



General Purposes Committee

Anderson Room, City Hall
6911 No. 3 Road

Monday, December 5, 2016
4:00 p.m.

Pg. # ITEM

MINUTES

- GP-4** *Motion to adopt the **minutes** of the meeting of the General Purposes Committee held on November 21, 2016.*

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COUNCILLOR LINDA McPHAIL

1. **REFERRAL ON COUNCIL/SCHOOL BOARD LIAISON COMMITTEE RESOLUTION RELATING TO FENTANYL DRUG FORUM**
(File Ref. No.)

GP-9

See Page **GP-9** for excerpt from CBSL minutes

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FINANCE AND CORPORATE SERVICES DIVISION

2. **FEDERAL GOVERNMENT PROPOSED SALE OF AIRPORT LAND ASSETS**
(File Ref. No. 01-0130-01) (REDMS No. 5228880 v. 2)

GP-10

See Page **GP-10** for full report

Designated Speakers: Amarjeet S. Rattan and Jerry Chong

STAFF RECOMMENDATION

That a letter be sent to the Federal Minister of Transport outlining the City's opposition to the sale of Vancouver International Airport as part of the collective group of airport assets being considered for sale.



3. **APPOINTMENT OF ACTING CORPORATE OFFICER**

(File Ref. No. 05-1400-01) (REDMS No. 5232375)

GP-29

See Page GP-29 for full report

Designated Speaker: David Weber

STAFF RECOMMENDATION

That Claudia Jesson, Manager, Legislative Services, be appointed as an Acting Corporate Officer for the purposes of carrying out statutory duties prescribed in section 148 of the Community Charter in the absence of, or as directed by, David Weber, Director, City Clerk's Office (Corporate Officer).



4. **2017 COUNCIL AND COMMITTEE MEETING SCHEDULE**

(File Ref. No. 01-0105-01) (REDMS No. 5124167 v. 2)

GP-31

See Page GP-31 for full report

Designated Speaker: David Weber

STAFF RECOMMENDATION

That the 2017 Council and Committee meeting schedule as shown in Attachment 2 to the staff report dated November 16, 2016, from the Director, City Clerk's Office, be approved with the following revisions:

- (1) That the Regular Council meetings (open and closed) of August 14, August 28 and December 27, 2017 be cancelled;*
- (2) That the August 21, 2017 Public Hearing be re-scheduled to September 5, 2017 at 7:00 p.m. in the Council Chambers at Richmond City Hall;*
- (3) That the Regular Council meetings (open and closed) of September 25, 2017 be cancelled and that a Special Council meeting be called in conjunction with the last Committee meeting during the week prior, if necessary, in order to avoid a meeting conflict with the 2017 Union of BC Municipalities (UBCM) convention; and*

- (4) *That the Council and Committee meeting schedule be adjusted annually for the Union of BC Municipalities (UBCM) and Federation of Canadian Municipalities (FCM) conventions if these events are scheduled in a manner that conflicts with the usual meeting schedule.*



ENGINEERING AND PUBLIC WORKS DIVISION

5. **RICHMOND MAJOR FACILITIES PROJECTS**

(File Ref. No. 06-2045-01) (REDMS No. 5174871 v. 11)

GP-37

See Page GP-37 for full report

Designated Speakers: Serena Lusk and Jim Young

STAFF RECOMMENDATION

That \$2,000,000 for Advanced Planning and Design for Major Facilities Projects be considered in the 2017 Capital Budget process, as outlined in the staff report titled “Richmond Major Facilities Projects” dated November 29, 2016 from the Senior Manager, Capital Buildings Project Development and the Senior Manager, Recreation and Sport Services.



ADJOURNMENT





General Purposes Committee

Date: Monday, November 21, 2016

Place: Anderson Room
Richmond City Hall

Present: Mayor Malcolm D. Brodie, Chair
Councillor Chak Au
Councillor Derek Dang
Councillor Carol Day (entered at 4:14 p.m.)
Councillor Ken Johnston
Councillor Alexa Loo
Councillor Bill McNulty
Councillor Linda McPhail
Councillor Harold Steves

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

MINUTES

It was moved and seconded

That the minutes of the meeting of the General Purposes Committee held on November 7, 2016, be adopted as circulated.

CARRIED

FINANCE AND CORPORATE SERVICES DIVISION

1. **APPLICATION TO AMEND BREWERY LOUNGE ENDORSEMENT LICENCE - FUGGLES & WARLOCK CRAFTWORKS LTD - 103-11220 HORSESHOE WAY**
(File Ref. No. 12-8275-30-001) (REDMS No. 5207624)

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It was moved and seconded

- (1) *That the application from Fuggles & Warlock Craftworks Ltd., for an amendment to increase their hours of liquor service under Brewery Licence No. 306677 from 11:00 a.m. to 9:00 p.m. Monday to Sunday to 11:00 a.m. to 12:00 a.m. Monday to Sunday, be supported and that a letter be sent to the Liquor Control and Licensing Branch advising that:*
- (a) *Council supports the amendment for an increase in liquor service hours as the increase will not have a significant impact on the community;*
 - (b) *Council's comments on the prescribed criteria (set out in Section 53 of the Liquor Control and Licensing Regulations) are as follows:*
 - (i) *The potential for additional noise and traffic in the area was considered;*
 - (ii) *The impact on the community was assessed through a community consultation process; and*
 - (iii) *Given that there has been no history of non-compliance with the operation, the amendment to permit extended hours of liquor service under the Brewery Licence should not change the establishment such that it is operated contrary to its primary purpose as a Brewery;*
 - (c) *As the operation of a licenced establishment may affect nearby properties, the City gathered the view of the residents, businesses and property owners as follows:*
 - (i) *Property owners and businesses within a 50 metre radius of the subject property were contacted by letter detailing the application, providing instructions on how community comments or concerns could be submitted; and*
 - (ii) *Signage was posted at the subject property and three public notices were published in a local newspaper. This signage and notice provided information on the application and instructions on how community comments or concerns could be submitted; and*
 - (d) *Council's comments and recommendations respecting the view of the residents are as follows:*

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- (i) *That based on the number of letters sent and the lack of response received from all public notifications, Council considers that the amendment is acceptable to the majority of the residents in the area and the community.*

CARRIED

2. CORPORATE OPERATIONAL SERVICE LEVEL REVIEW Q3 2016

(File Ref. No. 01-0300-35-001) (REDMS No. 5119163 v. 5)

It was moved and seconded

That the report titled "Corporate Operational Service Level Review Update Q3 2016" from the Director, Administration and Compliance, dated November 16, 2016 be received for information.

The question on the motion was not called as discussion ensued regarding communicating emergency preparedness programs to the public including holding public forums and meetings.

The question on the motion was then called and it was **CARRIED**.

COMMUNITY SERVICES DIVISION

3. CANADA 150 CELEBRATIONS PUBLIC ART PLAN

(File Ref. No. 11-7000-09-20-228) (REDMS No. 5180207)

Cllr. Day entered the meeting (4:14 p.m.).

Discussion ensued with regards to acquiring an original painting by Richmond artist John Horton in addition to the proposed commemorative mural.

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

It was moved and seconded

That the Canada 150 commemorative mural, as discussed by Committee and in the staff report titled, "Canada 150 Celebrations Public Art Plan" be referred back to staff for further analysis.

CARRIED

It was moved and seconded

That the staff report titled, "Canada 150 Celebrations Public Art Plan," dated November 3, 2016, from the Director of Arts, Culture and Heritage Services, be endorsed as the guiding plan for public art opportunities in support of Canada 150 celebrations and major event programming in 2017.

CARRIED

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ENGINEERING AND PUBLIC WORKS DIVISION

4. 2017 UTILITY BUDGETS AND RATES

(File Ref. No. 03-09-70-01) (REDMS No. 5163488 v. 11)

Lloyd Bie, Manager, Engineering Planning, noted a correction to the staff report on GP 82 under the subheading “Recommended Option”, Option 1 is recommended for Water Services.

In response to questions from Committee, Mr. Bie commented that (i) the average water consumption listed on table 2 of the staff report was taken from averages throughout the year on metered water customers (ii) the recommended option 2 for sewer utility includes a full time grease inspector in order to increase enforcement and (iii) the recommendation for drainage and diking utility is for option 2, which includes a rate increase for larger ICI properties over 10,000 square feet.

In response to queries from Committee, Suzanne Bycraft, Manager, Fleet and Environmental Programs commented that (i) staff are recommending option 2 for solid waste and recycling (ii) the addition of a Supervisor with this option would keep pace with current service levels and (iii) option 2 does not include increases to the Richmond recycling depot operating hours or services although that matter could be subject to a future staff report to Committee.

John Lee, Richmond Resident, expressed concerns to Committee with regard to increased water rates, commenting that the City is gaining more from residents than it currently pays to Metro Vancouver for water and that residents should not be paying for water meter maintenance.

In response to the delegation, Mr. Bie referred to a large chart outlining the City’s water budget which shows that, while Metro Vancouver compensates a portion of the cost, the City still incurs other maintenance expenses and requires a mark-up to offset cost. Mr. Bie further commented that water meter maintenance fees are built on long term costs.

It was moved and seconded

- (1) That the 2017 utility budgets, as outlined under Option 1 for Water, Option 2 for Sewer, Option 2 for Drainage and Diking, and Option 2 for Solid Waste and Recycling, as contained in the staff report dated October 24, 2016 from the General Manager of Finance & Corporate Services and General Manager of Engineering & Public Works, be approved as the basis for establishing the 2017 Utility Rates and preparing the 5 Year Financial Plan (2017-2021) Bylaw; and**

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- (2) *That the City's maximum reimbursement for the actual installation cost of volunteer multi-family water meters be increased to the greater of:*
- (a) *\$100,000 per multi-family complex; or*
 - (b) *\$1,200 per dwelling unit within a multi-family complex.*

CARRIED

ADJOURNMENT

It was moved and seconded

That the meeting adjourn (4:38 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, November 21, 2016.

Mayor Malcolm D. Brodie
Chair

Amanda Welby
Acting Legislative Services Coordinator

Council/School Board Liaison Committee

Wednesday, November 23, 2016

4. REVIEW OF NOV. 16 - FENTANYL DRUG FORUM

S/Sgt. Scott Campbell, Crime Prevention Unit, Richmond RCMP Detachment, summarized the discussion from the Fentanyl Drug Forum and specifically noted that Fentanyl (i) is currently in the forefront of peoples' minds, (ii) is an international health concern, and (iii) presents challenges for enforcement. The Committee noted that it would be useful to have the video of the Fentanyl Drug Forum available on the City's website.

Trustee Sargent thanked the City of Richmond for the prompt response in addressing the Fentanyl issue. Comments were made from the Committee regarding (i) the banning of pill pressing machines, (ii) possible courses of action, and (iii) responsibilities of different levels of government regarding the issue.

It was moved and seconded

That the City of Richmond / School Board be requested to consider:

That a letter be sent to the Premier detailing the actions taken by the City in response to the Fentanyl issue and that the City of Richmond supports the banning of pill pressing machines.

CARRIED

1. TRAFFIC SAFETY ADVISORY COMMITTEE

Donna Chan, Manager, Transportation Planning, briefed the Committee on the key issues from the two most recent traffic safety advisory meetings. Topics of attention included solar powered markers at crosswalks, vandalism of pedestrian zone signs, and construction of a speed bump as an alternative to signs in a specific area.

Ms. Chan also reported that the amendments to the Traffic Control and Regulation - Bylaw 5870 had been adopted. Highlights of the amendments include ticketing for jaywalking and ticketing for cars which fail to stop at crosswalks with pedestrians who have already begun the process of crossing the road.

Trustee Debbie Tablotney entered the meeting (9:12 a.m.).

2. CANADA 150 CELEBRATION

Bryan Tasaka, Manager, Major Events and Film, advised the Committee that the second grant intake for the Canada 150 Celebration has been ended and also provided information on the amount of applicants applied, the amount of applicants approved, the amount of money distributed, and the amount which was left to distribute.

Mr. Tasaka then distributed a 2017 Calendar (attached to and forming part of these minutes as Schedule 1) which showed the different events which were currently planned as part of the Canada 150 Celebration and noted that the anticipated amount of events would surpass a hundred and would all be included on the new Canada 150 website.



City of Richmond

Report to Committee

To: General Purposes Committee
From: Amarjeet S. Rattan
Director, Intergovernmental Relations and
Protocol Unit

Date: November 21, 2016
File: 01-0130-01/2016-Vol
01

Jerry Chong
Director, Finance

Re: Federal Government Proposed Sale of Airport Land Assets

Staff Recommendation

That a letter be sent to the Federal Minister of Transport outlining the City's opposition to the sale of Vancouver International Airport as part of the collective group of airport assets being considered for sale.

Amarjeet S. Rattan
Director, Intergovernmental Relations and Protocol Unit
(604-247-4686)

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

Attachment 1

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

Staff Report

Origin

This report provides information related to a recently released report, *Pathways: Connecting Canada's Transportation System to the World* (the Emerson Report), which has recommended the Federal Government consider 'asset recycling,' which would involve selling stakes in major public assets such as airports, highways, rail lines, and ports to help pay for Canada's mounting infrastructure costs.

This report supports Council's 2014-2018 Term Goal #5 Partnerships and Collaboration:

Continue development and utilization of collaborative approaches and partnerships with intergovernmental and other agencies to help meet the needs of the Richmond community.

5.1. Advancement of City priorities through strong intergovernmental relationships.

5.2. Strengthened strategic partnerships that help advance City priorities.

Findings of Fact

The 2016 Federal Budget paid considerable attention to infrastructure investment, which is seen as a way to create jobs and boost long-term economic growth. The Federal government has committed more than \$120 billion toward infrastructure over the next decade. The funds from 'asset recycling' would help the Federal government avoid amassing debt or raising taxes. As per the Emerson Report's recommendations, the Federal government would make public assets available to non-government investors, similarly to public pension funds.

The Emerson Report was created by the Honourable David Emerson for the previous Conservative government. Mr. Emerson was CEO of Vancouver International Airport Authority from 1992-1996 and also held various public service positions with the BC Government as well as federally elected positions, including Minister of Industry, Minister of International Trade, Minister for the Pacific Gateway and the Vancouver-Whistler Olympics and Minister of Foreign Affairs. He also became a member of the International Advisory Council of the Chinese sovereign wealth fund China Investment Corporation, in 2009. He is currently Board Chair of Maple Leaf Foods, GCT Global Container Terminals Inc. and the Asia Pacific Foundation.

The Emerson Report's recommendations include the following:

- The linking of user (airport) fees to the provision of services and infrastructure;
- Payments in lieu of taxes by airport authorities should not be disadvantageous when compared with comparable job-creating industries;

- Divestiture by the Federal Government of smaller federally owned airports in consultation with provinces and municipalities;
- Moving quickly to a share-capital structure for the larger airports, with equity-based financing from large institutional investors, supported by legislation to enshrine the economic development mandate of airports and to protect commercial and national interests by: establishing investment thresholds, limiting foreign airline ownership (to increase commercial airlines by at least 49%), and tests of public interest and national security to be administered by Industry Canada and the Competition Bureau, under the Investment Canada Act and the Competition Act;
- Establishing a set of principles to guide all airports in Canada when determining fees;
- Tying airport improvement fees to specific projects; and
- Requiring airline expertise on the boards of directors of airport operators.

Advisory Council on Economic Growth

The recommendations of the Report are being endorsed by the Federal Government's new Advisory Council on Economic Growth, a group of 14 members comprised of Canadian and international business and academic leaders. The council was tasked with helping the government map out a long-term growth plan for Canada.

The members of the Advisory Council are:

- Dominic Barton (chair) - Global Managing Director of McKinsey & Company
- Elyse Allan - President and Chief Executive Officer, General Electric Canada
- Katherine Barr - General Partner, Mohr Davidow Ventures
- Jennifer Blanke - Chief Economist, Member of the Executive Committee, World Economic Forum
- Kenneth Courtis - Chairman, Starfort Investment Holdings
- Brian Ferguson - President and Chief Executive Officer, Cenovus Energy Inc
- Suzanne Fortier - Principal and Vice-Chancellor, McGill University
- Carol Anne Hilton - Chief Executive Officer, Transformation International
- Carol Lee - Chief Executive Officer and Co-Founder, Linacare Cosmethrapy Inc.
- Christopher Ragan - Associate Professor, Macroeconomics and Economic Policy, McGill University
- Michael Sabia - President and Chief Executive Officer, Caisse de dépôt et placement du Québec
- Angela Strange - Partner, Andreessen Horowitz
- Ilse Treurnicht - Chief Executive Officer, MaRS Discovery District
- Mark Wiseman - President and Chief Executive Officer, CPP Investment Board

Analysis

Airport Governance

Between 1986 and 2006, Canada shifted to a commercially based, market-driven system from one based on government ownership and control. This transformation began with the economic

deregulation of the domestic market for air services and the privatization of Air Canada. Following deregulation and privatization in the carrier sector, the Federal Government moved to commercialize larger airports and air navigation services.

Under the 1994 National Airports Policy, the Federal Government transferred the management, operation and development of 22 large airports, including those in the national and provincial capitals to non-profit airport authorities governed by local boards but retained ownership of land and fixed assets. As a result of these changes, Transport Canada's roles in the air sector is now largely confined to those of policy maker, regulator and landlord for the country's largest airports.

These airport authorities pay rent to the Federal Government for their land and assets, which they hold under 60-year leases with one 20-year renewal option. That gives these airports until the 2050s — or 2070s if they renew the lease — before they must return to the Federal Government “a world-class airport, with no debt,” according to the Emerson Report. Vancouver International Airport's (YVR) current lease (with the 20 year extension) is set to expire in 2072.

The Emerson Report recommends that the Government of Canada strengthen the viability, accountability and competitiveness of the National Airports System by moving within three years to a ‘share-capital structure’ for the larger airports, with equity-based financing from large institutional investors, accompanied by legislation to enshrine the economic development mandate of airports and to protect commercial and national interests (including provisions that are currently spelled out in the airports’ leases).

The Emerson Report notes that a number of options are available for privatizing the large airports. This could include working with airport authorities to facilitate their transformation into for-profit entities and selling them the assets of larger airports. Similar processes were followed in the past with the privatization of Crown corporations like Petro Canada and Air Canada. Otherwise, it could be achieved by selling the airports to another private enterprise, as was done with large airports in the United Kingdom in the 1980s. Alternatively, the Federal Government could maintain ownership, while fully privatizing the operation of the airport, as was done in Australia.

The larger airports, of which the top four are Toronto, Vancouver, Calgary, Montreal, support many of the Emerson Report recommendations, including a much-needed overhaul of security screening protocols, however, they are not supportive of the proposal that they move within three years to a share-capital structure with equity-based financing from large institutional investors. Pierre Elliot Trudeau International Airport in Montreal is the only airport in the country that supports the Emerson Report recommendations to sell airport lands.

The Vancouver International Airport Authority has concerns that a for-profit system would increase costs rather than lower them (Attachment 1). YVR's CEO, Craig Richmond, has stated “as a not-for-profit, we have plowed everything we've made back into the airport and we've built up this beautiful asset”. Airport authorities can currently issue bonds, but cannot raise equity, which results in “very high leverage,” he said. In addition, airports are restricted in what they can do with their land, which is still owned by the Crown. As the lease end date draws closer, in order to comply

with the current lease terms, airport authorities will have to reduce their debt and use their reserves to pay off the existing debts. This may impact future capital investments and levels of service.

The Canadian Airports Council, which lobbies the Federal Government on behalf of Canada's airports, maintains that full privatization isn't the best way to lower costs. Some airports would prefer the Federal Government to cut their rent and allow for rolling lease extensions while maintaining the existing model, a solution that YVR supports.

Vancouver International Airport (YVR) Governance

YVR is managed by Vancouver Airport Authority, a private not-for-profit corporation with no issued share capital. The Airport Authority is governed by a non-political Board of Directors appointed from organizations within the community including federal and municipal governments and professional and business associations. The City of Richmond's current appointee to the board is Howard Jampolsky. The Airport Authority receives no funding from the Federal Government and pays rent each year to Transport Canada. Since its inception in 1992, Vancouver Airport Authority has invested \$3.1 billion into its capital assets that was paid for through airlines, passengers and their Airport Improvement Fees while reducing costs for airport users – essentially meaning YVR is paid off. The current governance structure, which includes the City nominating someone to the Board would no longer be required; therefore any input provided through the City's nominated director would be gone if YVR were privatized.

Privatization

The Canada Development Investment Corporation (CDEV), a Crown agency has hired Credit Suisse AG, an investment bank, to analyze airport related privatization options before the end of the year, as the Federal Finance Minister prepares the 2017 budget. Recent airport privatization transactions include airports located in Gatwick, Athens, Kansai, Osaka and London City. London City Airport was acquired in February 2016 by three Canadian pension funds, Ontario Teachers' Pension Plan (OTPP), Ontario Municipal Employees Retirement System (OMERS), Alberta Investment Management Corp (AIMCo) and Wren House, an infrastructure investment vehicle owned by the sovereign wealth fund of Kuwait, for a reported \$2.8 billion. London City Airport was put up for sale by infrastructure fund Global Infrastructure Partners, which also owns Gatwick and Edinburgh airports. Credit Suisse acted as the sole adviser to Global Infrastructure Partners. Due to the low yields that exist in the bond market and the relative high risks in the equity market, large institutional investors are looking at alternative investments that provide stable returns with relatively low risk, hence the growing interest in real estate and infrastructure investments such as toll roads, bridges and airports.

The Government of Canada has also recently hired investment bank Morgan Stanley Canada Ltd. to review ownership options for 18 Canadian ports. Canada Development Investment Corp., a Crown agency responsible for selling federal assets, hired the firm "to provide financial advice" on its port holdings, which include facilities in Halifax, Montreal, Toronto, Thunder Bay and Vancouver.

First Nations Impact

In order to proceed with the sale of YVR lands, the Federal Government would first need to transfer ownership to its commercial property arm, Canada Lands Company, and then go through a consultation and accommodation process with First Nations groups, particularly the Musqueam.

The challenge to selling off federal land comes from major Supreme Court of Canada decisions, especially the 1997 Delgamuukw ruling that required governments to consult and accommodate First Nations when their interests were affected by economic development. Canada's highest court cemented aboriginal title rights with a June 2014 decision granting a large tract of land to a B.C. interior First Nation.

The potential for a costly lawsuit, and the risk of being required to pay compensation to a First Nation group claiming title, could potentially convince the Federal Government that privatization of YVR lands is not financially feasible.

Financial Impact

Airport Revenues

The Government of Canada has collected approximately \$5 billion in airport rent since 1992, already well in excess of the value of the assets originally transferred, and is estimated to collect at least \$12 billion more over the next 40 years. In total, the Federal Government collected nearly \$1 billion in airport rent and security fees in 2015.

YVR advises that they pay approximately \$50 million per year in rent to the Federal Government and \$16 million in annual Payment in lieu of taxes (PILT) payments (approximately 50% is the municipal portion). Other businesses which reside on YVR remitted PILT of approximately \$1.5 million and commercial tenants remitted approximately \$13.9 million in property taxes.

The City currently receives PILT for all federally and provincially owned land in the City of Richmond, which includes YVR. YVR and other airport authorities are currently paying PILT because they are tenants on Crown land and because the *Assessment Act* specifically exempted the Authority from paying property taxes. Tenants of YVR are currently 100% taxable and it is up to the City of Richmond to bill and collect from each tenant individually.

If YVR is privatized and is not specifically required to pay PILT, then it would become 100% taxable for property taxes (similar to BC Hydro and TELUS properties). In this case, YVR would be responsible for taxes for their entire property, including taxes for properties leased to sub-tenants. In this scenario, the privatized airport authority would be similar to Richmond Centre, in that they will be responsible for 100% of the taxes for their property and would have to recover the cost directly through their tenants. This could reduce any collection issues and associated risks. However, since the City charges the same tax rate for PILT as for property taxes, there should be no financial loss to the City.

With respect to water/sewer utilities, currently YVR sewer flows directly to the Lulu Island treatment plant and they pay Metro Vancouver for this service. The City charges YVR a lower water rate in addition to 50% of the annual maintenance cost and capital cost spent on YVR land annually. Over the last 12 months the City received approximately \$1.1 million in utility fees from YVR. If YVR becomes privatized, the City would need to review the agreement and re-evaluate the existing structure.

Currently, YVR is considered exempt from the City's Zoning Bylaw, Development Cost Charge Bylaw and typical development requirements because the airport is located on lands owned by the Federal Government. The implications with respect to the City's zoning and development regulations cannot be determined until further information is received on how any transfer/sale is structured.

YVR Airport Authority was recognized as one of Canada's Top 100 Employers in 2016 and they currently employ approximately 425 employees. It is unknown how many employees are Richmond residents, and if any of these positions would be eliminated or increased if the airport is privatized.

Conclusion

While the timing of a Federal decision to proceed with 'asset recycling' in relation to airport lands is unclear, YVR is of the view that it is not imminent, while some media reports indicate it may come as soon as this spring. The issue is being aggressively pushed by Federal Finance Minister Bill Morneau, while Minister of Transport Minister Marc Garneau is of the view that only airport authorities that wish to be privatized should be made to do so.

Privatization of Federal Government assets is very complex as local, national and First Nations interests must be considered. While YVR has been run very efficiently and effectively the Federal Government is hoping that infrastructure spending will increase investments and economic growth in Canada. Funding infrastructure will only be achieved through elimination/reduction of programs, additional taxation measures or asset recycling. In a simplified scenario, one must evaluate whether funding should be shared by all Canadian taxpayers or through user fees.

YVR is currently in an "educate mode" with respect to this issue and is in the process of discussion with community partners. The City of Vancouver announced on October 19th that its Council endorsed a motion to write to the Federal Government outlining its opposition to the proposed sale of YVR lands to private interests.

YVR has demonstrated innovation and sustainable financial results annually. YVR has modernized, diversified and invested any arising profits back into the facilities. The current governance model has been responsive and inclusive to the City's requests. YVR was recently recognized by the CAPA Centre for Aviation with the annual Airport of the Year Award at the Aviation Awards for Excellence.

November 21, 2016

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Prior to any transactions being contemplated an assessment of each individual airport should be made and their merits and performance assessed in an objective manner. Rather than disposing of all of the airports as a package each airport should be evaluated with input and feedback from respective stakeholders. It is recommended that Council write to the Minister of Transport outlining its opposition to the sale of YVR as part of the collective group of airport assets being considered for sale and that each individual airport be evaluated independently with input from the City of Richmond.

Staff will provide updates on this issue as more information becomes available.



Amarjeet S. Rattan
Director, Intergovernmental Relations and Protocol Unit
(604-247-4686)



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



Privatization versus Share Capitalization of YVR

This Vancouver Airport Authority (YVR) paper is provided in response to recommendation 3(B) of the Canadian Air Transportation Act (CTA) Review released on February 25, 2016. Specifically, 3(B) recommended “moving within three years to a share-capital structure for the larger airports, with equity-based financing from large investors”.ⁱ It is the Vancouver Airport Authority’s unequivocal view that the CTA Review does not provide any justification for this fundamental change to the governance structure of airports. We strongly oppose this recommendation for three reasons:

1. The costs of share capitalization would add hundreds of millions of extra costs to the airport which would be passed to airlines and passengers. YVR would become much less competitive
2. YVR and Canadians have already reaped the benefits of airport privatization
3. The communities in British Columbia are well served by the current governance structure (which would not be the case if YVR was owned and operated by investment banks and pension funds)

Well researched, excellent papers from other Airport Authorities have detailed the current model, the history and reasons for transfer to local authorities from government and the unintended consequences of recommendation 3(B) from the CTA review, so they need not be repeated.ⁱⁱ Rather, this paper will focus specifically on the impact of share capitalization to YVR.

Financial Impact of Share Capitalization on YVR

Earlier in August, 2016 we submitted a paper entitled “YVR Share Capitalization 22 Aug 2016” which describes in great detail the financial implications of a sale of the major airports. The comprehensive analysis demonstrates how such a sale would lead to sizable increased annual costs that would need to be recovered through aeronautical or AIF revenue, reduced operating expenses or a reduction in capital expenditures.ⁱⁱⁱ Very simply, it would be too costly for a share capital buyer to acquire an airport such as YVR without reducing services and passing these costs on to airport users through higher fees and charges and fewer capital investments. This would be a serious step backward for commercial aviation, airlines and passengers in Canada.

Our purpose in producing this paper, “Privatization versus Share Capitalization of YVR” is to communicate that the benefits of privatization have already been achieved, to great success, and that there are very real problems with the idea of share capitalization of Canada’s major airports, focussing specifically on YVR. It should be noted that YVR’s Board and Senior Management has had extensive experience in the purchase, management and sale of for-profit airports around the world through our previous ownership of Vantage Airport Group. Vantage Airport Group is an industry-leading investor, developer and manager of airports around the globe. Since inception, Vantage Airport Group has been involved in 27 airports in 11 countries and has taken 19 airports from public to private management and currently operates eight airports in five countries. There have been many successful examples of equity privatizations of poorly capitalized, poorly run airports precisely because of their poor financial state. Canada’s major airports do not fall in that category.

In fact, the CTA Review itself noted that Canada's Airport System is "...frequently ranked among the best in the World".^{iv} The review also states that the large airport authorities have "...successfully fulfilled their mandate to develop or renew infrastructure through capital investment, while remaining self-sufficient".^v

The Benefits of Privatization - Realized

The CTA review consistently and mistakenly equates privatization with share capitalization. This is a structural misconception. Vancouver Airport has been privatized for 24 years. It is a private not-for-profit non-share capital corporation, with a community based, non-politicized Board and with independent means of financing. This is not merely a semantic difference. It is an essential, fundamental organizational fact ignored by the CTA review: YVR agrees with and has already benefited immensely from privatization.

The CTA Review postulates that "independent analysis and international examples show the benefit of increased private sector discipline in the management of large airports".^{vi} Privatization is often characterized by economists as a way to change the actions of an entity from relatively inefficient government operations to a more nimble and reactive private operation. YVR is in agreement with this conclusion - and considers itself a private sector operator. Some of the generally stated benefits of privatization and the actual results at YVR include:

- 1. To transfer capital and operating expenses from taxpayers to private operations.**

Achieved. Since transfer in 1992 Vancouver Airport Authority has invested \$3.1 billion in capital assets, including a new Category III runway and award winning

terminals while paying \$1.3 billion in rent. YVR receives no federal subsidies to operate the airport.

2. To eliminate political interference.

This has been accomplished through the bylaws, nominating entity process and by the fact that no elected official can sit on our Board of Directors. While the Authority is certainly influenced by local and federal politics, it is not interfered with.

3. To access capital and to lower borrowing costs.

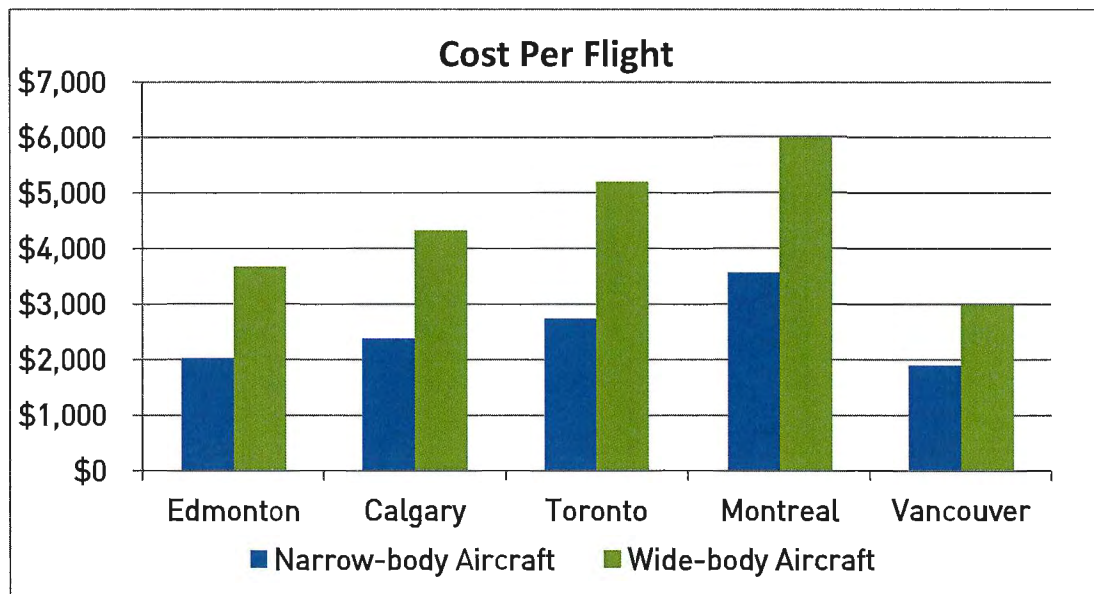
This too has been achieved: rating agency Standard & Poor's just affirmed Vancouver Airport Authority's AA credit rating – one of the highest credit ratings in the world. In 2015, YVR refinanced \$200 million of 30 year bonds at an interest rate of 3.875% - a new low rate for airport bonds in Canada. YVR has no trouble attracting capital and the cost of capital is very low.

4. Using market discipline to promote efficiency and lower costs to airlines and passengers.

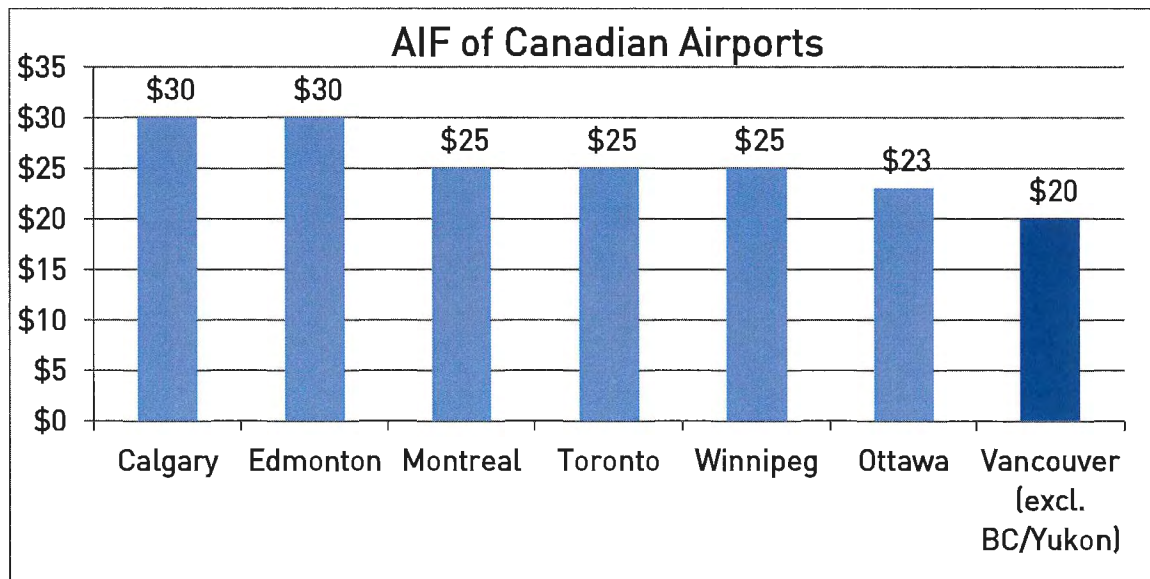
Vancouver is an extremely efficient airport. The Air Transport Research Society has named YVR as the most efficient airport in Canada and fourth most efficient in North America: Professor Tae Oum stated "YVR has been doing very, very well, since inception of this project in 2002," Oum said. "YVR, this year is fourth-most efficient in North America, but the top in Canada".^{vii} Vancouver has one of the highest rates of non-aeronautical revenue in North America, at almost \$22 per enplaned passenger and 45% of revenue.

In addition, as of 1 January 2016, Vancouver Airport lowered its airline rates and charges for the next five years by an average of 15% to maintain its global

competitiveness. These rates and charges are the lowest among the larger Canadian airports and even among YVR's American competitor airports. The lower rates and charges are designed to promote airline gate efficiency and to reward airlines who add flights. The new program is already having a positive effect: "The operating economics of the Dreamliner together with the efforts of the Vancouver Airport Authority who have maintained airport operating costs at levels among the lowest in Canada, have enabled us to grow our Vancouver hub," concluded Mr. Calin Rovinescu" (Air Canada CEO announcing a new daily route to Brisbane).^{viii}



Vancouver also has the lowest Airport Improvement Fee (AIF) of any of the large airports in Canada and maintains a minimum fee of \$5 for any flights within BC and the Yukon.



5. To spur creativity, innovation and implement industry best practices.

This has been realized to an exceptional extent at YVR. The Vancouver Airport Authority has a well-deserved reputation for innovation and creativity, earned over two decades of privatization. Vancouver has incubated two successful independent companies, interVistas Consulting and Vantage Airports Group. In 2015 Vancouver won the Centre for Aviation (CAPA) World Award for Airport Innovation, for inventing the Border Xpress – YVR’s home-grown border processing technology. These self-service kiosks have reduced border waits in airports by up to 89% and more than 1,000 have been sold to 32 airports in North America and the Caribbean including some of the busiest such as Chicago O’Hare, Atlanta and LAX. All the profits from these sales are returned to YVR to help reduce operating costs and keep aeronautical fees low.

Vancouver Airport Authority also won the following awards in 2016:

- Airports Council International – North America, Best Overall Marketing and Communications – 2015
- Canada's Best Corporate Health and Safety Culture – 2015
- Airports Council International – North America, Best Overall Human Resources Program 2016
- Airports Council International – North America, Best Specialty Retail Program – 2016
- In 2016 awarded the first Salmon-safe Certification for an airport in the world – ensuring we meet the highest standards for water quality in and around Sea Island and the neighboring Fraser River.

6. To increase customer service.

This has been clearly achieved. On March 16, 2016, Skytrax World Airport Awards announced that Vancouver Airport had won the Best Airport in North America for a record 7 times in a row. These results come from a half year survey of over 13 million passengers, across 39 categories of customer service. YVR was also named the third best airport in the world in the 20 – 30 million passenger category.

Serving our Community

In addition to the aforementioned benefits of privatization, one of the basic tenets of the devolution of Canadian airports was the desire to involve local communities in the strategic goals of the airports.¹ This devolution allowed locally run Airport Authorities to be governed by a community appointed Board of Directors. YVR's Board of Directors is formed with experienced members appointed from the community at large and through

¹ [Calgary International Airport Submission]

Nominating Entities representing key professions including law, accounting and engineering. While the Federal government and local municipalities provide representatives for the Board of Directors, they cannot be elected officials. These individuals work and live in the very communities the airport serves and are charged with ensuring the airport operates in the best interest of our local community and the province of British Columbia.

Our success as an Airport Authority hinges on our connection to the people we serve. As a locally-based organization and as BC's airport, we are committed to serving our diverse communities and the businesses that benefit from our role as an economic hub and jobs creator. We accomplish this through a commitment to transparency and a willingness to engage. It is also through this two-way dialogue that we are able to grow the airport to meet the needs of British Columbians. YVR has engendered a deep sense of pride by British Columbians in their airport.

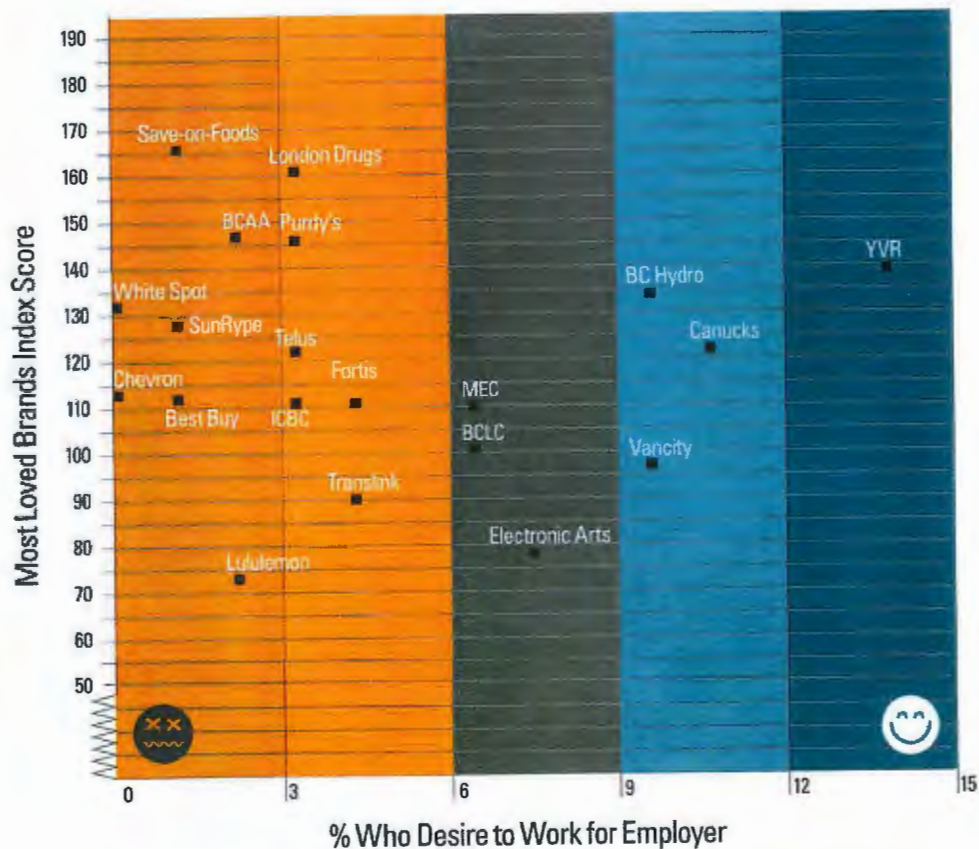
The Authority regularly meets with both surrounding and more distant city councils and nominating entities to discuss airport plans and to gather feedback. Consultation on everything from maintenance work to major developments and Master Planning are held whenever required. The Authority sends executives to speak at cities across the province and attends over 70 local events in order to maintain open lines of communication.

The Vancouver Airport Authority is committed to providing a positive airport experience for everyone – this means minimizing obstacles for people with disabilities, seniors and anyone requiring extra help. We exceed accessibility codes wherever possible and have established new accessibility design criteria, developed a multi-year accessibility plan and completed a terminal-wide assessment and audit of our facilities and services using those in affected communities as advisors.

It is often difficult to judge community perception, but in this case, Business in Vancouver Magazine and Ipsos-Reid have gathered hard data: in a survey conducted by Ipsos-Reid in 2015 YVR was named as one of BC's best loved brands and was simultaneously the best loved brand and the company at which respondents would most like to work (see graphic below).^{ix}

Love the Brand, Not the Workplace

Every February, *BCBusiness* partners with Ipsos to survey British Columbians on the Most Loved Brands in B.C. "Love" measures things like how much you trust a brand, how innovative you find it and whether you think it's a brand that's making a positive contribution to B.C. For our workplace survey, we offered up a list of this year's most loved brands and asked: Which of the following companies would you most like to work for? As you can see from the graph below, the most loved brands (Save-on-Foods, London Drugs) aren't necessarily the ones you most want to work for. ■



Conclusion: The Future

While our first submission outlined clearly that a share-capital model is not financially viable for YVR, this paper has demonstrated that the qualitative benefits of privatization have already been achieved at YVR. Our local Board of Directors is a vital part of our accountability and outreach program, and has helped our demonstrably positive reputation in the community which is essential in running a 24-hour airport.

The current model does need to address key issues with the ground lease including end of lease, rent and environmental mitigation claims. First Nations land claims are once again at the forefront. Our governance model, as unique and balanced as it is, is not well understood and requires continued improvement in transparency and accountability.

However, these issues are not insurmountable and are not inherent to the current system; they can be fixed. Over the past 24 years Canadian airports have thrived no matter what challenges were faced, largely due to the flexibility and balance of the current governance model. YVR in particular is a pillar in the community, employing over 24,000 people as well as 450 volunteers and donating over \$1 million per year to local community organizations. YVR works with business, tourism, industry and education associations to represent their interests around the world and support their efforts to connect efficiently with global markets. And YVR is a financial success – a consistently strong business with world-class facilities and an outstanding safety record. YVR continues to grow its passenger and airline partner base, year over year. The Canadian Airport Model has created a true success story at Vancouver International Airport.

The Canadian Airport Model remains enviable template for airport management and governance, delivering the best results for the Canadian economy, for Canadian communities, for Canadian airlines and for Canadian passengers. Moving to a share capital model would be an irreversible mistake.

ⁱ Pathways: Connecting Canada's Transportation System to the World, Volume 1, pp 194.

ⁱⁱ Canadian Airports: Yesterday, Today and Tomorrow/A Review of the Case for Privatization of Canadian Airports and the Related Systems of Corporate Structure, Governance and Finances, Calgary Airport Authority Aug 2016. UNINTENDED CONSEQUENCES" A COMMENTARY RESPONSE TO RECOMMENDATION 3(B) – CHAPTER 9 OF "PATHWAYS: CONNECTING CANADA'S TRANSPORTATION SYSTEM TO THE WORLD" Edmonton Airport Authority Aug 2016. Letter to the Minister of Transport, Halifax Airport Authority, 19 Aug 2016.

ⁱⁱⁱ Share Capitalization of Canadian Airports, Vancouver Airport Authority, 22 Aug 2016.

^{iv} Pathways: page 185

^v Ibid. pp 186

^{vi} Ibid. pp 193

^{vii} <http://vancouver.24hrs.ca/2014/08/20/vancouver-airport-named-most-efficient>

^{viii} Air Canada News Release, July 8, 2015.

^{ix} BC's most loved brands, Business in Vancouver Magazine, 28 Jan 2015



City of Richmond

Report to Committee

To: General Purposes Committee

Date: November 18, 2016

From: David Weber
Director City Clerk's Office


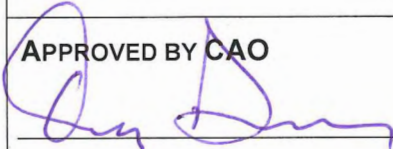
File: 05-1400-01/2016-Vol
01

Re: Appointment of Acting Corporate Officer

Staff Recommendation

That Claudia Jesson, Manager, Legislative Services, be appointed as an Acting Corporate Officer for the purposes of carrying out statutory duties prescribed in section 148 of the Community Charter in the absence of, or as directed by, David Weber, Director, City Clerk's Office (Corporate Officer).

David Weber
Director City Clerk's Office
(604-276-4098)

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

Staff Report

Origin

Traditionally, the Manager, Legislative Services has also been appointed as an Acting Corporate Officer for the City of Richmond in order to ensure appropriate continuity of City business, to maintain customer service and to provide proper coverage in the City Clerk's Office in the absence of, or as directed by, the Corporate Officer / Director, City Clerk's Office.

The appointment of an Acting Corporate Officer, which is a common practice in municipalities, facilitates a more efficient approach to a variety of required administrative work including the execution of agreements, contracts and land title documents, the acceptance of notices served on the City as required by statute, the certification of bylaws, meeting minutes and other City records and attendance at City Council meetings and Public Hearings as a (Acting) Corporate Officer.

The position of Manager, Legislative Services was recently filled by Claudia Jesson who comes to the City of Richmond with 15 years experience in similar roles in other lower mainland municipalities. Ms. Jesson's appointment as an Acting Corporate Officer should be considered in order to maintain appropriate service levels.

Financial Impact

None.

Conclusion

The appointment of Claudia Jesson as an Acting Corporate Officer will provide the City Clerk's Office with an appropriate level of service and coverage and will ensure continuity of key business processes.



David Weber
Director City Clerk's Office
(604-276-4098)



City of Richmond

Report to Committee

To: General Purposes Committee

Date: November 16, 2016

From: David Weber
Director, City Clerk's Office

File: 01-0105-01

Re: 2017 Council and Committee Meeting Schedule

Staff Recommendation

That the 2017 Council and Committee meeting schedule as shown in Attachment 2 to the staff report dated November 16, 2016, from the Director, City Clerk's Office, be approved with the following revisions:

- (1) That the Regular Council meetings (open and closed) of August 14, August 28 and December 27, 2017 be cancelled;
- (2) That the August 21, 2017 Public Hearing be re-scheduled to September 5, 2017 at 7:00 p.m. in the Council Chambers at Richmond City Hall;
- (3) That the Regular Council meetings (open and closed) of September 25, 2017 be cancelled and that a Special Council meeting be called in conjunction with the last Committee meeting during the week prior, if necessary, in order to avoid a meeting conflict with the 2017 Union of BC Municipalities (UBCM) convention; and
- (4) That the Council and Committee meeting schedule be adjusted annually for the Union of BC Municipalities (UBCM) and Federation of Canadian Municipalities (FCM) conventions if these events are scheduled in a manner that conflicts with the usual meeting schedule.

David Weber
Director, City Clerk's Office
(604-276-4098)

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

Staff Report

Origin

Under the *Community Charter* and the Council Procedures 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 2017 Council meeting schedule is being presented at this time to provide certainty and advance notice of Council's regular meeting schedule.

Analysis

August Meeting Break

In accordance with the Council Procedures Bylaw No. 7560, Council resolutions are required for any changes to the prescribed Council meeting schedule. Therefore, to accommodate the August meeting break, it is recommended that the open and closed Regular Council meetings of August 14 and 28, 2017 be cancelled. Also, as a result of the City Hall closure over the holiday season, it is recommended that the open and closed Regular Council meeting of December 27, 2017 also be cancelled.

Changes to the Committee meeting dates can be altered at the call of the Chair as circumstances arise closer to the dates of the meetings, and do not require a Council resolution. The only change that staff propose to the Committee schedule is a change to the Parks, Recreation and Cultural Services Committee (PRCS) meeting that would normally fall on July 25, 2017, the day after the last Council meeting before the August meeting break. Instead, and in order for Council to consider any recommendations from this meeting at the Regular Council meeting of July 24, 2017, it is proposed that the PRCS meeting be moved to the previous Thursday, July 20, 2017.

With regard to the August Public Hearing, and in-keeping with past practice, staff propose that it be re-scheduled from August 21, 2017 to September 5, 2017. 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. Typically, there would be no need for a second scheduled Public Hearing during the third week of September.

December Holiday Season

City Hall will be closed Monday, December 25, 2017 and will be re-opening on Tuesday, January 2, 2018 in recognition of the holiday season. Staff propose that the December 27, 2017 PRCS meeting be moved to December 20, 2017 – immediately following Public Works and Transportation Committee. A Special Council meeting would likely be called in conjunction with the last Committee meetings of the year in order to deal with any business arising from the Committees that is of a time-sensitive nature.

Union of BC Municipalities (UBCM) and Federation of Canadian Municipalities (FCM) Conventions

Many BC municipalities adjust their meeting schedules annually to avoid conflicts with the Union of BC Municipalities and Federation of Canadian Municipalities conventions. This allows council members the flexibility to attend those annual general meetings and conventions without causing quorum or meeting attendance problems back in their home municipalities. Attendance at the conventions also provide an opportunity for elected officials to participate in educational sessions, to network, to lobby senior government officials, and to discuss and share ideas and solutions with colleagues on a broad range of issues affecting municipalities. Staff surveyed the larger lower mainland municipalities and discovered that Richmond is the only large municipality in Metro Vancouver that does not accommodate these municipal conventions by adjusting its meeting schedule (see Table 1).

Table 1: Metro Vancouver Municipalities – Meeting Schedules and UBCM / FCM Conventions

Metro Vancouver Jurisdiction	Are meetings scheduled during week of UBCM Convention?	Are meetings scheduled during week of FCM Convention?
Burnaby	No meetings scheduled	No meetings scheduled
Coquitlam	No meetings scheduled	No meetings scheduled
Delta	No meetings scheduled	No meetings scheduled
Langley (City)	No meetings scheduled	No meetings scheduled
Langley (Township)	No meetings scheduled	No meetings scheduled
Maple Ridge	No meetings scheduled	No meetings scheduled
New Westminster	No meetings scheduled	No meetings scheduled
North Vancouver (City)	No meetings scheduled	No meetings scheduled
North Vancouver (District)	No meetings scheduled	No meetings scheduled
Port Coquitlam	No meetings scheduled	Yes
Port Moody	No meetings scheduled	No meetings scheduled
Richmond	Yes	Yes
Surrey	No meetings scheduled	No meetings scheduled
Vancouver	No meetings scheduled	No meetings scheduled
West Vancouver	No meetings scheduled	No meetings scheduled

The Federation of Canadian Municipalities annual convention is typically scheduled from Thursday through to a Monday in early June and the Union of BC Municipalities convention is typically scheduled from Monday through to a Friday in September of each year. Schedule adjustments can be made by shifting meetings ahead or back by a week if practical, by cancelling meetings, or by scheduling a special council meeting in conjunction with the last Committee meeting during a given week to deal with any items arising from the Committees as is done during the last week of Committee meetings prior to the winter holiday break.

In 2017, no schedule change would be necessary in Richmond to accommodate the FCM convention as the 2017 convention is scheduled during a week that would otherwise have no meetings scheduled (a "fifth week") and wraps-up on Sunday (June 4, 2017). The 2017 convention would not conflict with Council's usual meeting schedule.

The Union of BC Municipalities convention is scheduled for September 25-29, 2017 and if the meeting schedule were to be adjusted to accommodate the convention, the Parks, Recreation and Cultural Services Committee could be moved to the previous Wednesday and held in conjunction with the Public Works and Transportation Committee meeting. In addition, a Special Council meeting could be called on the same day (September 20) in order to ratify any matters arising from the Committee meetings that week. This would mirror the approach that is proposed for the last week of meetings in December 2017. A draft meeting schedule for 2017 is provided in Attachment 2 (Option 2) which includes schedule changes to accommodate the Union of BC Municipalities convention.

Financial Impact

None.

Conclusion

It is recommended that the 2017 Council and Committee meeting schedule be approved with the suggested allowances for the Regular Council meeting break in August, and the holiday season in December, on the understanding that a Special Council meeting can be called with 24 hours' notice should any unusual or urgent circumstances arise outside of the usual schedule. Such a meeting may be facilitated using a conference call, as permitted by the Council Procedures Bylaw No. 7560, for those Council members who wish to participate but are unable to attend in person. The meeting schedule shown as Option 1 reflects the usual changes for the August and winter meeting break (Attachment 1).

Additionally, staff recommend that the 2017 meeting schedule be adjusted to accommodate the Union of BC Municipalities convention and that the meeting schedule be adjusted annually thereafter for the UBCM and FCM conventions if these events are scheduled in a manner that conflicts with the usual Council and Committee schedule. The meeting schedule shown as Option 2 (Attachment 2) reflects the usual changes for the August and winter meeting break in addition to incorporating changes for the 2017 UBCM convention.



David Weber
Director, City Clerk's Office
(604-276-4098)

Att. 1: Proposed 2017 Council and Committee Meeting Schedule (Option 1)

Att. 2: Proposed 2017 Council and Committee Meeting Schedule with Adjustments for the UBCM (Option 2)

DRAFT - 2017 MEETING SCHEDULE - OPTION 1

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

November 21, 2017

- CO** Regular Council Mtg., 7:00pm
 Regular (Closed) Council Mtg., 4:00pm
CS Community Safety, 4:00pm
DP Development Permit Panel, 3:30pm
FC Finance, following 1st General Purposes Meeting of each month
GP General Purposes, 4:00pm

- PC** Planning, 4:00pm
PH Public Hearing, 7:00pm
PRC Parks, Recreation & Cultural Services, 4:00pm
PWT Public Works & Transportation, 4:00pm

Note: All meeting dates are subject to change.

DRAFT - 2017 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						
1	STAT 2	GP FC 3	PC 4	5	6	7				1	2	3	4				DP 1	2	3	4
8	CO 9	CS 10	DP 11	12	13	14	5	GP FC 6	PC 7	8	9	10	11	5	GP FC 6	PC 7	8	9	10	11
15	GP PH 16	PC 17	PWT 18	19	20	21	12	STAT 13	CO 14	CS 15	DP 16	17	18	12	CO 13	CS 14	DP 15	16	17	18
22	CO 23	PRC 24	DP 25	26	27	28	19	GP PH 20	PC 21	PWT 22	23	24	25	19	GP PH 20	PC 21	PWT 22	23	24	25
29	30	31					26	CO 27	PRC 28					26	CO 27	PRC 28	DP 29	30	31	
APRIL							MAY							JUNE						
						1		GP FC 1	PC 2	3	4	5	6					FCM 1	FCM 2	FCM 3
2	GP FC 3	PC 4	5	6	7	8	7	CO 8	CS 9	DP 10	11	12	13	FCM 4	GP FC 5	PC 6	7	8	9	10
9	CO 10	CS 11	DP 12	13	STAT 14	15	14	GP PH 15	PC 16	PWT 17	18	19	20	11	CO 12	CS 13	DP 14	15	16	17
16	STAT 17	GP PH 18	PC 19	PWT 20	21	22	21	STAT 22	CO 23	PRC 24	25	26	27	18	GP PH 19	PC 20	PWT 21	22	23	24
23	CO 24	PRC 25	DP 26	27	28	29	28	29	30	31				25	CO 26	PRC 27	DP 28	29	30	
30																				
JULY							AUGUST							SEPTEMBER						
						1			1	2	3	4	5					1	2	
2	STAT 3	GP FC 4	PC 5	6	7	8	6	STAT 7	8	DP 9	10	11	12	3	STAT 4	GP FC 5	PC 6	7	8	9
9	CO 10	CS 11	DP 12	13	14	15	13	14	15	16	17	18	19	10	CO 11	CS 12	DP 13	14	15	16
16	GP PH 17	PC 18	PWT 19	PRC 20	21	22	20	21	22	DP 23	24	25	26	17	GP PH 18	PC 19	PWT 20	21	22	23
23	CO 24	25	DP 26	27	28	29	27	28	29	30	31			24	UBCM 25	UBCM 26	DP 27	UBCM 28	UBCM 29	30
30	31																			
OCTOBER							NOVEMBER							DECEMBER						
1	GP FC 2	PC 3	4	5	6	7			1	2	3	4					1	2		
8	STAT 9	CO 10	CS 11	12	13	14	5	GP FC 6	PC 7	8	9	10	11	3	GP FC 4	PC 5	6	7	8	9
15	GP PH 16	PC 17	PWT 18	19	20	21	12	STAT 13	CO 14	CS 15	DP 16	17	18	10	CO 11	CS 12	DP 13	14	15	16
22	CO 23	PRC 24	DP 25	26	27	28	19	GP PH 20	PC 21	PWT 22	23	24	25	17	GP PH 18	PC 19	PWT 20	21	22	23
29	30	31					26	CO 27	PRC 28	DP 29	30			24	STAT 25	STAT 26	27	28	29	30
														31	STAT 1 JAN	2 JAN				

*Special Council Meeting

*Special Council Meeting

- CO** Regular Council Mtg., 7:00pm
 Regular (Closed) Council Mtg., 4:00pm
CS Community Safety, 4:00pm
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FC Finance, following 1st General Purposes Meeting of each month
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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
From: Jim V. Young, P. Eng.
Senior Manager, Capital Buildings Project
Development
Serena Lusk
Senior Manager, Recreation and Sport Services
Date: November 29, 2016
File: 06-2045-01/2016-Vol
01
Re: **Richmond Major Facilities Projects**

Staff Recommendation

That \$2,000,000 for Advanced Planning and Design for Major Facilities Projects be considered in the 2017 Capital Budget process, as outlined in the staff report titled "Richmond Major Facilities Projects" dated November 29, 2016 from the Senior Manager, Capital Buildings Project Development and the Senior Manager, Recreation and Sport Services.

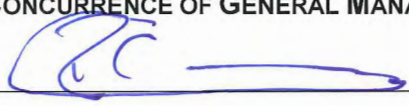

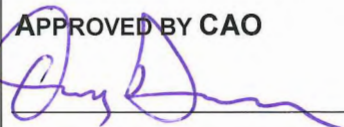
Jim V. Young

Jim V. Young, P. Eng.
Senior Manager
Capital Buildings Project Development
(604-247-4610)

Serena Lusk

Serena Lusk
Senior Manager
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Att. 1

REPORT CONCURRENCE		
ROUTED TO: Arts, Culture & Heritage Development Applications Finance Department Parks Services Real Estate Services Richmond Public Library	CONCURRENCE <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <input checked="" type="checkbox"/>	CONCURRENCE OF GENERAL MANAGER 
REVIEWED BY STAFF REPORT / AGENDA REVIEW SUBCOMMITTEE	INITIALS: 	APPROVED BY CAO 

Staff Report

Origin

The City currently provides a broad and multifaceted range of services to meet the public's needs. A forecasted population growth to 280,000 by 2041 suggests the necessity of identifying future facility needs and priorities, in an effort to maintain the current level of service to the public and potential for increased demand in some planning areas. It is also necessary to understand the functional adequacy and condition of current City buildings to maintain the current level of service into the future.

The purpose of this report is to advise Council that staff will be submitting a funding request through the 2017 Capital Program for advanced planning and design of the City's priority facility needs.

This report supports Council's 2014-2018 Term Goal #2 A Vibrant, Active and Connected City:

Continue the development and implementation of an excellent and accessible system of programs, services, and public spaces that reflect Richmond's demographics, rich heritage, diverse needs, and unique opportunities, and that facilitate active, caring, and connected communities.

This report supports Council's 2014-2018 Term Goal #3 A Well-Planned Community:

Adhere to effective planning and growth management practices to maintain and enhance the livability, sustainability and desirability of our City and its neighbourhoods, and to ensure the results match the intentions of our policies and bylaws.

This report supports Council's 2014-2018 Term Goal #6 Quality Infrastructure Networks:

Continue diligence towards the development of infrastructure networks that are safe, sustainable, and address the challenges associated with aging systems, population growth, and environmental impact.

Background

In 2009, Council endorsed the priority facilities in the City of Richmond Corporate Facilities Implementation Plan. Since then, the following projects have been completed or are in progress:

- Fire Hall No. 1 (Brighthouse) – In progress with expected completion in 2017;
- RCMP Community Safety Building – Complete;
- City Centre Community Centre (Firbridge) – Complete;
- Minoru Place Activity Centre (Seniors Centre) – In progress with expected construction completion at the end of 2017;
- Minoru Aquatic Centre – In Progress with expected construction completion at the end of 2017; and
- Hamilton Community Space – Complete.

There have also been several other significant facility replacement/improvement projects completed since 2000, examples of which include the RCMP building, Fire Halls 2, 3 (in progress), 4, 5, 6 and 7, City Center Community Police Station, Gymnastics Facility and West Richmond Community Centre.

Analysis

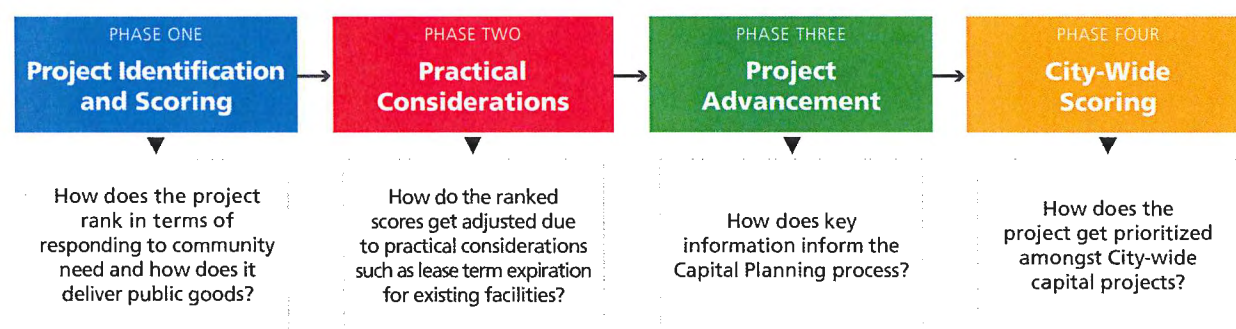
The City currently has an inventory of 148 facilities which are critical to the delivery of a broad range of services to the public. The majority of the City's facilities are community services related, including community centres, parks buildings, sports related facilities, childcare amenities, wellness facilities and arts, culture and heritage buildings. The remaining City facilities are generally related to community safety, engineering and public works services.

Several of the City's facilities are unique in the Metro Vancouver area and establish an important and positive cultural or iconic identity, such as those with heritage status (Branscombe House, Seine Net Loft, etc.), the Richmond Olympic Oval, and the pending Minoru Complex and Fire Halls No. 1 and 3.

Facility Needs Assessment

New major facilities construction and/or major renovations, and the associated costs of operating and maintaining facilities in good condition, represent a significant impact to the City's annual budgeting processes and short, medium and long range financial planning. Each City department that has facility needs related to directly offering programs or offering programs in conjunction with a community group has completed a process to identify and prioritize future needs and to determine the associated costs, risks and opportunities. In particular, the Community Services Division undertook a facility needs assessment and strategic planning process which included the following steps:

Figure 1: Community Services Facility Evaluation Framework



A more comprehensive description of the Community Services facility planning process is included in Attachment 1.

In addition to the facility needs assessment and strategic planning process and in response to the referral, “the space issue in the Steveston Community Centre and/or replacement of the Steveston Community Centre, including development partnerships (e.g. Vancouver Coastal Health, the Buddhist Church, etc.), other City property, or other options and report back to

Committee within 12 months,” staff undertook a separate space needs study to review the specific needs related to the Steveston Community Centre. The study was conducted in consultation with the Steveston Community Society as well as other key stakeholders in the Steveston area and came to the following four conclusions:

1. That the current Steveston Community Centre is undersized, outdated and does not meet modern user expectations
2. That a replacement facility is required for the Steveston Community Centre.
3. That a replacement facility should be located on the Steveston Park site.
4. That the branch library and Steveston Community Centre should continue to be co-located.

All department facility needs were identified and assessed using the corporate capital ranking criteria (Table 1 below) and by using a series of reports and staff workshops to prioritize projects from a corporate perspective.

Table 1: Corporate Capital Ranking Criteria

Alignment with City Vision	• Does this support a Council Term Goal or an approved City strategy?
Risk Management	• Is there a legal or regulatory compliance requirement and/or a risk that needs to be managed?
Social	• Will this enhance social equity, vibrancy and/or health and wellness of the community?
Environmental	• Will this improve environmental conditions or reduce waste?
Economic	• Will there be a payback of capital costs and/or economic benefit to the community?

Priority Projects

Through this process, the City's top five priority major facility projects for 2016 – 2026 have been identified. Table 2 below outlines the projects and their estimated concept level capital costs.

Table 2 - Priority Major Facilities Projects (2016-2026)

Project	Concept Level Capital Cost* (2016 \$)
City Centre Community Centre North (developer funded)	\$0.9-\$1.3
Steveston Community Centre and Branch Library	\$40-\$54M
Lawn Bowling Clubhouse	\$1-\$3.2M
Britannia Shipyards National Historic Site and Phoenix Net Loft	\$6.8-\$8.3M
Richmond Animal Shelter	\$5-\$8M
Total	\$53.7-\$74.8M

*Estimates are based on conceptual possibilities only. Once preliminary planning and design has been completed, the capital and operating budget impact costs related to program options will be developed for Council consideration.

Next Steps

Staff will prepare a 2017 Capital Program submission for Council consideration to fund the advanced planning and preliminary design stage of the City's top priority projects, with the exception of City Centre Community Centre North, which is expected to be funded by the developer, should the rezoning application (RZ 12-603040) reach final adoption.

Completion of the Advanced Design and Preliminary Planning stage of the priority major facility projects will allow staff to prepare reports for Council consideration on milestones that are fundamental to taking the next steps leading to project delivery. While each project will have its unique considerations, the generalities of completing the advanced design and preliminary planning stage would be completion of a needs assessment/concept program and development of a preliminary public consultation program. With this information, staff can then proceed to prepare options for the facility size/location, refine capital and operating costs and be in a position to prepare a report(s) to Council for consideration. It is anticipated that specialized consultants will be required throughout this stage.

In general, once the Advanced Design and Preliminary Planning process is complete and reports have been adopted by Council, staff would then proceed with detailed design starting with concept development leading to issue of construction drawings. Council will again be presented with reports to make key milestone decisions such as space program, form and character, etc., all of which will be fundamental to moving forward. Finalization of a public consultation program

as approved by Council would also proceed, followed by roll-out. As the design progresses, staff will also be able to identify the site enabling conditions that may be present, i.e., demolition of existing buildings, preload requirement, etc., and potentially commence this work. The last step would be tendering and construction leading to Occupancy.

Depending on the type and size of facility, the timeframe to reach the point of Occupancy on a major project typically ranges from 3 to 7 years and there are several milestone decision points required of Council along the way.

Also, as part of the advanced planning and preliminary design process, staff will explore opportunities that may result in cost savings and/or space/programming efficiencies through partnering with other government and/or private sector organizations. The Steveston Community Centre and Branch Library project in particular may have this partnership potential. Any recommendations that may be identified will be presented to Council for consideration as part of the advanced planning and preliminary design process.

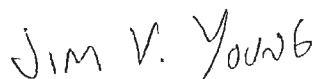
It is also possible that new facility priorities will emerge with the passage of time (i.e., from opportunities that may present themselves through development, lease agreements, sale of land, etc.). If this is the case, staff will prepare a separate report(s) for Council consideration to pursue these opportunities as they arise, including the possibility of requiring additional advanced planning and design funding.

Financial Impact

A \$2,000,000 capital project for advanced planning and preliminary design will be submitted to the 2017 capital budget process for Council consideration.

Conclusion

The City's top priority future facility projects have been identified through a comprehensive process utilizing capital program decision criteria, reports and a series of staff workshops. Staff will prepare a 2017 capital program submission to fund the Advanced Planning and Design stage of the City's top priority projects.



Jim V. Young, P. Eng.
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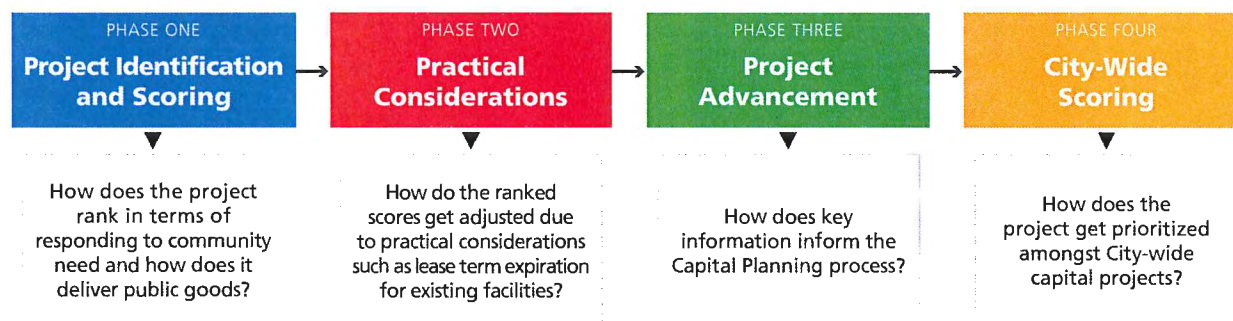
Att. 1: Departmental Facility Planning Process – Community Services

Departmental Facility Planning Process – Community Services

Staff were directed through a number of referrals to examine Community Services facilities. In order to address all the referrals in a strategic manner, staff undertook a process to develop a framework to identify and rank potential projects and present those projects within a strategic plan.

In the fall of 2015, the City undertook a study to develop a Facilities Strategic Plan. The plan involved a review of the 2007 Facilities Strategic Plan, Evaluation Framework and Evaluation Toolkit, as well as additional research that included analyzing market trends, best practices, City of Richmond strategic documents, and interviews with key stakeholders. The study resulted in a revised Community Services Facility Evaluation Framework, presented below in Figure 1. The framework provides a structured and replicable approach to systematically score and prioritize Community Services projects.

Figure 1: Revised Community Services Facility Evaluation Framework



In Phase 1, each project to be considered for inclusion should address community need or deliver public goods. For the 2015 process, staff generated a list of projects for future consideration. The projects were identified from the following sources:

- Council referrals;
- Strategic planning documents, including the 2007 PRCS Facilities Strategic Plan;
- Lease documents; and
- Facility condition evaluations.

The scoring component in Phase 1 most closely resembles the 2007 Evaluation Toolkit. The 2007 Evaluation Framework and Facilities Strategic Plan utilized nine criteria to prioritize projects through a relative ranking process. The 2015 updated process preserves many of the original criteria, while expanding the list to include additional decision making considerations. In employing a broader list of criteria, the process allows each project to be individually scored, rather than ranked, based on a more fulsome set of grading metrics. The result is a ranked list of projects.

The expanded list of nine criteria, presented in the form of questions, was developed to score and rank potential facility projects:

1. *Does the project respond to identified needs outlined in reliable, City sponsored or recognized community consultation and/or research (e.g., endorsed City service area strategies, the most recent Community Needs Assessment, project specific feasibility studies, etc.)?*
2. *Does the project maintain existing functionality or sustain existing infrastructure or would the project introduce a new amenity into the market?*
3. *Does the project respond to experienced and/or expected growth and demographic change (i.e., does the project maintain service levels in the context of growing target markets)?*
4. *Is the project congruent with observed or known recreation, sport, culture, heritage, leisure, education and learning, community and personal development and facility use trends and leading practices?*
5. *Does the project create a municipal legacy and encourage a sense of place (i.e., does the project profile reflect community heritage and history or enhance community pride)?*
6. *Does the project provide equitable opportunities for access (including geographical balance and public accessibility)?*
7. *What initial/high level net public subsidy will the project require? Note that this criterion is meant to be general at this stage of planning and will be presented in more detail during the feasibility and business planning stages of the process.*
8. *Does the project promote service balance/focus (i.e., if there is a perceived imbalance between overall service levels in arts and cultural spaces vs. heritage spaces vs. parks spaces vs. recreation and sports space, then does this project correct the perceived imbalance)?*
9. *Does the project result in a significant expected increase in efficiency of service delivery (i.e., does the project result in a much more effective delivery of a service or services)?*