Short-Term Rentals

The City of Richmond's approach to enforcement of short-term rentals has been to pursue proactive enforcement. Bylaw enforcement staff will take complaints from the public in addition to reviewing listings and other information to find illegal operations. However, staff manage a number of different types of bylaw enforcement files and providing proactive enforcement is difficult during busy periods.

It is of note that since the initial review of STR listing in 2016¹ the number of STR listings in Richmond has decreased from approximately 1,600 (counted on November 16, 2016) to holding steady between 600-800 listings, depending on the season. It should be noted that this is the total number of listings and includes both legal and illegal operations. In addition, each listing does not represent a separate address as many properties have multiple listings and/or advertise on multiple sites.

A full review of staffing and resources to provide more proactive bylaw enforcement of illegal short term rentals which would represent a permanent increase in service levels, is provided in a separate report titled "Review of Licencing and Enforcement of Short-Term Rentals" (STR Report), dated October 1, 2019. The STR Report is intended to be presented at the same General Purposes Committee in conjunction with this report.

The recommendations in this report are independent of the STR Report and can proceed separately or in conjunction with the recommendations contained in the STR Report.

Parking

Eight full-time Parking and Animal Control Officers, plus two auxiliary officers, proactively patrol for violations of the Traffic Bylaw No. 5870 (Traffic Bylaw) and the Parking (Off-Street) Bylaw No. 7403 (Parking Bylaw), seven days a week between the hours of 7:00am to 9:00pm including statutory holidays (excluding Christmas Day). Their duties also include monitoring pay parking within the city both on-street and off-street on city owned locations such as Community Centres, Minoru Precinct, Bowling Green, Gateway/Minoru Chapel and Brighthouse Lot. The Officers average 2,400 parking tickets per month based on seasonal and weather variables. Revenue collected for pay parking which includes both meter and the monthly parking permit fee has steadily increased within the last five years due to an increase of meters

¹ Staff report considered by Council on January 9, 2017 titled "Regulation of Short-Term Rental Units" dated November 29, 2016. (https://www.richmond.ca/_shared/assets/_14_ShortTermRentalUnits46167.pdf).

within the pay parking management program defined in Schedule K of the Traffic Bylaw. The revenue is shown below in Table 3.

Table 3: Parking Meter and Monthly Parking Permit Fee Revenue²

	Meter	Permit	Total
2018	777,730	256,713	1,034,443
2017	720,075	191,529	911,604
2016	740,561	223,365	963,926
2015	613,250	219,350	832,600
2014	544,853	169,159	714,012

Until such time that the geographic areas included in the pay parking management program is expanded, the current staffing levels of Parking and Animal Control Officers consistently meets the demands of enforcing the City's bylaws and patrolling the existing 55 meters located both on and off street, 135 off-street parking permits and 390 on-street parking permits. Community Bylaws will be incorporating Mobile Licence Plate Recognition (MLPR) software in a vehicle by early 2020, which is anticipated to free up Officer resources from chalking tires for timed infractions.

Animal Control

Animal Control Enforcement duties are shared between the Regional Animal Protection Society (RAPS) and the City's Community Bylaw department. Animal control services are provided at varying levels on a 24 hours, 7 days a week basis. RAPS is contractually obligated to perform animal control enforcement between the hours of 10:00am to 6:00pm, Monday through Friday, and 9:00am to 5:00pm on Saturday and Sunday (closed Statutory Holidays). Community Bylaw Parking and Animal Control Officers augment RAPS on animal control duties during their regular shifts between 7 am – 9 pm including statutory holidays (excluding Christmas day).

Bylaw staff covers animal control outside of the regular working hours of RAPS and when requested to do so for special projects, such as increased enforcement at City parks, dykes, school grounds and assisting a RAPS Officer on an animal control call when needed. As the majority of enforcement is done by RAPS, the current deployment model of eight Parking and Animal Control Officers, plus two auxiliaries, is sufficient to fulfill animal control duties outside of RAPS business hours. As part of Community Bylaw's seasonal operations, three temporary additional canvassers are hired for the summer months for public education on responsible pet ownership. The RCMP respond to animal control emergency calls between 9 pm and 7 am only.

The current animal control services contract with RAPS is administered by the Community Services division and the contract term will be expiring January 31, 2021. Staff meet with RAPS representatives regularly to verify performance to meet contractual obligations, coordinate services and trouble shoot to ensure the delivery of seamless quality service. Staff intend to

² 2017 decrease was due to change in staffing and long term construction on both Buswell Street and Leslie Road

review options to address the City's animal control needs prior to the expiration of the contract and take appropriate action to ensure quality and continuity of animal control services.

Proactive Enforcement of all Bylaws

Bylaw enforcement is an evolving service that changes according to community concerns and emerging issues. Short-term rentals, illegal taxis and homeless camps are three of the most recent issues that have impacted the scope and service levels of bylaw enforcement. Increases in population density, new technology and economic factors will continue to drive evolution in bylaw enforcement. As people live closer together, in higher value homes, expectations change and results in increases to the number of complaints related to issues such as street parking, animal control, noise, yard maintenance and illegal land uses like suites, short-term rentals and vehicle storage.

Staff currently provide proactive enforcement of some bylaws while others are investigated on a complaint basis. Moving to proactive enforcement of all bylaws would require an increase in staffing levels as this would be an increase in service levels. The increase in staffing would affect the number of field staff required to proactively patrol and investigate issues and would require a corresponding increase in the administrative staff that answer public inquiries, process tickets and send written correspondence. An increase in enforcement work will also require more resources to pursue legal remedies in Provincial and Supreme Court and to defend appeals of tickets. It is also probable that there will be an increase in service complaints received by Mayor and Councillors and staff at the management level.

While enforcement costs related to parking, animal control and business licences are recovered from fees, enforcement of all other bylaws is a net cost to the City. These other bylaws are enforced by the property use group, the revenue and cost for that group over the last three years is shown in Table 4. While revenues have increased over the last three years, there has also been an increase in associated costs. Not accounted for in this budget is an increase in legal costs. As Community Bylaws staff manage more files, there is an increase in tickets issued and legal costs to defend tickets or take cases to higher courts to achieve compliance and to deter others from breaking the bylaws.

Table 4: Operating Budget for Property Use

Three Year Operating Budget Results		Actual 2016	Actual 2017	Actual 2018
Property Use	Revenue	\$157,962	\$198,349	\$213,667
	Less Expenses	\$831,080	\$1,040,148	\$915,771
	Net Costs	\$673,118	\$841,799	\$702,103

Options

The summary of options below presents three scenarios for increasing bylaw enforcement, including implications to staff and budget. In all cases, the options below are independent of Council's decision on staffing to increase the service level of enforcement of short term rentals as presented in the STR Report.

All options provide incremental increases in service levels to address Council's concerns to a varying degree. Along with increasing service levels, each option has an increased budget impact. All of the options presented will have no impact on the level of service with respect to enforcement of illegal short-term rentals.

Option A – Enhanced Enforcement (without on-going budget impact) –*Recommended*

There will not be an increase in the operating budget in this option. It is proposed that funds in the existing Business Licence Department auxiliary budget and higher licensing revenue be used to convert a temporary staff position to a regular full-time Business Licence Inspector position. The City issues over 14,000 business licences annually as well as regulates commercial vehicles taxis and liquor licenses. The addition of this resource without any impact to the operating budget would allow for more consistent proactive and targeted enforcement of business licensing compliance (e.g. body rub/massage parlors, karaoke, money exchange businesses, etc.) and emerging cannabis related operations. In addition to keeping pace with the annual business licensing program, the enhanced enforcement in these areas is particularly crucial to the on-going collaboration with the Richmond RCMP to combat money laundering and other criminal activities.

Option B - Increased Staffing to Enhance Proactive Enforcement – NOT Recommended

Option B includes the conversion of funding to one RFT Business License Inspector described in Option A.

If Council supports a permanent increase in staffing levels, it is proposed to add one more regular full-time property use inspector staff (Bylaw Liaison Officer II) to the current complement of eight (for bylaw enforcement of businesses, signs, short-term rentals, soils, land use, unsightly properties, etc). Together, these additional resources (one Business Licence Inspector and one Bylaw Liaison Officer II) would facilitate consistent follow up on unresolved enforcement files, especially where there are unpaid tickets, and staff would be able to increase the number of inspections and issue tickets for continuing offences (currently, staff may not have the resources to revisit the same non-priority file in a timely manner).

Implementation of Option B would allow staff to maintain service levels and provide consistent enforcement throughout the year and maintain the newly established seven days a week service³. This would bring the staffing level/per capital ratio (Table 2) from 1 staff/28,000 residents to 1 staff/22,000 residents. The net cost to implement this option is \$100,000.

It is anticipated that an increased and stable staffing level will lead to an increase in revenue. While it is impossible to provide an accurate estimate, it is reasonable to expect that there will be more tickets written and associated fines collected. On the other hand, more sustained enforcement may lead to more prosecution files and an increase in legal costs as a portion of tickets issued and non-compliant cases will make their way into court, so there may not be a net increase in revenue.

³ The 7 days per week coverage for property use enforcement is currently provided on a temporary basis resulting from more flexible scheduling negotiated with the Union and temporary resources approved by the CAO.

Option C – Full Proactive Enforcement – NOT Recommended

Under this option, it is proposed to add five additional staff to bylaw enforcement and begin proactive enforcement of several key areas, including parks (smoking, burning and unlicensed/off-leash dogs), illegal suites, commercial vehicle parking and regulated businesses (massage businesses, amusement centres, karaoke, etc.) to provide dedicated resources to these key portfolios.

Option C would also be a significant change in the level of service provided to the community. In order to provide proactive enforcement, officers would be required to patrol neighborhoods and take action on bylaw violations that may not otherwise be impacting neighboring residents.

This option would represent the most proactive approach but may not lead to a corresponding increase in compliance or net revenue. The return of investment diminishes as more input does not lead to a corresponding increase in efficiency or effectiveness in services provided.

If Option C was approved, along with the additional staff in the report on short-term rentals and the additional inspector in licensing, it would put Richmond slightly better than the average in terms of bylaw enforcement officers per capita at 1 staff/17,000 residents. However, it would also be a significant budget increase without staff being able to demonstrate a corresponding return on investment. The net cost to implement this option is \$400,000.

Staff do not recommend Option C because it does not demonstrate a sufficient return on the investment.

Summary of all Options

In all cases, it is proposed to add additional staff to the current complement of eight bylaw enforcement officers. The options provide Council with the flexibility to consider incremental increases in staffing within the context of enforcement service levels and the corresponding budget impact. Option A is without any additional level request.

Table 5: Summary of Options

Option	Enforcement Staff (ES)	ES/Per Capita	Net Budget Impact
Current	8	1/28,000	N/A
Option A – Enhanced Enforcement RECOMMENDED	9	1/25,000	0
Option B – Increased Staffing to Enhance Proactive Enforcement	10	1/22,000	\$100,000
Option C – Full Proactive Enforcement	13	1/17,000	\$400,000

Financial Impact

The annual cost of a bylaw enforcement officer is approximately \$120,000, including salary, benefits and equipment. The costs will be offset by \$100,000 with funding available in the current operating budget and an increase in revenues from fines of approximately \$20,000.

Conclusion

Staff was asked to explore adding additional staff and moving to proactive enforcement of all bylaws. This report provides a comprehensive review of all areas of bylaw enforcement and recommends additional staff in Community Bylaws without any additional level service request.



Carli Williams
Manager, Community Bylaws
and Licencing
(604-276-4136)



Susan Lloyd
Manager, Parking Enforcement, Animal Control
And Administration, Community Bylaws
(604-247-4467)



City of Richmond

Report to Committee



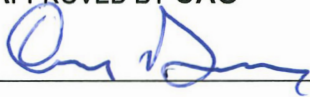
To: General Purposes Committee **Date:** September 17, 2019
From: Marie Fenwick **File:** 11-7000-00/Vol 01
Director, Arts, Culture and Heritage Services
Re: **Local Art Plans, Vision and Themes, Opportunities for Young and Emerging Artists and Council Approval of Private Development Public Art and Developer Contributions – New Policy**

As per Council direction, as outlined in the report titled, “Local Art Plans, Vision and Themes, Opportunities for Young and Emerging Artists and Council Approval of Private Development Public Art and Developer Contributions – New Policy” from the Director, Arts, Culture and Heritage Services dated September 17, 2019:

1. a new Public Art Program Policy (Attachment 7) be adopted, which includes per Council direction:
 - Council approval for all new Public Art plans and projects generated through the Public Art Program on private as well as City-controlled property; and
 - Council approval for the allocation of voluntary developer contributions to provide public art, contribute to the Public Art and Arts Facilities Programs Reserve Fund, or a combination of the two.
2. a new Public Art and Arts Facilities Programs Reserve Fund be established to receive funds under the new policy;
3. the Public Art Program Administrative Procedures Manual be updated to reflect these policy and procedural changes; and
4. the new Public Art Program Policy applies to Private Development applications submitted to the City after the date of Council approval of the new Policy.

Marie Fenwick
Director, Arts, Culture and Heritage Services
(604-276-4288)

Att. 7

REPORT CONCURRENCE		
ROUTED TO:	CONCURRENCE	CONCURRENCE OF GENERAL MANAGER
Policy Planning	<input checked="" type="checkbox"/>	
Development Applications	<input checked="" type="checkbox"/>	
Law	<input checked="" type="checkbox"/>	
Finance Department	<input checked="" type="checkbox"/>	
Purchasing	<input checked="" type="checkbox"/>	
REVIEWED BY STAFF REPORT / AGENDA REVIEW SUBCOMMITTEE	INITIALS: 	APPROVED BY CAO 

Staff Report

Origin

On July 2, 2019 at the General Purposes Committee meeting, Council made the following referral:

“Council Approval of Private Development Public Art and Developer Contributions – New Policy” from the Senior Manager, Arts, Culture and Heritage Services dated May 24, 2019 be referred back to staff for more information on:

- *local art plans;*
- *suggestions in terms of vision and themes for art in the city such as heritage, history, culture and harmony;*
- *opportunities for young and emerging artists; and*
- *earlier reference to Council regarding public art on private property.*

The purpose of this report is to respond to this referral.

This report supports Council’s Strategic Plan 2018-2022 Strategy #3 One Community Together:

Vibrant and diverse arts and cultural activities and opportunities for community engagement and connection.

This report supports Council’s Strategic Plan 2018-2022 Strategy #4 An Active and Thriving Richmond:

An active and thriving community characterized by diverse social and wellness programs, services and spaces that foster health and well-being for all.

Background

At the General Purposes Committee meeting on July 2, 2019, staff responded to a June 18, 2018 referral to direct staff to add a policy in which Council has the discretion to a) approve or refuse artwork on public or private property, b) recommend allocating equivalent funds for other projects and c) consider restrictions to local artists.

Staff presented a proposed new Public Art Policy, which gives authority to Council to approve public art plans and projects generated through the Public Art Program on private as well as on City property. The new Policy would also give Council authority to allocate public art voluntary developer contributions to other programs such as arts facilities. Council already has the authority to restrict participation to local artists at the Terms of Reference stage, so in this case, there were no proposed changes to the current Policy regarding local artist restriction.

Analysis

Local Art Plans, and Vision and Themes for Public Art

In the July 2, 2019 referral, staff was directed to provide suggestions in terms of vision and themes for public art in Richmond such as heritage, history, culture and harmony and to provide information about local art plans.

The themes of heritage, history, culture and harmony are already fundamental to the overall intent of the Public Art Program as described in the current Policy (Attachment 1, Item 1.2) which specifically identifies the Program's capacity to "spark community participation..., celebrate community history, identity, achievements and aspirations [and] engage citizens to take pride in cultural expression..."

All artist calls and selection processes take these themes into consideration, in accordance with the current Policy.

In addition to the current Policy's over-arching intent and goals, there are local Public Art Plans that guide the commissioning of artworks within certain neighbourhood boundaries. To date, the following area-specific Public Art Plans and themes have been endorsed by Council:

City Centre Public Art Plan: "Richmond: Yesterday, Today and Tomorrow" has been the thematic construct within which artists have worked since it was endorsed in 2011. The themes in the City Centre Public Art Plan are further outlined as follows:

- Honouring Yesterday: Richmond's past has many faces. These faces are what make Richmond unique and provide visitors with an understanding of Richmond's history and how immigration has shaped the diversity of our unique City.
- Celebrating Today: A city in transition with shifting demographics paired with rapid development and growth have given Richmond an exciting new profile. Still praised for its rich soil and abundant waters, Richmond is also developing as a cultural destination.
- Building Tomorrow: Richmond is a "world class" urban centre that enhances quality of life, embraces the principles of sustainable living and provides opportunities to take pleasure in public life and celebrate its unique heritage and culture.

Capstan Village Public Art Plan: Within the City Centre, the Capstan Village Area Public Art Plan (endorsed 2018) has a thematic framework called "A Waterfront Arts District: Geography, History and Culture" with specific themes outlined as follows:

- Arts and Geography: Public art can promote and foster environmental stewardship and awareness in consideration of the unique geography and ecology of the Capstan area.

- **Arts and History:** Public art that responds to the agricultural and industrial heritage of the Capstan area can contribute to a sense of place and foster civic pride with artworks that will facilitate dialogue and interest among residents and visitors.
- **Arts and Culture:** Capstan Village is characterized by an ethnically diverse and growing population contributing to the cultural fabric of this growing city. Public art in a variety of forms will inspire participation and dialogue, as well as enrich broad community connectivity essential for a healthy City.

Alexandra Neighbourhood Public Art Plan: Within the City Centre, the Alexandra Neighbourhood Public Art Plan (endorsed 2013) has a thematic framework called “Connectivity: Ecology, Infrastructure and History” with specific themes outlined as follows:

- **Connecting Ecology:** Public art can play an integral part in bringing awareness to the importance of ecological connections and addressing the sensitive nature and challenges of designing with ecosystems in mind.
- **Connecting Infrastructure:** Richmond is building a sustainable City through innovative infrastructure initiatives in the development of residential neighbourhoods, such as the Alexandra District Energy Utility.
- **Connecting History:** History includes telling the story of the land, from geologic times to the present, as well as the story of human settlement, farming and cultures that have inhabited the neighbourhood.

A Steveston Village Public Art Plan is currently under development.

Opportunities for Young and Emerging Artists

In the July 2, 2019 referral, staff was directed to provide more information on opportunities for young and emerging artists in the current Richmond Public Art Program. All Richmond Public Art artist calls are open and many are particularly attractive to and appropriate for emerging artists of all ages. These include programs such as Engaging Artists in the Community Program, No. 3 Road Art Columns Program, Art Wrap Program Artist Roster, Canada 150 Access Covers and Richmond Mural Program which attract artists of all backgrounds including those in the early stages of their practice.

Periodically, the Public Art Program offers opportunities that are specifically targeted at young and emerging artists. Current artist calls include the second annual Capture Photography Festival Canada Line Public Art Project, “Mentorship and Exhibition Opportunity for Musqueam Emerging Artists.” The selected artist or artist collective will work with an established Indigenous artist in the development of a large-scale photo installation at Lansdowne Canada Line Station in 2020.

Previous Public Art opportunities that have specifically targeted emerging artists include:

- *Layers* by Christian Huizenga (2016): The fence design installation in West Cambie was the outcome of an innovative educational partnership between Emily Carr University of Art + Design, Ampri Group, Stantec and the City of Richmond that provided students with training and experience in the field of public art.
- *Fluvial Fan* (2017): The pop-up garden installation installed at Richmond City Hall as part of the Canada 150 Celebrations was composed of more than 4,700 plants and 14 species native to British Columbia. The garden was designed by Landscape Architecture students from the University of British Columbia.
- *Migration No. 3 Road Art Column Exhibition 12* (2018): Two professional artists mentored four emerging Richmond artists to produce artwork that considered the theme of migration, cultural iconography, language and food.

Additional programs and opportunities for young and emerging artists can be added at any time within the current Public Art Policy; therefore, staff do not recommend changes to the current Policy.

Previous Referral Regarding Public Art on Private Property

In the staff report titled “Council Approval of Private Development Public Art and Developer Contributions – New Policy” presented at the July 2, 2019 General Purposes Committee Meeting, the following Public Art Program Policy changes were proposed, at the direction of Council:

Council Approval (Attachment 2)

This proposed policy change gives Council the authority to approve or refuse public artworks that are commissioned through the development applications process. Attachment 3 shows the current typical two-stage process for the selection and approval of public art. In the proposed revised process (indicated in red), Council would have authority to approve or reject artwork at both the initial phase where the Terms of Reference are set, as well as at the final stage after an artwork concept has been selected.

Allocation of Developer Contributions (Attachment 4)

This policy change has two parts:

1. The parameters of the Public Art Program Reserve Fund would be changed so that those funds may be directed to a range of programs that includes arts facilities. This will necessitate the creation of a new Public Art and Arts Facilities Programs Reserve Fund to receive funds under the new policy.

2. Council would have the authority to approve (or reject) the direction of voluntary developer contributions. In cases where the developer prefers to direct contributions to the creation of public art, this will necessitate a staff report seeking Council approval prior to the proposed development being forwarded to Planning Committee or Development Permit Panel. Attachments 5 and 6 provide diagrams to describe the current and proposed approval processes.

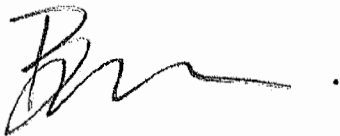
The Draft Public Art Program Policy in Attachment 7 indicates the above proposed changes in red.

Financial Implications

At this time, staff are unable to quantify the financial impact with respect to the new Public Art Program Policy. However, the changes are expected to require additional resources for overall program administration, including oversight, communications and reports to Council.

Conclusion

The process for selecting art for private development public art projects has been guided by the Public Art Program Policy for more than 20 years. Richmond City Council, staff and community members have important roles in the administration of the process. Additional measures proposed to improve the flow of information to Council will aid Council in formulating broad policy goals in realizing the vision for Richmond to be the most appealing, livable and well-managed community in Canada.



Biliana Velkova
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- Att. 1: Policy 8703 - Public Art Program
- 2: Council Approval Policy
 - 3: Public Art Selection and Approvals Process
 - 4: Allocation of Developer Contributions
 - 5: Existing Process - Allocation of Private Developer Public Art Contributions
 - 6: Proposed Process - Allocation of Private Developer Public Art Contributions
 - 7: Draft Public Art Program Policy - Proposed Replacement



Policy 8703:

It is Council policy that:

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RICHMOND PUBLIC ART PROGRAM

1. APPLICATION AND INTENT

- 1.1 Public art** is defined as artwork in the public realm, which is accessible physically or visually to the public and possesses aesthetic qualities. Public Realm includes the places and spaces, such as building facades, parks, public open spaces and streets, which provide physical or visual access to the general public.
- 1.2 Public Art Program:** Public art animates the built and natural environment with meaning, contributing to a vibrant city in which to live and visit. By placing artwork in our everyday environment, the Public Art Program sparks community participation in the building of our public spaces, offers public access to ideas generated by contemporary art, celebrates community history, identity, achievements and aspirations, encourages citizens to take pride in community cultural expression and creates a forum to address relevant themes and issues of interest and concern to Richmond's citizens.

2. PROGRAM GOALS

- 2.1** The Public Art Program strives to:
- a) Spark community participation** in the building of our public spaces, encouraging citizens to take pride in public cultural expression;
 - b) Provide leadership in public art planning** through civic, private developer, community and other public interest initiatives to develop the City's cultural uniqueness, profile and support of the arts;
 - c) Complement and/or develop the character of Richmond's diverse neighbourhoods** to create distinctive public spaces, which enhance the sense of community, place and civic pride;
 - d) Increase public awareness**, understanding, and enjoyment of the arts in everyday life, and provide equitable and accessible opportunities for Richmond's diverse community to experience public art;
 - e) Encourage public dialogue** about art and issues of interest and concern to Richmond residents; and
 - f) Encourage public art projects that work towards achieving a more sustainable community**, environmentally, economically, socially and culturally.

3. PROGRAM OBJECTIVES

- 3.1** The objectives of the Public Art Program are:
- a) Increase opportunities for the community and artists** to participate in the design of the public realm;
 - b) Develop original site-specific works of art** in order to contribute to cultural vibrancy;
 - c) Select art through an arms'-length process** incorporating professional advice and community input that ensures the quality of art and its relevance to the community and site;



- d) **Ensure that a public and transparent** process is maintained to develop and accept public art;
- e) **Enter into partnerships** with private and public organizations to further public art in the City; and,
- f) **Ensure that public art, and the environs of that art, are maintained** in a manner that will allow for continued public access to, and enjoyment of, these artworks in appropriate settings.

- 3.2 The Public Art Program will maintain a continuous, consistent and affordable funding mechanism to support the City's commitment to public art.

4. ADMINISTRATIVE PROCEDURES

- 4.1 Council approval is required for all public art plans and projects on City controlled property.
- 4.2 The City will develop administrative procedures relating to the management of projects, including: selection processes, developer contributions, donation and de-accession guidelines, site considerations, documentation and maintenance (the "Public Art Program Administrative Procedures Manual").
- 4.3 The City will maintain a Public Art Program Reserve to hold public art allocations from both public and private sources for capital expenses.
- 4.4 The City will maintain a Public Art Program Operating Provision to hold public art allocations from private sources for operating expenses relating to the administration of the Public Art Program.

5. CIVIC PUBLIC ART PROGRAM

5.1 General

- 5.1.1 The City's policy is to provide leadership in public art by incorporating public art, at the planning stages, into the development or renovation of civic infrastructure, buildings, parks and bridges, and to encourage collaboration between the Public Art Advisory Committee, City staff, artists, engineers, design professionals and the community to enrich such projects.
- 5.1.2 The priority for civic public art projects will be to fully integrate the artwork into the planning, design and construction of civic works and to select and commission an artist to work as a member of the project consultant design team, in order to maximize opportunities for artistic expression and minimize material and construction costs.

5.2 Project Identification

- 5.2.1 The City will identify and prioritise specific areas within the City and types of capital projects appropriate for the inclusion of public art. Applicable projects include:
- a) New building construction;
 - b) Major additions or renovations to existing buildings;
 - c) Park development projects;
 - d) Environmental programs; and
 - e) New engineering structures.



5.2.2 Projects appropriate for consideration should:

- a) Have a high degree of prominence, public use and/or public realm impact;
- b) Achieve or enhance project objectives or other City objectives (e.g. beautification, liveability, multiculturalism, sustainability, cultural or environmental interpretations);
- c) Promote opportunities for meaningful community participation; and/or
- d) Complement existing public artworks or public amenities in the local area, and/or fulfil a need identified in that community.

5.2.3 The City will undertake artist-initiated public art projects from time to time. Artists will be invited to submit proposals for concepts and locations of their own choosing, and may be asked to respond to a specific topic of community interest or importance.

5.3 Funding

5.3.1 Each year, the City will commit an amount of funds equivalent to a minimum of 1% of each Capital Project Budget, to the planning, design, fabrication and installation of public art, provided that:

- a) Capital projects for equipment and land acquisition are exempt;
- b) Infrastructure utilities projects - water supply and sewerage - which are funded solely from restricted sources, are exempt; and
- c) For eligible projects, allocations are based on the construction costs of capital projects, and exclude soft costs (i.e., administration, professional and legal fees, furnishings, and permit fees).

5.4 Donations and/or Gifts of Artwork(s)

5.4.1 Private donations or gifts of artworks may be accepted into the City's public art collection, provided that:

- a) The artworks are assessed on their artistic, environmental, cultural, historical and social merits before being accepted into the City's public art inventory;
- b) A suitable site can be identified; and
- c) Funds are made available for the ongoing maintenance and conservation of the artwork.

5.5 Purchase Pre-Existing Artwork

5.5.1 The City may add to its public art inventory by purchasing pre-existing works of art from time to time.

5.6 De-accession

5.6.1 De-accession is defined as any actions or set of procedures that result in the cessation by the City of its ownership and possession of works of art installed in public places, through sale, exchange, gift or any other means.

5.6.2 Provided that the de-accession of the artwork is not contrary to the terms on which it was received by the City, the City may de-accession artworks from the City's inventory when necessary:

- a) Through a considered public review and assessment process;
- b) If the de-accession of the artwork is evaluated on a case by case basis; and



- c) If the de-accession of the artwork is endorsed by Council.

6. PRIVATE DEVELOPMENT PUBLIC ART PROGRAM

6.1 General

The City's policy is to encourage the private sector to support the integration of public artworks in the community during the rezoning and development permit processes, and the collaboration of artists, design professionals and the community in the design of that art.

6.2 Project Identification

- 6.2.1** Applicable projects include new building construction, major additions or renovations to existing buildings, as follows:

- a) For residential uses containing 10 or more units; and
- b) For non-residential uses with a total floor area of 2,000 m² (21,530 ft²) or greater.

- 6.2.2** The following uses or occupancies of all or part of a development or building are exempt from contributing to the Public Art Program:

- a) Community Amenity Space, Community Care Facility, Congregate Housing, Child Care, Health Services, Education and related uses as defined under the Richmond Zoning Bylaw, as amended from time to time;
- b) Purpose-built non-market rental and subsidized social housing projects and/or units secured through the City's Affordable Housing Strategy; and

- 6.2.3** Public art should be sited in locations that meet the following criteria:

- a) Visibility and accessibility (as appropriate to the art work) for pedestrians and/or motorists;
- b) Proximity to high pedestrian activity areas, e.g. active retail areas, transit stops (especially those serving high ridership routes), places of public gathering, public open spaces and recognized pedestrian routes;
- c) Opportunities to expand on existing or future public artworks as part of an existing or proposed multi-artwork public art plan; and/or
- d) Places of special heritage or community significance.

6.3 Funding

- 6.3.1** The public art contribution rate for private sector public art projects is an amount equivalent to a minimum value of 0.5% of the estimated total project construction cost:

- a) Contributions are based on construction costs and exclude soft costs (i.e., administration, professional and legal fees, furnishings, development cost charges, and permit fees);
- b) For the purpose of calculating public art contributions for private development, only floor areas that make up the calculation of density as set out under the Richmond Zoning Bylaw, as amended from time to time, are included;
- c) Floor areas for uses set-out under 6.2.2, above, are excluded; and
- d) This contribution funds the planning, design, fabrication and installation of public art.



- 6.3.2** The City will issue guidelines for calculating the public art contribution based on building types and annual Consumer Price Index adjustments.
- 6.3.3** The public art contribution rate will be reviewed periodically by Council.
- 6.3.4** For public art project contributions that are less than \$40,000, a cash contribution is to be made to the City's Public Art Reserve, for city-wide public art programs.
- 6.3.5** For public art contributions over \$40,000, the developer may choose one of the following three options:
- a)** A monetary contribution to the City's Public Art Program Reserve; or
 - b)** The developer may provide public artwork of a value equal to the public art contribution for the project, provided the artwork complies with this Public Art Program Policy and the Public Art Program Administrative Procedures Manual; or
 - c)** The developer may negotiate a split of its contribution between both i) a monetary contribution to the Public Art Program Reserve; and ii) provision of artwork, provided the combined value of the monetary contribution and the artwork is equal to or greater than the project's public art contribution.
- 6.3.6** Where the developer chooses to provide artwork, either on their development site or on a City controlled property:
- a)** A minimum of 85% of the public art contribution will be allocated to the creation of the artwork;
 - b)** Where the City manages the public art selection process, 15% of the developer's public art contribution will be dedicated to the City's Public Art Program Operating Provision to support and sustain the management, administration and promotion of the Public Art Program;
 - c)** Where the developer engages an independent Public Art Consultant to manage the public art selection process, 5% of the developer's public art contribution will be dedicated to the City's Public Art Program operating budget and Operating Provision to support and sustain the management, administration and promotion of the Public Art Program and a maximum of 10% of the public art budget may be directed towards the consultant fees;
 - d)** Where located on City controlled land, the artwork will become the property of the City;
 - e)** Where located on private land, the artwork must remain accessible at no cost to the public and be maintained in good repair for the life of the development, and not be removed or relocated except with the prior written consent of the City; and
 - f)** In the event the artwork is damaged beyond repair, or becomes ineffective for reasons other than the owner's failure to maintain it, or in the event the work becomes an unreasonable burden to maintain, application to allow its removal or relocation may be made to the City.
- 6.3.8** The following are ineligible expense items for the private sector public art contributions:
- a)** Maintenance costs for artwork(s);
 - b)** Artwork not provided in accordance with the City's Public Art Program; and
 - c)** Costs not directly related to selecting, designing, fabricating or installing the artwork(s).



7. COMMUNITY PUBLIC ART PROGRAM

7.1 General

7.1.1 The Richmond Community Public Art Program supports art projects between community groups and artists of all disciplines. Artists and communities working collaboratively can explore issues, ideas and concerns, voice community identity, express historical and cultural spirit and create dialogue through art.

7.1.2 The end product need not be a permanent work of art but should leave a legacy for the general public. The project could include:

- a)** A public event such as an exhibition, performance, play, concert, reading or dance; or
- b)** Documentary artworks such as books and videos; or
- c)** Electronic media.

7.2 Project Identification

7.2.1 Projects proposed must be publicly accessible and located or performed on public property such as City-owned or controlled parks, boulevards, and buildings. Sites owned or controlled by the Federal or Provincial governments will also be considered.

7.2.2 Projects should demonstrate the support of the local community and document significant community involvement of a sizable number of people.

7.2.3 Projects should demonstrate the capacity to be undertaken and completed within an approved time frame.

7.3 Funding

7.3.1 Community public art projects will be funded in part or in whole from the Public Art Program Reserve.

7.3.2 Community partners should investigate or provide matching funds where possible, or contribute an equivalent amount through time/participation, labour, materials or contributions in-kind.

7.3.3 The final artwork, if any, will become the property of the City, unless the City agrees otherwise

8. PUBLIC ART ADVISORY COMMITTEE

8.1 Mandate

8.1.2 The "Richmond Public Art Advisory Committee" is a Council-appointed volunteer advisory committee that provides input on public art policy, planning, education and promotion.

8.2 Role

8.2.1 The Committee provides informed comment to City Council through staff on the implementation of the Public Art Program through civic, private development and community public art initiatives.

8.2.2 The Committee acts as a resource on public art to City Council, staff, residents and developers of land and projects within the City of Richmond.

8.2.3 The Committee's terms of reference are outlined in the *Richmond Public Art Advisory Committee Terms of Reference*.

ATTACHMENT 2

Content from “Council Approval of Private Development Public Art and Developer Contributions – New Policy” report dated May 24, 2019

1. Council Approval Policy

Background

The intent of the Public Art Program is to animate the built and natural environment with meaning, contributing to a vibrant city in which to live, work and visit. By placing artwork in our everyday environment, the Public Art Program sparks community participation in the building of our public spaces, celebrates community history, identity, achievements and aspirations, encourages citizens to take pride in community cultural expression, offers public access to ideas generated by contemporary art, and creates a forum to address relevant themes and issues of interest and concern to Richmond’s citizens.

In the Richmond Official Community Plan, section 4.0 Vibrant Cities and section 14.0 Development Permit Guidelines, Public Art is identified as having an important role in community building based on a development standard to be applied across the entire city with the aim of achieving high standards of urban design and public amenity. In particular, the purpose of these policies is to “promote and facilitate the integration of public art throughout Richmond that expresses the ideas of artists and the community and create opportunities to participate in the design, look and feel of Richmond.”

The goals of the Public Art Program are summarized as follows:

- Spark community participation;
- Provide leadership in public art planning;
- Complement and develop the character of Richmond’s diverse neighbourhoods;
- Increase public awareness, understanding and enjoyment of the arts in everyday life;
- Encourage public dialogue about art; and
- Encourage public art projects that work towards achieving a more sustainable community.

The Program Objectives, as updated in 2010, are based on Richmond’s experience with the program since the program initiation in 1997, research on other public art programs and best practices in public art implementation. Objectives of the Public Art Program are summarized as follows:

- Increase opportunities for the community and artists to participate;
- Develop original site-specific works of art;
- Select art through an arms-length professional process;
- Ensure that public art is developed through a public and transparent process;
- Enter into partnerships with private and public organizations;
- Ensure that public art and the environs of that art are maintained; and

- Maintain a continuous, consistent and affordable funding mechanism to support the City's commitment to public art.

Moreover, Public Art is appreciated by Richmond residents; in the recent public engagement survey for the development of the Richmond Arts Strategy, respondents cited Public Art, along with cultural diversity, and natural and cultural heritage as key points of pride in the Richmond's cultural scene.

The current Public Art Program Policy encourages developers to integrate public art in their developments and works in tandem with development applications to encourage a more livable, community minded and connected city and provide for a sustainable, non-taxpayer funding source. This City/developer partnership is unique to Public Art and differentiates it from other Arts and Culture programs and activities delivered by the City through Arts Services.

Analysis

Public Art Selection and Approval Process

Whether the artwork is for a City-owned site or private property, the Public Art Program depends on a rigorous selection process. This process is based on best professional practices to maintain an open and transparent process with arms-length advisory committees and selection panels composed of artists, art professionals and community representatives. The evaluation process considers both the artistic merit of the artwork and its technical considerations including safety, structural integrity, budget and maintenance. The work must also be relevant to the project-specific goals set in its terms of reference and appropriate to its location.

For a typical large-scale physical artwork, using a two-stage selection process, the selection takes approximately four months from the creation of the Artist Call/Terms of Reference to the selection of the artist and art concept and typically costs between \$5,000 and \$15,000 (these costs are included in each artwork's budget). By the time the selected concept is presented to Council for final approval, the work has been vetted through a multi-phase selection process, involving a wide range of staff/technical advisors, community stakeholders, the Richmond Public Art Advisory Committee (RPAAC), art professionals and artists.

To reduce the perception of conflict of interest, the Public Art Program Policy states that an artist selection panel shall not include any person from RPAAC, City of Richmond staff, City Council, or their respective partners, employees or families. This arms-length approach to the selection of public art, which is supported by City guidelines, a Council-appointed advisory committee and professional and public consultation processes, is intended to ensure that the process is both conscientious and community-involved in order that Council members can be confident that artworks are selected on the basis of merit, not individual taste or favouritism.

Proposed Replacement of Public Art Program Policy

The Public Art Program Policy, as updated in 2010, has one reference to Council approvals:

4.1 Council approval is required for all public art plans and projects on City controlled property.

For artwork commissioned for private property, Council approval is currently not sought. As directed by the Council referral of June 18, 2018, the proposed Policy revision would be as follows:

4.1 Council approval is required for all public art plans and projects on City controlled property and private property when generated through the Public Art Program.

Proposed Policy Change Implications

Council will approve the recommendation of the selection panel for artwork on private property. This can be achieved by considering the opinions and recommendations of the selection panel, staff review and public comments through RPAAC or otherwise; for example, Council may review a summary of the selection panel's comments.

This Policy change will have the following implications:

- Community members may be reluctant to serve on selection panels and advisory committees if there is a perception that their recommendations, reached after lengthy and thoughtful deliberations, will be overturned by Council;
- Additional staff resources may be required to prepare and present additional reports to Council with proposed Private Development Public Art Plans and selected artist concept proposals;
- If Council rejects a proposed artwork, there will be delays and increased costs related to a repeated selection process resulting in less money available for the final artwork;
- The development community may be unwilling to assume the risk (both financial and scheduling) that public art plans and/or artwork will be rejected and, therefore, choose not to integrate public art in their developments through the Public Art Program; and
- Council may be subject to public criticism for the selection of public art. The merit and evaluation of public art is highly subjective and changes over time. As such, the process of using an arm's length selection panel is widely considered to be best practice in the field of public art to ensure public art that is diverse, appeals to multiple audiences and reflects changing art practices.

Proposed Procedural Revisions

This Policy change will have implications on timing for approvals, costs for the selection process, artist participation and participation of the development community. To address these implications, and to ensure Council has sufficient information and background to support a successful approval, it is recommended that Council be engaged at additional steps throughout the selection process, including:

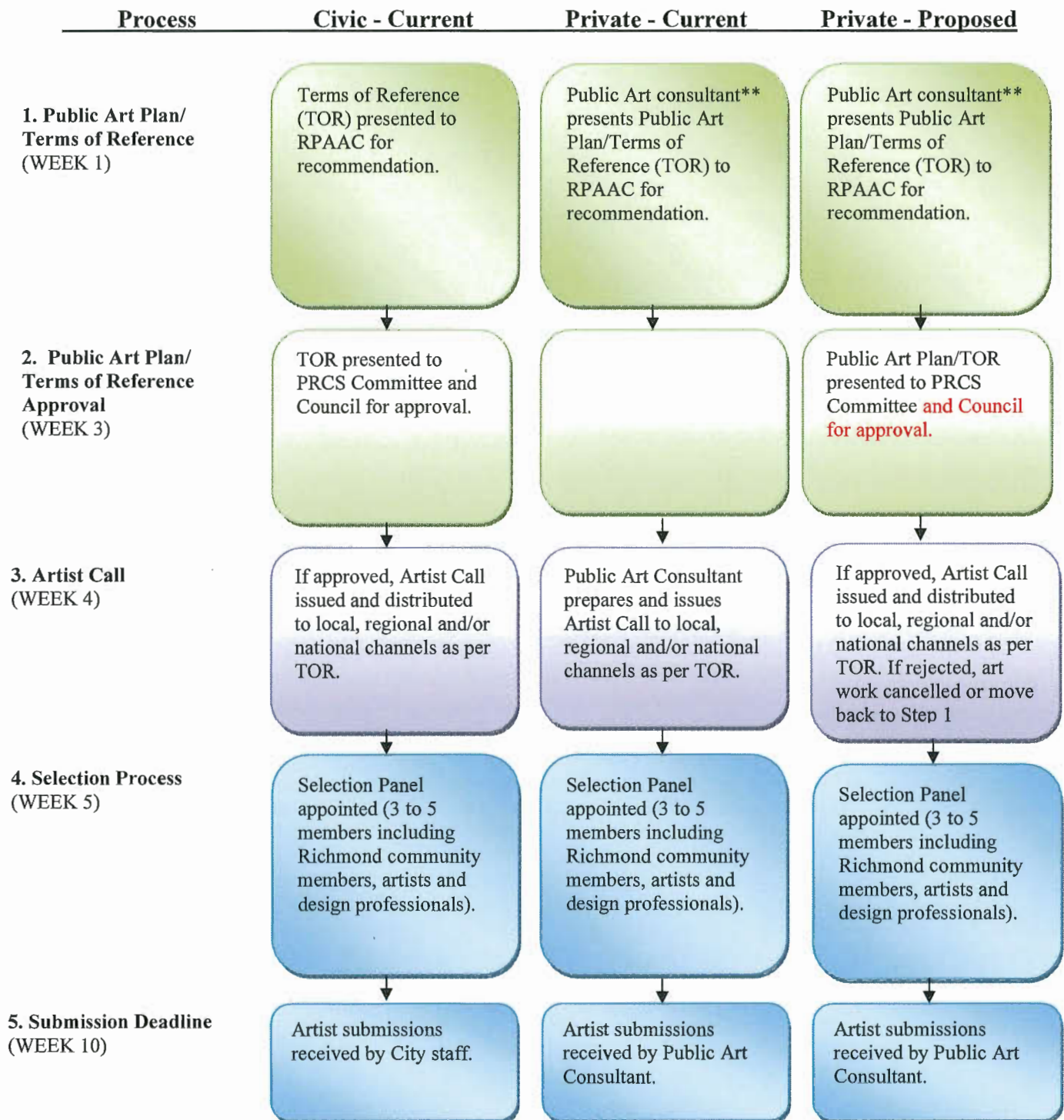
- Invitation to attend Public Art Advisory Committee meeting to hear project- specific presentation by the public art consultant and developer proponent on the proposed project intention;

- Minutes and agenda packages of the Public Art Advisory Committee to be forwarded to Council for information;
- Private Development Public Art Plan to be presented to Committee/Council by the public art consultant; and
- Invitation to sit as non-voting observers at the public art selection meetings, with an opportunity to address the panel on Council's public art vision and priorities.

Additional Considerations

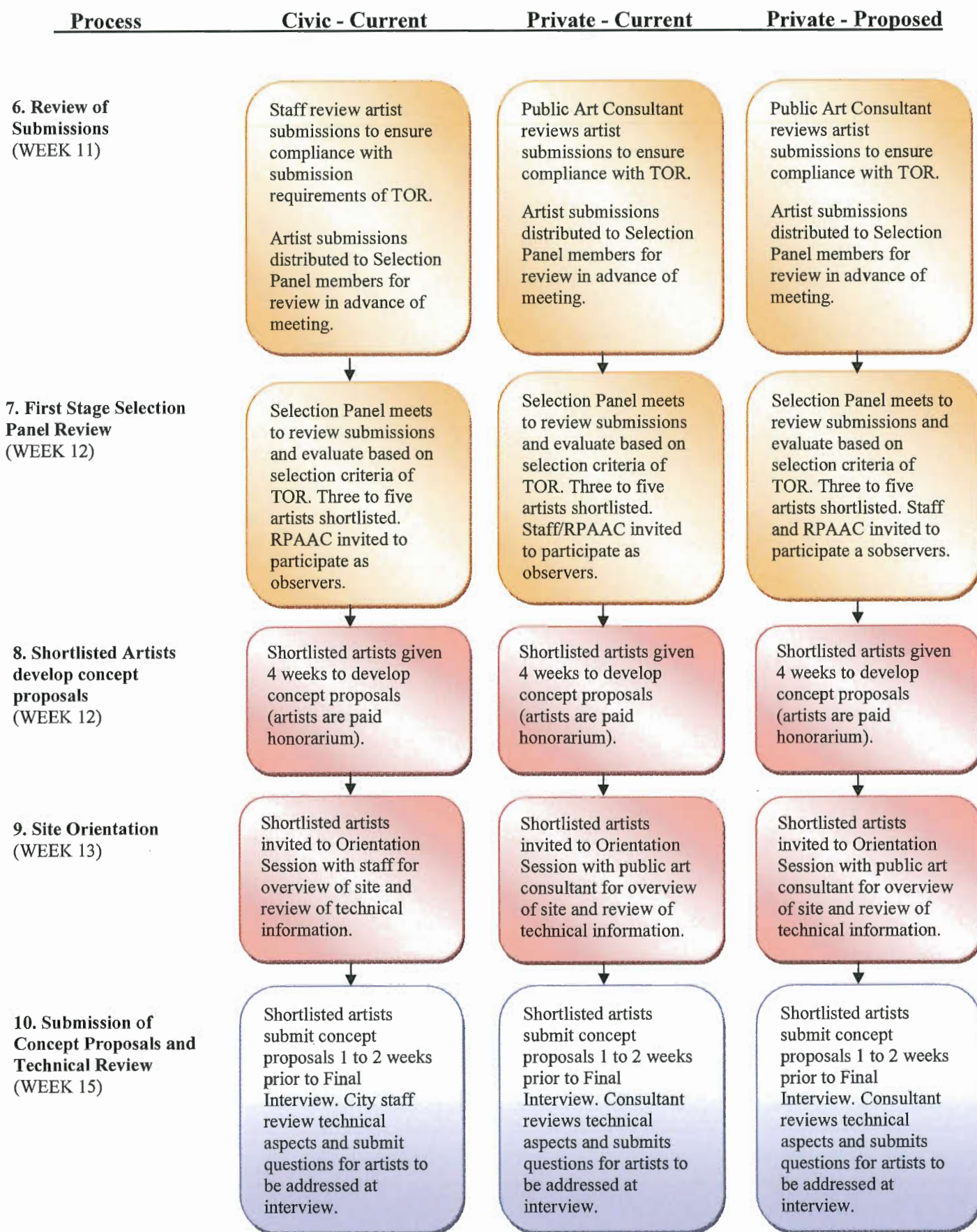
- The City is legislatively bound to comply with the approvals policy set out in the current Public Art Program Policy for any projects already underway. Developers have made contributions and entered into agreements with the City based on a Policy that does not require Council approval for public art plans and artwork on private property. Only those Private Development Art Plans and selected artworks emerging through agreements entered into after the change in Policy would be subject to Council approval.
- Neither the current policy nor the proposed changed policy will apply to artwork on private property that is commissioned outside of the Public Art Program. This change to the Policy is in opposition to the views of the Richmond Public Art Advisory Committee, and the arts community as represented by the Richmond Arts Coalition, as reported to the General Purposes Committee in the report "Review of Council Approval Process for Public Art Projects on Private Land" on June 12, 2018. "The consensus appears to be that Council's responsibility is to create policy and process and then stand behind it, supporting staff and their advisory bodies who administer it. The concept of Council approving individual art works at the final stage is not supported." as stated in a letter from the Richmond Arts Coalition dated December 18, 2017.
- This change to the Policy is in opposition to the views of the Urban Development Institute (UDI) as stated in the letters from UDI dated November, 2019 and April 5, 2019.

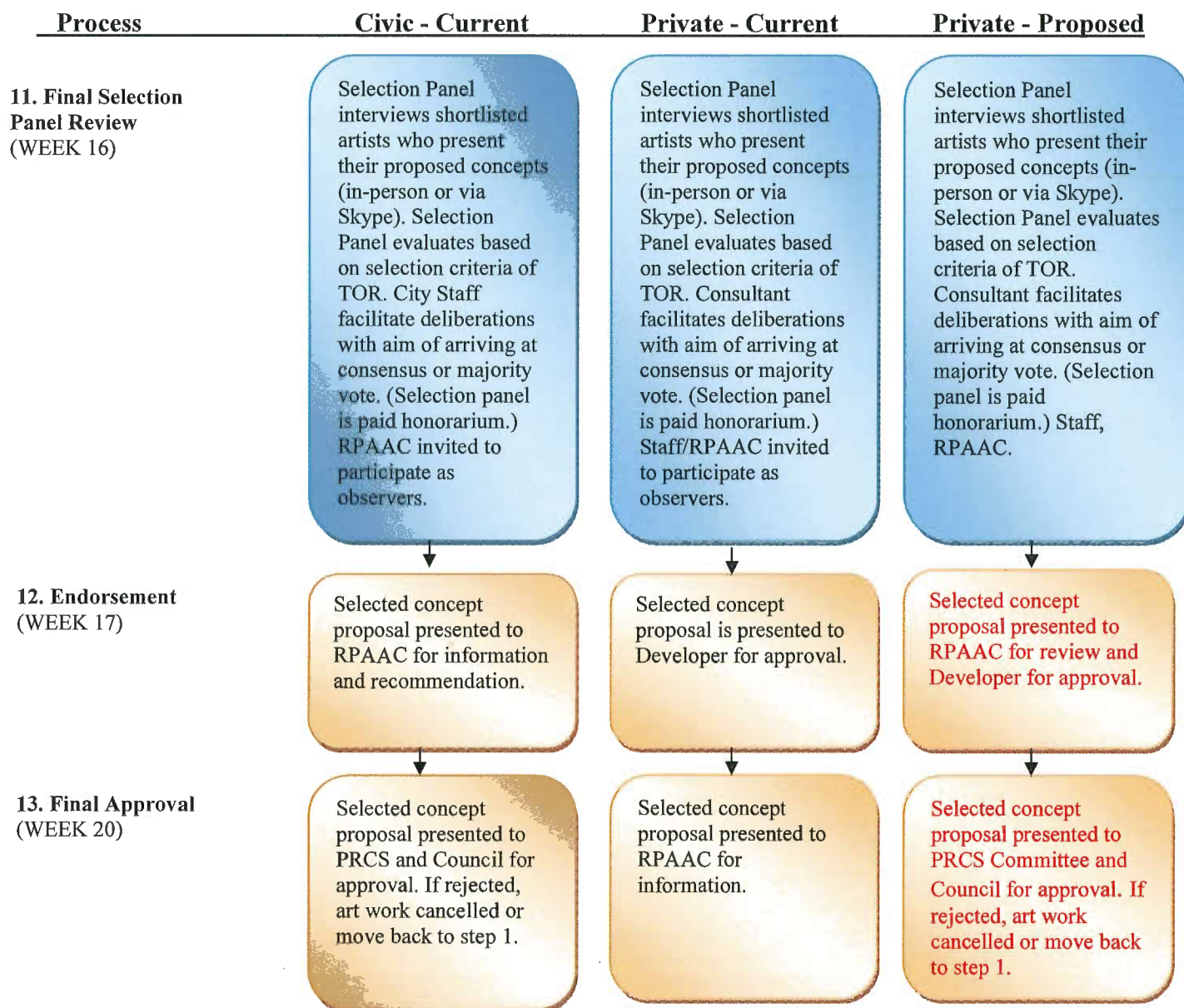
Public Art Selection and Approvals Process*



*Based on the Two-Stage Selection, as the most common process for selecting large-scale public art work, which is typically sought for civic projects and private developments.

**In some cases, City Staff may administer the selection process on behalf of the developer.





Allocation of Developer Contributions**Background**

With the exception of artworks commissioned specifically for select civic capital projects (1 per cent of construction costs), it is voluntary Developer Contributions (0.5 per cent of private development project construction costs) that finance all regular Public Art Program artworks and activities. These developer contributions are allocated to one or both of the following funding streams:

1. Commissioning of public art on, or near, the Private Development Site consistent with (where applicable) area-specific Council-approved Civic Public Art Plans (i.e., City Centre, Richmond Olympic Oval Precinct, Capstan Village, Minoru Civic Precinct and Alexandra Neighbourhood); or
2. Deposited to the Public Art Program Reserve Fund, to finance the Civic Public Art Program (that is not tied to Capital Projects) as well as Educational and Community Public Art Programs and Activities.

Unlike other community amenities (e.g., child care or affordable housing), development incentives are not offered in exchange for Public Art contributions. The making of public art for private development is a highly collaborative process involving City staff across many departments including Planning, Parks, Public Art, Engineering and Public Works, as well as community stakeholders. The Private Development Public Program has resulted in dozens of high-profile, acclaimed works created by a diverse range of artists. To date there are 62 private developer initiated artworks in the Richmond Public Art collection.

Through the Public Art Program Reserve Fund, developer contributions also pay for Civic and Community Public Art programs that may or may not involve physical artworks. These include community engaged public art programs, professional development workshops for local artists and partnerships with diverse groups. The following community and educational programs are currently made possible with the private developer public art contributions:

- Engaging Artists in the Community Program. Recent examples include: *Minoru Stories* at the Minoru Seniors Centre, *Stepping Stones* at City Centre Community Centre and *Musqueam Workshops* at the Richmond Public Library;
- Functional public art projects on public land including shelters and benches. (e.g., Tait Park Pavilion);
- The recently endorsed Richmond Mural Program;
- Sanitary and Storm Sewer Access Cover Program and utility box vinyl wraps;

- Collaborations with community partners such as the Richmond Public Library, Richmond Art Gallery, Capture Photography Festival and others;
- Children's Arts Festival workshops with professional artists;
- Public art exhibition opportunities for local 2D artists including No. 3 Road Art Columns;
- Public Art Bus Tours such as the Indigenous Public Art Tours;
- Permanent artworks for parks and other public spaces including the recently approved *Wind Flowers* on Gilbert Road and *Pergola Garden* in West Cambie Park; and
- Professional Development Programs and Workshops for local artists interested in entering the public art field.

Analysis

Council currently approves voluntary developer contributions at the Rezoning or Development Permit Stage.

As described in the February 8, 2019, report to the Parks, Recreation and Cultural Services Committee, contributions to the Public Art Program Reserve Fund must be used for Public Art Program activities. The City is legislatively bound to comply with the reserve fund use limitations. It is therefore precluded from using the funds for building or maintaining facilities, or other general operating costs of the City.

Community and educational programs are already funded through the Public Art Program Reserve Fund.

Arts facilities can be financed through existing developer-funded mechanisms. In the City Centre, the City Centre Area Plan (CCAP) provides a policy framework to secure City facilities (e.g., community centres, child care facilities and other community amenity spaces including arts facilities) through private development located on properties designated as Village Centre Bonus (VCB) sites. In situations where the City does not wish to secure physical space within a VCB-designated development, Council may direct that the developer provides a cash-in-lieu contribution to the City Centre Facility Development Fund (sub-fund of the Leisure Facilities Reserve [Bylaw 7812]) to facilitate community amenity construction on an alternative site, as determined to the satisfaction of the City. For example, the recently approved repurposing of the Minoru Place Activity Centre is being financed by developer contributions to the Leisure Facilities Reserve Fund.

Contributions to the Hamilton Area Plan Community Amenity Capital Reserve Fund, applicable to projects in the Hamilton Area, can be used for community recreation and cultural facilities (Bylaw 9276). Contributions to this reserve are made in cash unless the City chooses to accept a community amenity in lieu of cash.

Proposed Replacement of Public Art Program Policy

The current Public Art Program Policy, as updated in 2010, identifies three programs:

1. Civic Public Art Program
2. Private Development Public Art Program
3. Community Public Art Program

As per the referral motion of March 11, 2019, Council has directed staff to add new policy that will permit developer contributions that are deposited in the Public Art Program Reserve Fund to be directed to a range of uses that includes arts facilities. The current Public Art Program Policy would remain in place to complete any projects approved under the current Policy. A new Public Art Program Policy would be established and would have the following four programs:

1. Civic Public Art Program
2. Private Development Public Art Program
3. Community Public Art Program
4. Arts Facilities Program

The Arts Facilities Program would support the development of new civic arts facilities, augment other civic arts facility capital project budgets and fund capital improvements to existing civic arts facilities. New civic arts facilities could include spaces for creation, display, performance, arts education, multimedia presentation and other arts-based activities. The spaces' primary focus must be arts related and can be either temporary or permanent and may include: community art galleries, temporary and pop-up art spaces, maker spaces, performance spaces, new media labs, screening spaces, art education spaces, art creation spaces and other speciality studio spaces, such as glass blowing, sculpture, metal work or pottery.

The current Public Art Program Reserve Fund would remain in place until all the funds have been spent in accordance with the current policy. An additional Public Art and Arts Facilities Programs Reserve Fund would be created for funds allocated after Council's endorsement of a new Policy, and would replace the current Public Art Program Reserve Fund once the latter is depleted.

Regarding the approval of how voluntary developer contributions are allocated (either to the provision of public art or deposited to the Reserve Fund), the current Public Art Program Policy, as updated in 2010, indicates that the developer determines how their contribution is to be allocated:

6.3.5 For public art contributions over \$40,000, the developer may choose one of the following three options:

- a) A monetary contribution to the City's Public Art Program Reserve Fund; or*
- b) The developer may provide public artwork of a value equal to the public art contribution for the project, in accordance with this Public Art Program Policy and the Public Art Program Administrative Procedures Manual; or*

- c) *The developer may negotiate a split of its contribution between both i) a monetary contribution to the Public Art Program Reserve Fund; and ii) provision of artwork, provided the combined value of the monetary contribution and the artwork is equal to or greater than the project's public art contribution.*

As per the Council referral of June 18, 2018, directing staff to add policy in which Council has the discretion to recommend how voluntary developer contributions are allocated, the proposed Policy revision would be as follows:

6.3.5 *For contributions over \$40,000, the developer may choose to make a voluntary contribution to the City's Public Art and Arts Facilities Programs Reserve Fund.*

Council approval is required should the developer wish to provide:

- a) *Public artwork of a value equal to the public art contribution for the project, provided the artwork complies with this Public Art Program Policy and the Public Art Program Administrative Procedures Manual; or*
- b) *A negotiated split of its contribution between both i) a monetary contribution to the Public Art and Arts Facilities Programs Reserve Fund; and ii) provision of artwork, provided the combined value of the monetary contribution and the artwork is equal to or greater than the project's public art contribution.*

Proposed Policy Change Implications

The change in Policy to give Council the discretion to determine how voluntary developer contributions are allocated (to provide public art, contribute to the Public Art and Arts Facilities Programs Reserve Fund, or a combination of the two) has the following implication:

- If Council rejects a developer's preferred choice to invest their voluntary contribution into public art on their private property, the developer may choose to opt out of participating in the program. The implication would contradict Policy 6.1 "to encourage the private sector to support the integration of public artworks."
- To establish an additional Public Art and Arts Facilities Programs Reserve Fund will necessitate a new reserve fund bylaw.

Proposed Procedural Revisions

The revised process which gives Council the discretion to determine how voluntary developer contributions are allocated will have implications on the timing for approvals and staff administration. It will necessitate an extra step in the process prior to Rezoning or Development Permit stage:

- In cases where the developer prefers to direct the voluntary contributions to art on their site, there would now be a Staff report from the Public Art Planner seeking Council's approval prior to a staff report on the proposed development being forwarded to Planning Committee or the Development Permit Panel.

- The approved allocation would then be included in the Rezoning or Development Application Report to Council.

Administration of Proposed Policy

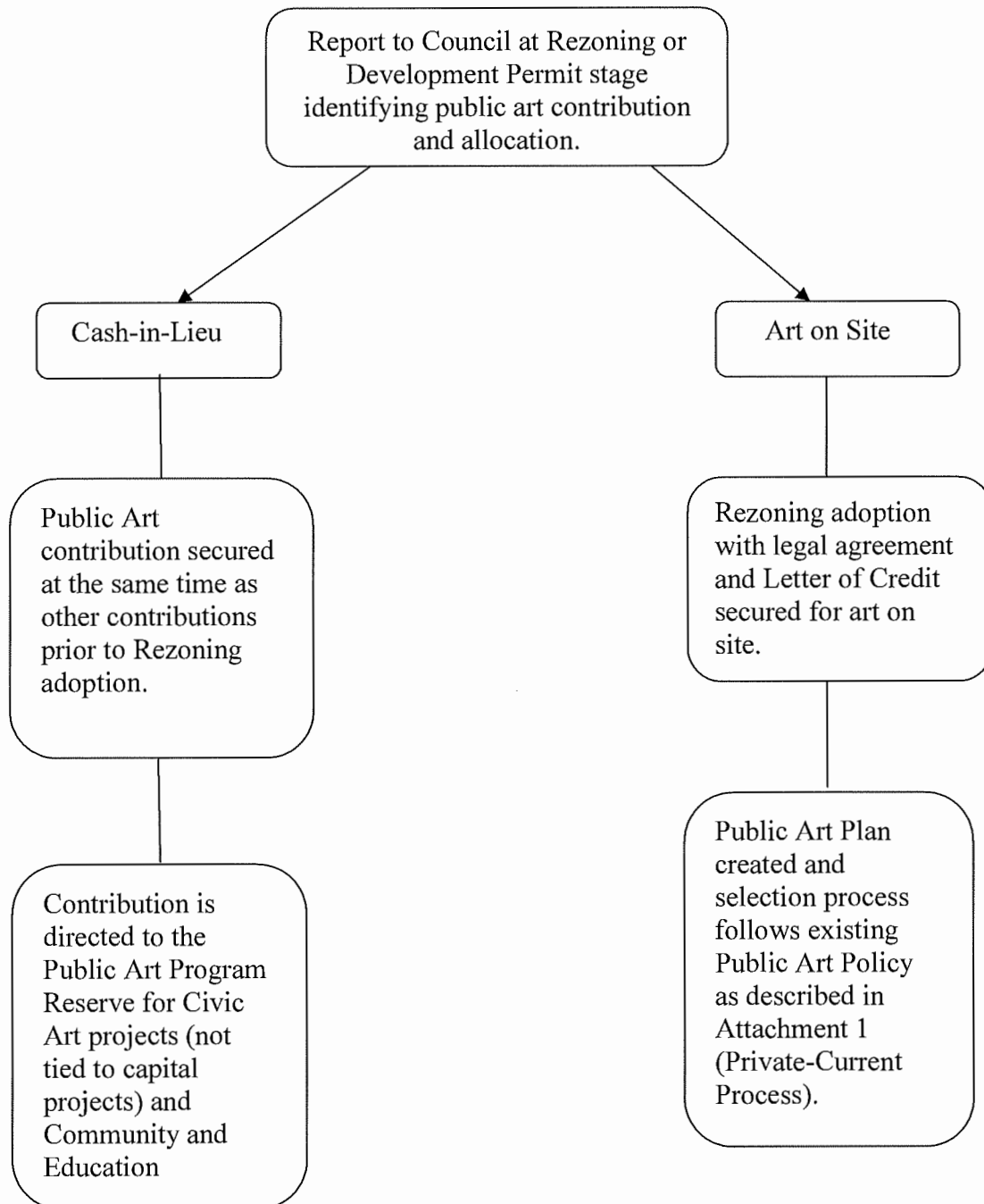
The new Public Art Program Policy will apply to private development applications submitted to the City after the date of Council's adoption of the Policy. Any applications already granted first reading by Council or endorsed by the Development Permit Panel would proceed in accordance with the existing Policy. Any applications already submitted to the City received prior to adoption of the new Policy will be processed under the existing Policy. Any applications received after Policy adoption will be considered under the new Policy.

There would be a period of several years when two Policies would be in effect simultaneously: one for projects begun prior to the adoption of the new Policy and another for those received after the new Policy is adopted. Upon completion of all projects under the current Policy, the new Policy would be the only one remaining in effect.

Additional Considerations

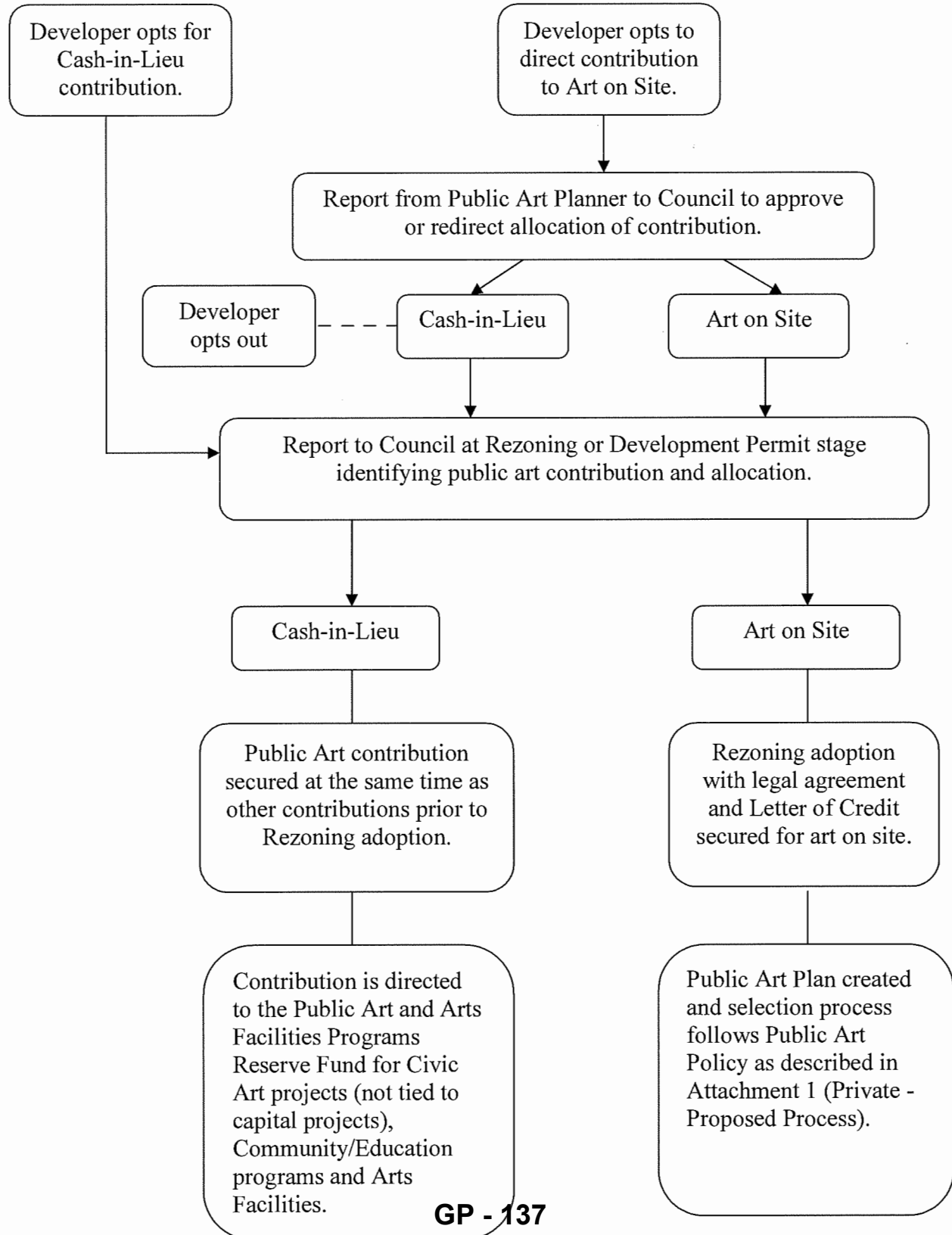
- Increased resources for administration of the program may be required for additional reports to Committee/Council to seek Council approval for allocation of voluntary developer contributions.
- Should Council direct funds to development of arts facilities, some of the community public art programs listed on page 8 and 9 may be jeopardized for lack of available funding.
- Council could consider increasing the Administrative Fee allocation from 15 per cent to 20 per cent to provide additional funding for the administrative expenses by the public art consultant and staff in presenting Public Art Plans and Concept Proposals to Council. If so, the Policy would be updated accordingly.
- In comparison to existing developer funded mechanisms for securing City facilities, based on 0.5 per cent of construction costs, the contributions to the Public Art and Arts Facilities Reserve would be very slow to accumulate enough funds for substantial facility projects. For example, the voluntary developer contributions made through the Public Art Program during the exceptionally busy 10-year period of 2009 to 2019 totalled \$6.5 million (most of which was allocated to artworks). For comparison, as indicated in the November 20, 2017 Report to Council titled "Minoru Place Activity Centre Reuse Options", the estimated cost in 2017 to build a new facility equivalent to the Minoru Place Activity Centre was \$12.2 million, indicating that, even in the unlikely event that development continued at the same pace, and 100 per cent of the funds were set aside for a facility (with none going to public art or community programs), it would be decades before enough funds were collected to pay for even a small to medium-sized building.

EXISTING PROCESS

Allocation of Private Developer Public Art Contributions

PROPOSED PROCESS

Allocation of Private Developer Public Art Contributions





Policy XXXX:

It is Council policy that:

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RICHMOND PUBLIC ART PROGRAM

1. APPLICATION AND INTENT

- 1.1 Public art** is defined as artwork in the public realm, which is accessible physically or visually to the public and possesses aesthetic qualities. Public Realm includes the places and spaces, such as building facades, parks, public open spaces and streets, which provide physical or visual access to the general public.
- 1.2 Public Art Program:** Public art animates the built and natural environment with meaning, contributing to a vibrant city in which to live and visit. By placing artwork in our everyday environment, the Public Art Program sparks community participation in the building of our public spaces, offers public access to ideas generated by contemporary art, celebrates community history, identity, achievements and aspirations, encourages citizens to take pride in community cultural expression and creates a forum to address relevant themes and issues of interest and concern to Richmond's citizens.

2. PROGRAM GOALS

- 2.1** The Public Art Program strives to:
- a) Spark community participation** in the building of our public spaces, encouraging citizens to take pride in public cultural expression;
 - b) Provide leadership in public art planning** through civic, private developer, community and other public interest initiatives to develop the City's cultural uniqueness, profile and support of the arts;
 - c) Complement and/or develop the character of Richmond's diverse neighbourhoods** to create distinctive public spaces, which enhance the sense of community, place and civic pride;
 - d) Increase public awareness**, understanding, and enjoyment of the arts in everyday life, and provide equitable and accessible opportunities for Richmond's diverse community to experience public art;
 - e) Encourage public dialogue** about art and issues of interest and concern to Richmond residents; and
 - f) Encourage public art projects that work towards achieving a more sustainable community**, environmentally, economically, socially and culturally.

3. PROGRAM OBJECTIVES

- 3.1** The objectives of the Public Art Program are to:
- a) Increase opportunities for the community and artists** to participate in the design of the public realm;
 - b) Develop original site-specific works of art** in order to contribute to cultural vibrancy;
 - c) Select art through an arms'-length process** incorporating professional advice and community input that ensures the quality of art and its relevance to the community and site;



- d) **Ensure that a public and transparent** process is maintained to develop and accept public art;
- e) **Enter into partnerships** with private and public organizations to further public art in the City; and,
- f) **Ensure that public art, and the environs of that art, are maintained** in a manner that will allow for continued public access to, and enjoyment of, these artworks in appropriate settings.

- 3.2 The Public Art Program will maintain a continuous, consistent and affordable funding mechanism to support the City's commitment to public art.

4. ADMINISTRATIVE PROCEDURES

- 4.1 Council approval is required for all public art plans and projects on City controlled property and private property when generated through the Public Art Program.

- 4.2 The City will develop administrative procedures relating to the management of projects, including: selection processes, developer contributions, donation and de-accession guidelines, site considerations, documentation and maintenance (the "Public Art Program Administrative Procedures Manual").

- 4.3 The City will maintain a **Public Art and Arts Facilities Programs Reserve Fund** to hold public art allocations from both public and private sources for capital expenses.

- 4.4 The City will maintain a **Public Art Program Operating Provision** to hold public art allocations from private sources for operating expenses relating to the administration of the Public Art Program.

5. CIVIC PUBLIC ART PROGRAM

5.1 General

- 5.1.1 The City's policy is to provide leadership in public art by incorporating public art, at the planning stages, into the development or renovation of civic infrastructure, buildings, parks and bridges, and to encourage collaboration between the Public Art Advisory Committee, City staff, artists, engineers, design professionals and the community to enrich such projects.

- 5.1.2 The priority for civic public art projects will be to fully integrate the artwork into the planning, design and construction of civic works and to select and commission an artist to work as a member of the project consultant design team, in order to maximize opportunities for artistic expression and minimize material and construction costs.

5.2 Project Identification

- 5.2.1 The City will identify and prioritize specific areas within the City and types of capital projects appropriate for the inclusion of public art. Applicable projects include:

- a) New building construction;
- b) Major additions or renovations to existing buildings;
- c) Park development projects;
- d) Environmental programs; and



- e) New engineering structures.

5.2.2 Projects appropriate for consideration should:

- a) Have a high degree of prominence, public use and/or public realm impact;
- b) Achieve or enhance project objectives or other City objectives (e.g. beautification, liveability, multiculturalism, sustainability, cultural or environmental interpretations);
- c) Promote opportunities for meaningful community participation; and/or
- d) Complement existing public artworks or public amenities in the local area, and/or fulfil a need identified in that community.

5.2.3 The City will undertake artist-initiated public art projects from time to time. Artists will be invited to submit proposals for concepts and locations of their own choosing, and may be asked to respond to a specific topic of community interest or importance.

5.3 Funding

5.3.1 Each year, the City will commit an amount of funds equivalent to a minimum of 1% of each Capital Project Budget, to the planning, design, fabrication and installation of public art, provided that:

- a) Capital projects for equipment and land acquisition are exempt;
- b) Infrastructure utilities projects - water supply and sewerage - which are funded solely from restricted sources, are exempt; and
- c) For eligible projects, allocations are based on the construction costs of capital projects, and exclude soft costs (i.e., administration, professional and legal fees, furnishings, and permit fees).

5.4 Donations and/or Gifts of Artwork(s)

5.4.1 Private donations or gifts of artworks may be accepted into the City's public art collection, provided that:

- a) The artworks are assessed on their artistic, environmental, cultural, historical and social merits before being accepted into the City's public art inventory;
- b) A suitable site can be identified; and
- c) Funds are made available for the ongoing maintenance and conservation of the artwork.

5.5 Purchase Pre-Existing Artwork

5.5.1 The City may add to its public art inventory by purchasing pre-existing works of art from time to time.

5.6 De-accession

5.6.1 De-accession is defined as any actions or set of procedures that result in the cessation by the City of its ownership and possession of works of art installed in public places, through sale, exchange, gift or any other means.

5.6.2 Provided that the de-accession of the artwork is not contrary to the terms on which it was received by the City, the City may de-accession artworks from the City's inventory when necessary:

- a) Through a considered public review and assessment process;



- b) If the de-accession of the artwork is evaluated on a case by case basis; and
- c) If the de-accession of the artwork is endorsed by Council.

6. PRIVATE DEVELOPMENT PUBLIC PROGRAM

6.1 General

The City's policy is to encourage the private sector to support the integration of public artworks in the community during the rezoning and development permit processes, and the collaboration of artists, design professionals and the community in the design of that art.

6.2 Project Identification

6.2.1 Applicable projects include new building construction, major additions or renovations to existing buildings, as follows:

- a) For residential uses containing 10 or more units; and
- b) For non-residential uses with a total floor area of 2,000 m² (21,530 ft²) or greater.

6.2.2 The following uses or occupancies of all or part of a development or building are exempt from contributing to the Public Art Program:

- a) Community Amenity Space, Community Care Facility, Congregate Housing, Child Care, Health Services, Education and related uses as defined under the Richmond Zoning Bylaw, as amended from time to time and;
- b) Purpose-built non-market rental and subsidized social housing projects and/or units secured through the City's Affordable Housing Strategy.

6.2.3 Public art should be sited in locations that meet the following criteria:

- a) Visibility and accessibility (as appropriate to the art work) for pedestrians and/or motorists;
- b) Proximity to high pedestrian activity areas, e.g. active retail areas, transit stops (especially those serving high ridership routes), places of public gathering, public open spaces and recognized pedestrian routes;
- c) Opportunities to expand on existing or future public artworks as part of an existing or proposed multi-artwork public art plan; and/or,
- d) Places of special heritage or community significance.

6.3 Funding

6.3.1 The public art contribution rate for private sector public art projects is an amount equivalent to a minimum value of 0.5% of the estimated total project construction cost:

- a) Contributions are based on construction costs and exclude soft costs (i.e., administration, professional and legal fees, furnishings, development cost charges, and permit fees);
- b) For the purpose of calculating public art contributions for private development, only floor areas that make up the calculation of density as set out under the Richmond Zoning Bylaw, as amended from time to time, are included;
- c) Floor areas for uses set-out under 6.2.2, above, are excluded; and
- d) This contribution funds the planning, design, fabrication and installation of public art.



- 6.3.2** The City will issue guidelines for calculating the public art contribution based on building types and annual Consumer Price Index adjustments.
- 6.3.3** The public art contribution rate will be reviewed periodically by Council.
- 6.3.4** For public art project contributions that are less than \$40,000, a cash contribution is to be made to the City's **Public Art and Arts Facilities Programs Reserve**, for city-wide public art programs and arts facilities.
- 6.3.5** For contributions over \$40,000, the developer may choose to make a voluntary contribution to the City's Public Art and Arts Facilities Programs Reserve.

Council approval is required should the developer wish to provide:

- a) Public artwork of a value equal to the public art contribution for the project, provided the artwork complies with this Public Art Policy and the Public Art Program Administrative Procedures Manual; or
 - b) A negotiated split of its contribution between both i) a monetary contribution to the Public Art and Arts Facilities Programs Reserve; and ii) provision of artwork, provided the combined value of the monetary contribution and the artwork is equal to or greater than the project's public art contribution.
- 6.3.6 Where the developer chooses to provide artwork, either on their development site or on a City controlled property:**
- a) A minimum of 85% of the public art contribution will be allocated to the creation of the artwork;
 - b) Where the City manages the public art selection process, 15% of the developer's public art contribution will be dedicated to the City's Public Art Program Operating Provision to support and sustain the management, administration and promotion of the Public Art Program;
 - c) Where the developer engages an independent Public Art Consultant to manage the public art selection process, 5% of the developer's public art contribution will be dedicated to the City's Public Art Program operating budget and Operating Provision to support and sustain the management, administration and promotion of the Public Art Program and a maximum of 10% of the public art budget may be directed towards the consultant fees;
 - d) Where located on City controlled land, the artwork will become the property of the City;
 - e) Where located on private land, the artwork must remain accessible at no cost to the public and be maintained in good repair for the life of the development, and not be removed or relocated except with the prior written consent of the City; and
 - f) In the event the artwork is damaged beyond repair, or becomes ineffective for reasons other than the owner's failure to maintain it, or in the event the work becomes an unreasonable burden to maintain, application to allow its removal or relocation may be made to the City.
- 6.3.7** The following are ineligible expense items for the private sector public art contributions:
- a) Maintenance costs for artwork(s);
 - b) Artwork not provided in accordance with the City's Public Art Program; and



- c) Costs not directly related to selecting, designing, fabricating or installing the artwork(s).

7. COMMUNITY PUBLIC ART PROGRAM

7.1 General

- 7.1.1** The Richmond Community Public Art Program supports art projects between community groups and artists of all disciplines. Artists and communities working collaboratively can explore issues, ideas and concerns, voice community identity, express historical and cultural spirit and create dialogue through art.
- 7.1.2** The end product need not be a permanent work of art but should leave a legacy for the general public. The project could include:
- a) A public event such as an exhibition, performance, play, concert, reading or dance; or
 - b) Documentary artworks such as books and videos; or
 - c) Electronic media.

7.2 Project Identification

- 7.2.1** Projects proposed must be publicly accessible and located or performed on public property such as City-owned or controlled parks, boulevards, and buildings. Sites owned or controlled by the Federal or Provincial governments will also be considered.
- 7.2.2** Projects should demonstrate the support of the local community and document significant community involvement of a sizable number of people.
- 7.2.3** Projects should demonstrate the capacity to be undertaken and completed within an approved time-frame.

7.3 Funding

- 7.3.1** Community public art projects will be funded in part or in whole from the **Public Art and Arts Facilities Programs Reserve**.
- 7.3.2** Community partners should investigate or provide matching funds where possible, or contribute an equivalent amount through time/participation, labour, materials or contributions in-kind.
- 7.3.3** The final artwork, if any, will become the property of the City, unless the City agrees otherwise.

8. ARTS FACILITIES PROGRAM

8.1 General

- 8.1.1** The Richmond Arts Facilities Program supports the development of new civic arts facilities, augments other civic arts facility capital project budgets and funds capital improvements to existing civic arts facilities.
- 8.1.2** Arts facilities could include spaces for creation, display, performance, arts education, multimedia presentation and other arts-based activities. The spaces' primary focus must be arts-related and can be either temporary or permanent and may include: community art galleries, temporary and pop-up art spaces, maker spaces, arts education programming spaces, art creation spaces and other priority studio spaces.

8.2 Project Identification



- 8.2.1** Arts facilities projects must be publicly accessible and located on public property such as City-owned or controlled parks, boulevards, and buildings. Sites owned or controlled by the Federal or Provincial governments will also be considered.
- 8.2.2** Arts facilities projects must have arts activities as their primary use.
- 8.3 Funding**
- 8.3.1** Arts Facilities projects may be funded in part or in whole from the Public Art and Arts Facilities Programs Reserve Fund.
- 8.3.2** The following are ineligible expense items for the Arts Facilities Program:
- a)** Building maintenance costs;
 - b)** Building operating costs; and
 - c)** Programming costs such as staff and supplies.

9 PUBLIC ART ADVISORY COMMITTEE

9.1 Mandate

- 9.1.1** The "Richmond Public Art Advisory Committee" is a Council-appointed volunteer advisory committee that provides input on public art policy, planning, education and promotion.

9.2 Role

- 9.2.1** The Committee provides informed comment to City Council through staff on the implementation of the Public Art Program through civic, private development and community public art initiatives.
- 9.2.2** The Committee acts as a resource on public art to City Council, staff, residents and developers of land and projects within the City of Richmond.
- 9.2.3** The Committee's terms of reference are outlined in the *Richmond Public Art Advisory Committee Terms of Reference*.