



General Purposes Committee

Anderson Room, City Hall
6911 No. 3 Road

Monday, March 16, 2015
4:00 p.m.

Pg. # ITEM

MINUTES

GP-6 *Motion to adopt the **minutes** of the meeting of the General Purposes Committee held on Monday, March 2, 2015.*



COUNCILLOR CAROL DAY

1. **POLICY 3707 – LONG TERM FINANCIAL MANAGEMENT STRATEGY**
(File Ref. No. 0970-03-01) (REDMS No. 4531019)

GP-11

See Page GP-11 for full report

RECOMMENDATION

WHEREAS:

the 2015 budgeted expenditure of gaming revenue is 18 million and the total gaming revenue allocated to reserves since 2004 is 56.1 million dollars;

and the City of Richmond has 854.3 million in our investment portfolio;

and in 2015 these reserves from gaming revenue contributed approximately 76.9 million dollars to the comprehensive Major Capitals Facilities Program which included Minoru Aquatic centre, seniors centre, City Centre Community centre, and replacement of No. 1 Fire Hall;

BE IT RESOLVED that Policy 3707 that currently states: under tax revenue that tax increases will be at Vancouver's CPI rate (to maintain current programs and maintain existing infrastructure at the same level of service) plus 1.0% towards infrastructure be changed to state: up to 1% towards infrastructure.



FINANCE AND CORPORATE SERVICES DIVISION

2. GAMING REVENUE UPDATE

(File Ref. No. 03-0905-01) (REDMS No. 4266078 v. 2)

GP-14

See Page GP-14 for full report

Designated Speaker: Cindy Gilfillan

STAFF RECOMMENDATION

- (1) *That the proposed gaming revenue allocation model as presented in the staff report titled, Gaming Revenue Update, from the Director of Finance be endorsed effective January 1, 2016;*
- (2) *That a Council Initiative account be established, and \$3.0M of the existing Gaming Revenue Provision be transferred to this account;*
- (3) *That \$12.0M of the existing Gaming Revenue Provision be transferred to the Capital Reserve (Revolving Fund) for future capital work;*
- (4) *That the 2016 Operating Budget decrease by \$1.4M to remove tax funded grants and increase by \$1.4M for transfer to the Capital Reserve (Revolving Fund) for a net impact of zero to the Operating Budget;*
- (5) *That a Grant Provision account be established for the unspent grant funds to accumulate for future distribution;*
- (6) *That item 2 of the Long Term Financial Management Strategy Policy 3707 be amended as follows:*

“Gaming revenues are designated for the capital reserves, the major capital community facility replacement program, the grants program, the Council initiatives account, and towards the cost of policing relating to gaming activities.”



CHIEF ADMINISTRATOR'S OFFICE

3. RESOLUTION FOR LMLGA AND UBCM: ENVIRONMENTAL BILL OF RIGHTS

(File Ref. No. 01-0150-01) (REDMS No. 4520265 v. 2)

GP-27

See Page GP-27 for full report

Designated Speaker: Amarjeet Rattan

STAFF RECOMMENDATION

That Council approve the following resolution to be forwarded to the Lower Mainland Local Government Association (LMLGA) for consideration:

Environmental Bill of Rights

WHEREAS municipalities and regional districts are the government nearest to people and the natural environment, and therefore share a deep concern for the welfare of the natural environment and understand that a healthy environment is inextricably linked to the health of individuals, families, future generations and communities;

AND WHEREAS fostering the environmental well-being of the community is a municipal purpose under section 7(d) of the Community Charter and regional district purpose under section 2(d) of the Local Government Act;

THEREFORE BE IT RESOLVED that the Lower Mainland Local Government Association (LMLGA) and the Union of BC Municipalities (UBCM) request that the Province of British Columbia enact a Provincial environmental bill of rights that:

- (a) recognizes the right of every resident to live in a healthy environment, including the right to clean air, clean water, clean food and vibrant ecosystems;*
- (b) provides for public participation in decision-making respecting the environment and access to environmental information;*
- (c) provides access to justice when environmental rights are infringed; and*
- (d) has whistleblower protection*



4. **PORT METRO VANCOUVER RESOLUTION TO LMLGA, UBCM AND FCM**

(File Ref. No. 01-0140-20-PMVA1) (REDMS No. 4508241)

GP-30

See Page GP-30 for full report

Designated Speaker: Amarjeet Rattan

STAFF RECOMMENDATION

- (1) *That the Port Metro Vancouver Resolution, as proposed in the February 25, 2015 staff report from the Director, Intergovernmental Relations and Protocol Unit, be submitted to the Lower Mainland Local Government Association, the Union of BC Municipalities and the Federation of Canadian Municipalities for their endorsement (Attachment 2);*
- (2) *That a letter and the staff report titled “Port Metro Vancouver Resolution to LMLGA, UBCM and FCM” dated February 25, 2015, be sent to Metro Vancouver, the City of Vancouver, the Corporation of Delta, the City of Coquitlam, the Village of Belcarra, the City of Burnaby, the City of New Westminster, the City of Port Moody, the City of North Vancouver, the City of Surrey, the District of North Vancouver, the City of Port Coquitlam, the District of West Vancouver, the District of Maple Ridge, the City of Pitt Meadows and the Township of Langley, requesting their support for the endorsement of the Port Metro Vancouver Resolution; and*
- (3) *That the above mentioned letter and staff report be copied to the Office of the Prime Minister, the Minister of Transport Canada, the Premier of British Columbia, the BC Minister of Agriculture, Richmond Members of Parliament and Members of the Legislative Assembly, the Federal Leader of the Official Opposition and the Provincial (BC) Leader of the Official Opposition.*



COMMUNITY SERVICES DIVISION

5. **KIWANIS TOWERS – SECOND DISBURSEMENT FROM THE AFFORDABLE HOUSING RESERVE FUND TO 7378 GOLLNER AVENUE**

(File Ref. No. 08-4057-01) (REDMS No. 4324592 v. 16)

GP-40

See Page GP-40 for full report

Designated Speaker: Dena Kae Beno

STAFF RECOMMENDATION

- (1) *That, subject to Resolution 2 below, \$5,848,406 be paid to Richmond Kiwanis Senior Citizens Housing Society (the “Society”) towards construction costs associated with 296 subsidized senior housing units at 7378 Gollner Avenue (formerly 6251 Minoru Boulevard) to be used by the Society*
- (2) *That, pursuant to the Contribution Agreement, dated November 9, 2012, between the City and the Society, no payment be made by the City until:*
 - (a) *substantial completion of all 148 Seniors Housing Units in the first tower is confirmed by a quantity surveyor retained by and reporting to BC Housing; and*
 - (b) *the City grants its final building inspection permitting occupancy of all 148 units;*
- (3) *That the Chief Administrative Officer and the General Manager of Community Services be authorized to:*
 - (a) *negotiate and execute all amendments to the Contribution Agreement and other agreements and documents in relation to the disbursements and revised payment schedule; and*
 - (b) *disburse the amount as stated in Resolution 1 above.*

☐

ADJOURNMENT

☐



General Purposes Committee

Date: Monday, March 2, 2015

Place: Anderson Room
Richmond City Hall

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

Absent: Councillor Ken Johnston
Councillor Bill McNulty

Call to Order: The Chair called the meeting to order at 4:02 p.m.

AGENDA DELETION

It was moved and seconded

That Item No. 3 - Gaming Revenue Update be deferred to the Monday, March 16, 2015 General Purposes Committee meeting.

CARRIED

MINUTES

It was moved and seconded

That the minutes of the meeting of the General Purposes Committee held on Monday, February 16, 2015, be adopted as circulated.

CARRIED

General Purposes Committee
Monday, March 2, 2015

DELEGATION

1. With the aid of a PowerPoint presentation (copy on file, City Clerk's Office) Kleo Landucci, Vice President, Projects and Development, Ashcroft Terminal, accompanied by Bob Landucci, Owner, Ashcroft Terminal, provided an overview of the Terminal's operations. Ms. Landucci noted that the privately-owned inland terminal operates on 10% of its 320-acre geographical footprint, and that its internal rail track services the needs of clients from the rail, mining, oil and gas, forestry, chemical, and agricultural industries. Ms. Landucci spoke of a partnership with Transport Canada in financing a \$7.2 million expansion of the lead line which was completed in May 2014, and highlighted that this project increased rail fluidity through this crucial gateway.

In response to queries from Committee, Ms. Landucci and Mr. Landucci provided the following information:

- in May 2015, the Terminal will begin shipping approximately 200 to 300 containers per week in anticipation of weekly projections increasing to 700 to 1,000 containers;
- the terminal will not have exclusive contracts with any of the container shipping lines as its vision is to utilize empty rail containers in an effort to maximize efficiencies;
- the Terminal's objective is to synergize various levels of government, port authorities, and shipping companies to work together to achieve efficient and economical transportation practices for industry producers;
- Port Metro Vancouver's (PMV) position on the Terminal's development is not favourable;
- the Terminal does not directly compete with PMV; rather it services and assists in the operational fluidity of the rail lines in the transportation of product for import and/or export through Lower Mainland ports;
- the Alameda Corridor, a freight rail "expressway" through the city of Los Angeles, California, demonstrated that efficiencies are possible through a collaborative effort;
- the Terminal has submitted an application under the Building Canada Fund with Infrastructure Canada with regard to improvements to rail line fluidity; and
- local initiatives, such as the Corporation of Delta's Economic Impact of Traffic Congestion study, are instrumental in identifying the benefits of an inland terminal.

General Purposes Committee

Monday, March 2, 2015

Discussion ensued regarding (i) the Port's encroachment on agricultural land, (ii) transportation issues related to truck traffic, and (iii) manners in which the City can assist in promoting the Terminal.

Also, Committee recognized the willingness of Metro Vancouver to meet with members of the Port Metro Vancouver Board and the Ministry of Transportation to discuss alternatives to the regional transportation issues.

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

It was moved and seconded

That the Ashcroft Terminal presentation be referred to staff for further analysis.

CARRIED

ENGINEERING AND PUBLIC WORKS DIVISION

2. LED STREET LIGHT AND ADAPTIVE CONTROLS TRIAL PROGRAM AGREEMENT WITH BC HYDRO

(File Ref. No. 10-6125-05-01) (REDMS No. 4478762 v. 19)

In reply to a query from Committee, Levi Higgs, Corporate Energy Manager, advised that the City indirectly pays for the electrical and operational costs for the proposed LED street lighting.

It was moved and seconded

- (1) *That the staff report titled LED Street Light and Adaptive Controls Trial Program Agreement with BC Hydro, dated February 16, 2015, from the Director, Engineering, be endorsed;*
- (2) *That the Chief Administrative Officer and the General Manager, Engineering and Public Works be authorized to negotiate and execute an agreement with British Columbia Hydro and Power Authority (BC Hydro) for a street lighting pilot project; and*
- (3) *That an amendment to the City's Five Year Financial Plan (2015-2019) to include capital costs of \$17,000 in 2015 with funding from the Enterprise Fund provision be approved for this pilot project.*

CARRIED

FINANCE AND CORPORATE SERVICES DIVISION

3. GAMING REVENUE UPDATE

(File Ref. No. 03-0905-01) (REDMS No. 4266078 v. 2)

Please refer to Page 1 for action on this item.

General Purposes Committee
Monday, March 2, 2015

COMMUNITY SERVICES DIVISION

4. FUNDING FOR MAJOR EVENTS AND FESTIVALS 2015

(File Ref. No. 11-7000-01) (REDMS No. 4508535 v. 4)

In response to queries from Committee, Bryan Tasaka, Manager, Major Events and Film, noted that a staff report regarding the renaming of the proposed “Block Party” will be presented at an upcoming Parks, Recreation and Cultural Services Committee meeting. Also, he noted that the proposed sponsorship funding target is an estimate and that the scope of the events would be increased should additional sponsorship funding opportunities arise. Mr. Tasaka spoke of the proposed “Block Party” noting that staff’s extensive research efforts and the City’s well-established relations with local production companies will allow planning to move ahead quickly.

It was moved and seconded

- (1) That \$150,000 be transferred from the Major Events Provision Fund to support Ships to Shore 2015;*
- (2) That \$180,000 be transferred from the Major Events Provision Fund to support Maritime Festival 2015;*
- (3) That \$40,000 be transferred from the Major Events Provision Fund to support Richmond Days of Summer marketing campaign 2015;*
- (4) That \$170,000 be transferred from the Major Events Provision Fund to support Richmond World Block Party in the City Centre in 2015;*
- (5) That \$60,000 be transferred from the Major Events Provision Fund to support Richmond Children’s Arts Festival 2016;*
- (6) That \$10,000 be transferred from the Major Events Provision Fund to purchase festival infrastructure and City branded assets;*
- (7) That \$50,000 be transferred from the Major Events Provision Fund for planning and potential ship recruitment building to enhance events in 2017; and*
- (8) That the expenditures totalling \$945,000 for Major Events, of which \$660,000 is funded from the Major Events Provision Fund, and \$285,000 funded from projected sponsorships and grants be included in the 5 Year Financial Plan (2015-2019).*

CARRIED

General Purposes Committee
Monday, March 2, 2015

ADJOURNMENT

It was moved and seconded

That the meeting adjourn (4:44 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, March
2, 2015.

Mayor Malcolm D. Brodie
Chair

Heather Howey
Committee Clerk

Monday March 9,2015

Open City Council Meeting

Notice of Motion by

Councillor Carol Day

Whereas :

The 2015 budgeted expenditure of gaming revenue is 18 million and the total gaming revenue allocated to reserves since 2004 is 56.1 million dollars .

And the City of Richmond has 854.3 million in our investment portfolio.

And in 2015 these reserves from gaming revenue contributed approximately 76.9 million dollars to the comprehensive Major Capitals Facilities Program which included Minoru Aquatic centre, senior centre , City Centre Community centre and replacement of the City's No. 1 Fire Hall.

Be it resolved that policy 3707 that currently states : under TAX REVENUE that

Tax increases will be at Vancouver's CPI rate (to maintain current programs and maintain existing infrastructure at the same level of service) plus 1.0% towards infrastructure

Be changed to state : ***UP TO 1% towards infrastructure***

Cash and Investment Portfolio

The City's cash and investment portfolio at December 31, 2014 was \$854.3M, with an average yield on investment of 2.00%. The current low interest rate environment and the City's cash flow projections have influenced the terms and types of investments that the City holds (Appendix 4)

Market Interest Rates (for analytical purposes only)

	December 31, 2014
3 Month Government of Canada T-Bills	0.91%
2 Year Government of Canada Bonds	1.01%
5 Year Government of Canada Bonds	1.34%
10 Year Government of Canada Bonds	1.79%

Source: Bank of Canada

While the sharp decline in global crude oil prices in the past six months is expected to encourage overall global economic growth, it will likely have a negative impact for Canadian growth and underlying inflation. Canada has been recently experiencing general growth outside of the energy sector through increased foreign demand, stronger exports, improved business confidence and investment and employment growth. However, there is considerable uncertainty about the possible slowing growth momentum and how it will be affected by the drop in oil prices. In addition, the oil price shock increases both downside risks to inflation and financial stability risks. With these and other factors taken into consideration, the Bank of Canada announced on January 21, 2015 that it was lowering its benchmark overnight rate by $\frac{1}{4}$ of 1 per cent to $\frac{3}{4}$ per cent.

The City continues to comply with its Investment Policy (3703) by carrying a diversified investment portfolio with strong credit quality, meeting the objectives of managing its investment activities in a manner that seeks to preserve capital and to realize a reasonable rate of return

Financial Impact

Table 4 summarizes the Council approved 2015 tax increase of 1.89%. The proposed estimated tax increase for 2016 through 2019 is expected to be consistent with 2014 and includes a 1% levy for capital infrastructure replacement, as directed by Council in accordance with the Long Term Financial Management Strategy.

Table 4 –5YFP 2015-2019 Summary

Year	Tax Increase	Transfer to Reserves	Total Increase
2015 Approved Increase	1.89%	0.00%	1.89%
2016 Proposed Increase	1.98%	1.00%	2.98%
2017 Proposed Increase	1.98%	1.00%	2.98%
2018 Proposed Increase	1.99%	1.00%	2.99%
2019 Proposed Increase	1.96%	1.00%	2.96%

Conclusion

The 5YFP 2015-2019 has been prepared based on the 2015 budgets approved by Council and the proposed increases for 2016-2019 are prepared as directed by Council through the Long Term Financial Management Strategy. Staff recommend approving the financial plan and undertaking the public consultation process based on the proposed five year financial plan.



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

JC:ms

- Att. 1: 5 Year Financial Plan (2015-2019) Bylaw 9220
 2: Reconciliation of 2015 Utility Budget Report to 5YFP 2015-2019
 3: Reconciliation of 2015 Operating Budget Report to 5YFP 2015-2019
 4: 2015-2019 Capital Plan



City of Richmond

Report to Committee

To: General Purposes Committee
From: Jerry Chong, CA
Director, Finance
Re: Gaming Revenue Update

Date: February 12, 2015
File: 03-0905-01/2015-Vol
01

Staff Recommendation

1. That the proposed gaming revenue allocation model as presented in the staff report titled, Gaming Revenue Update, from the Director of Finance be endorsed effective January 1, 2016; and
2. That a Council Community Initiatives account be established, and \$3.0M of the existing Gaming Revenue Provision be transferred to this account; and
3. That \$12.0M of the existing Gaming Revenue Provision be transferred to the Capital Reserve (Revolving Fund) for future capital work; and
4. That the 2016 Operating Budget decrease by \$1.4M to remove tax funded grants and increase by \$1.4M for transfer to the Capital Reserve (Revolving Fund) for a net impact of zero to the Operating Budget; and
5. That a Grant Provision account be established for the unspent grant funds to accumulate for future distribution; and
6. That item 2 of the Long Term Financial Management Strategy Policy 3707 be amended as follows:

"Gaming revenues are designated for the capital reserves, the major capital community facility replacement program, the grants program, the Council Community Initiatives account, and towards the cost of policing relating to gaming activities."

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

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

Staff Report

Origin

This report responds to the referral from the October 6, 2014 General Purposes Committee meeting:

That the policy for the expenditure of Casino Funding be referred to staff for review.

The Province shares gaming revenue with local governments that host casinos and community gaming centres in British Columbia. The City receives ten per cent of the net casino gaming revenue from community casinos and community gaming. The City's agreement with the Province for the receipt of a portion of the net casino revenues specifies that the funds may be used for ***"...any purpose that would be of public benefit to the Host community and within the lawful authority of the Host."***

The purpose of this report is to provide an update to Council on gaming revenues, assess the allocation of gaming revenues, and to update item 2 of the Long Term Financial Management Strategy (LTFMS) Policy 3707 relating to the designated use of these funds.

This report is structured as follows:

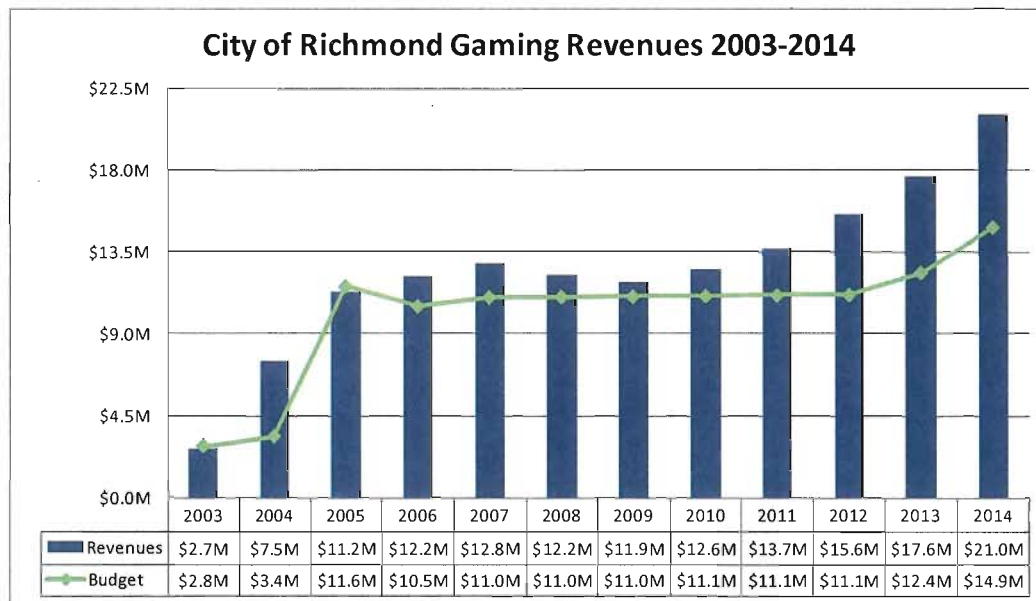
1. Past – A review of gaming revenues received
2. Present – The current use of gaming revenue
3. Future – Proposed update to the gaming revenue allocation and Policy

Analysis

1. Past – A review of gaming revenues received

River Rock Casino Resort (River Rock) has been in operation for over 10 years. Over this period, the revenue received has increased annually with notable increases in both of the last three years. Total gaming revenue received in 2014 was a record amount of \$21.0M, up by \$3.4M (19 %) from the previous record set in 2013 of \$17.6M. Figure 1 depicts the annual gaming revenue received by the City.

Figure 1: Gaming Revenues received by the City of Richmond for the period of 2003-2014



River Rock opened in June 2004. Figures prior to this represent gaming revenue received from the Richmond Casino. River Rock's first full year of operations in 2005 resulted in \$11.2M of gaming revenue for the City, an increase of 320% from the \$2.7M received in 2003 prior to the opening of River Rock.

The annual revenue received is dependent on two main components: the actual activity at River Rock, and the allocation that Province provides to the host local governments. These factors will influence the revenue received by the City and can cause fluctuations in the annual amounts.

The gaming industry is highly competitive with numerous gaming establishments of varying size and type. River Rock competes with other non-gaming resorts, tourist destinations, and other entertainment businesses. The expansion of other local casinos may have a significant effect on River Rock's market share, thereby impacting the revenues received by the City.

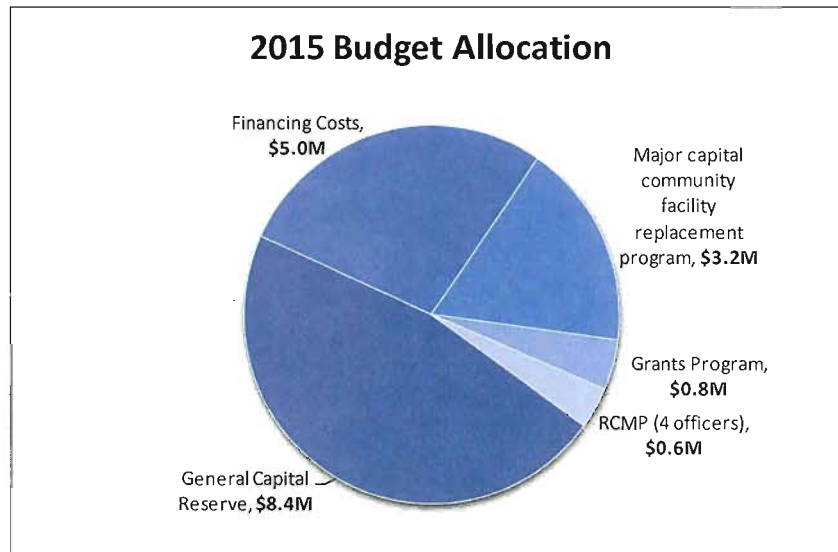
2. Present – The current use of gaming revenue

The budgeted expenditures relating to gaming revenue are presented annually to Council within the Five Year Financial Plan.

The budgeted expenditures of gaming revenues relate to current year revenues. As a result, the budgets have been conservative due to the unpredictable nature of the revenues. Other than the Consumer Price Index (CPI) increases for the grants and the increases related to the funding of the RCMP officers, the increases to the budget have been to the capital program and reserves.

The 2015 budgeted expenditure of gaming revenues is \$18.0M. Figure 2 presents the distribution of the budgeted expenditures.

Figure 2: 2015 Budgeted Expenditure of Gaming Revenues



Capital Program and Facility Reserve

The General Capital Reserve and major capital community facility replacement program (Capital Building and Infrastructure Reserve) are funded from gaming revenue by \$11.6M in 2015. The total gaming revenue allocated to reserves and capital since 2004 is \$56.1M. These reserves have subsequently funded several major projects including:

- replacement of the No. 2 Road fire hall,
- funding towards the replacement of the Bridgeport fire hall,
- seismic upgrading of several fire halls
- acquisition and renovation of the community safety building (No. 5 Road police station)
- expansion of the Hamilton Community Centre
- Britannia Heritage Shipyard – development of the historic zone and Seine net loft
- Oval public art

In 2014, these reserves with partial funding from gaming revenues contributed approximately \$76.9M toward the total \$124.1M approved for a comprehensive Major Capital Facilities Program including the replacement of the Minoru aquatic centre; a new, expanded older adult centre; completion of the new City Centre Community Centre and replacement of the City's No. 1 Fire Hall.

Staff are currently reviewing the Major Capital Facilities Program with Phase 2 of this program estimated to be in the 2018-2020 timeframe.

Financing Costs

Gaming revenues totalling \$50.0M were allocated towards the construction costs of the Richmond Olympic Oval through an annual \$5.0M payment. The final payment was completed in 2014.

Beginning in 2015, \$5.0M annually has been allocated towards the debt servicing costs on the \$50M external borrowing for the replacement of the Minoru aquatic centre. The final payment will be in 2024.

Grants

Since 2004, over \$6.7M of gaming revenue has been allocated to the City Grants Program.

In 2015, \$0.8M is allocated annually to the City Grants Program. Policy 3712 stipulates that the City Grant Program receive an annual Cost of Living increase, and as such the allocation of gaming funding has increased by CPI each year. The current distribution of the grants program is as follows:

- Health, Social and Safety – \$563,986
- Arts, Culture and Heritage – \$105,080
- Parks and Recreation – \$101,494

RCMP

Gaming funding of \$5.1M has been allocated to RCMP officers since 2007.

In 2015, there is \$0.6M of gaming revenue allocated to offset the costs of four RCMP officers. This amount is adjusted annually based on changes in the RCMP contract. The allocation of gaming revenue to defray the cost of policing recognizes the additional policing resources required as a host community.

Council Community Initiatives Account

The establishment of a Council Community Initiatives account will allow Council to direct gaming revenues to one-time initiatives designated for social, environmental, recreation and sports, heritage, arts and culture, safety and security, and infrastructure projects.

Gaming Revenue Provision

Annual gaming revenue surplus has been saved in the Gaming Revenue Provision for future use. The uncommitted balance of the Gaming Revenue Provision at December 31, 2014 is \$15.0M. Included in this amount is the 2014 gaming revenue surplus of \$6.1M.

Recent allocations from the Gaming Revenue Provision include; \$3.0M for the Storeys affordable housing development approved at the July 28, 2014 Council meeting, \$1.8M (equivalent to 1% of the tax draw) towards the Capital Building Infrastructure Reserve approved at the February 10, 2015 Council meeting.

Staff recommend that \$3.0M of the current uncommitted balance from the \$15.0M Gaming Revenue Provision be used to establish the Council Community Initiatives account and the remaining balance of \$12.0M be transferred to the general Capital Reserve (Revolving Fund). The uncommitted balance of the Capital Reserve (Revolving Fund) at December 31, 2014 is \$27.8M.

3. Future – Proposed update to the gaming revenue allocation and Policy

Staff considered the following criteria in evaluating the gaming revenue allocation:

- the availability of funding already provided in the various budgets
- the likelihood of other funding sources
- the continuity of casino funds as an ongoing revenue source
- the need to minimize the ongoing reliance on the tax levy
- the ability to provide a significant lasting improvement to the City
- impact of gaming activities on the community

Staff recommend that the calculation of the budgeted revenue be based on the most recent three year rolling average of actual revenues with projections for the most recent year. This will mitigate fluctuations in revenues and establish a standard practice for budgeting.

For example, based on the previous years (2012-2014), the 2015 budget would have been \$18,087,917.

	Revenues*
2014	\$21,047,132
2013	17,631,779
2012	15,584,840
Average	\$18,087,917

**Note that these figures are used for the example 2016 allocation. The actual figures used during the preparation of the 2016 budget will include an estimate for 2015 revenues.*

Future – Financing Costs

Annually, \$5.0M is allocated towards the debt servicing costs on the \$50M external borrowing for the replacement of the Minoru aquatic centre for the period of 2015 to 2024. This amount is consistent with the 2015 allocation.

The allocation towards financing costs will remain fixed at \$5.0M. For 2025, this amount can be re-evaluated to determine if there is a continued need or if there is potential to redistribute this amount to other items.

Future – RCMP Officers

Gaming revenue of \$0.7M is allocated to offset the cost of for four officers. This amount will be adjusted annually based on changes in the RCMP contract. This amount is consistent with the 2015 allocation.

Future – Grants

The allocation of gaming revenue for grants will be 15% of the total revenues with any unspent amounts transferred into a Grant Provision account for future distribution.

Staff recommend that all grants be funded by gaming revenue, except for where other sources of funding exist; developer contributions, Strategic Community Investment Funds (traffic fine revenue from the Province of BC), etc.

The 2015 distribution of grants is as follows:

2015 Grants

\$1,153,800	Gateway Theatre contribution
	Municipal grants (City Grants Program) - defined under
770,560	Policy 3712
237,956	Other grants
	121,792 - Richmond Centre for Disability
	56,964 - Richmond Therapeutic Equestrian Society
	59,200 - Youth Grants - various
\$2,162,316	2015 Total Grants

The City Grants Program of \$0.8M is funded by gaming revenue, the remaining \$1.4M is funded through the operating budget by taxes (\$1.2M for the Gateway Theatre contribution and \$0.2M for the other grants).

Staff recommend that the grants that are currently in the operating budget funded by taxes be removed and funded by the 15% gaming revenue allocation. This will result in a \$1.4M reduction of the operating budget.

The 2015 grants total is \$2.2M (see above) and the proposed 2016 grants allocation based on 15% would be approximately \$2.7M. This would result in an additional \$550,872 available for grants inclusive of CPI adjustments with any unspent funds transferred into the Grant Provision account.

Future – Council Community Initiatives Account

The Council Community Initiatives Account will be established with an initial \$3.0M transferred from the Gaming Provision. In addition to this amount, an annual allocation of 2% of the gaming revenues will be available, with any unspent amounts placed in the Council Community Initiatives account for future distribution. The proposed 2016 allocation would see a further \$0.4M added to this account.

This amount is in addition to the annual council contingency allocation of \$0.1M in the operating budget.

Future – General Capital Program – Capital Reserve

The capital program's proposed allocation is 30% of total the estimated gaming revenue. The amount for 2016 is estimated at \$5.4M. Annually, this is \$3.0M less than the 2015 allocation.

Staff recommend that commencing with the 2016 operating budget, the \$1.4M reduction in the operating budget as a result of transferring the grants to be funded by gaming revenue be redistributed towards the Capital Reserve (Revolving Fund). This will offset a portion of the \$3.0M annual reduction.

Future - Facility Reserve

The allocation to the major capital community facility replacement program (Capital Building and Infrastructure Reserve) is based on the remaining revenue not previously allocated to the other items. The 2016 allocation would result in approximately \$3.9M allocated towards this reserve which is an increase of approximately \$0.7M. Any surplus gaming revenue received in the year will be allocated to this reserve toward the major capital community facility replacement program.

Proposed Gaming Revenue Allocation Model

Financing Costs – fixed at \$5.0M	Fixed \$5.0M
RCMP four officers –increase in correlation with RCMP contract	Cost of 4 Officers
Capital program - general Capital Reserve	30%
Grants	15%
Council Community Initiatives account	2%
Major capital community facility replacement program (Capital Building and Infrastructure Reserve)	Remainder

The proposed allocation of gaming revenue commencing in 2016 is structured where certain items receive funding based on a fixed measure, others are based on a percentage and the major capital community facility replacement program is allocated the remaining revenues. The details of the proposed allocation are below.

Figure 3 – Example of the proposed 2016 allocation

	Proposed Distribution	2016 Proposed Allocation	2015 Budgeted Allocation	Difference
General Capital Reserves	30%	5.4M	8.4M	(3.0M)
Financing Costs	Fixed	\$5.0M	\$5.0M	-
Major capital community facility replacement program	Remainder	3.9M	3.2M	0.7M
Allocation for all grants	15%	2.7M	0.8M	1.9M
RCMP four officers*	Four Officers	0.7M	0.6M	0.1M
Council Community Initiatives account	2%	0.4M	-	0.4M
Total		\$18.1M	\$18.0M	\$0.1M

Note the figure for the 2015 Budget Allocation is the amount included in the 2015 operating budget. The 2016 Proposed Allocation is based on the 3 year actual revenue received.

*The increase for the four RCMP officers is due to an estimated increase for the 2016 budget.

Update Policy 3707 – Long Term Financial Management Strategy

The existing Council Policy 3707, Long Term Financial Management Strategy states that,

“Gaming revenues will go directly to the capital reserves, the grants program and a community legacy project reserve.”

Council made an exception to the policy at the February 15, 2007 Finance Committee meeting and funded RCMP officers with gaming revenue. On June 24, 2013 Council also approved to allocate \$5.0M annually from gaming revenue towards the debt servicing costs for the construction of the Integrated Older Adults’ Centre, Aquatic Centre and Minoru Pavilion facility.

Staff recommend that item 2 of the LTFMS Policy 3707 be updated to read,

“Gaming revenues are designated for the capital reserves, the major capital community facility replacement program, the grants program, the Council Community Initiatives account, and towards the cost of policing relating to gaming activities.”

The updated Policy 3707 is included in **Attachment 1**.

Financial Impact

\$3.0M of the Gaming Revenue Provision will be used to establish the Council Community Initiatives account with annual funding to be provided by gaming revenue, and \$12.0M of the Gaming Revenue Provision be transferred to the Capital Reserve (Revolving Fund) for future capital work.

The annual allocation of gaming revenue will be re-distributed effective for the 2016 operating budget as follows:

- a net increase to grant funding of \$0.6M
- introduction of the Council Community Initiatives account \$0.4M
- a net reduction in reserve funding of \$0.9M recaptured through any gaming revenue surplus
- no change to financing cost of \$5.0M
- no change to RCMP officer funding of \$0.7M

Any surplus revenue received will be transferred to the major capital community facility program (Capital Building and Infrastructure Reserve).

There is no net impact to the Operating Budget. There is a reduction of approximately \$1.4M due to the relocation of the grants to be funded by gaming revenues and a corresponding increase to the transfer to reserve for the same.

Conclusion

The revenues received through gaming have increased significantly over the past few years. However, there is no guarantee that this trend will continue in the future because it is subject to external factors. Staff recommend that the budgeted allocation of these revenues be adjusted to allow for a greater proportion of funding for grants with any surplus amounts to be placed in a major community capital replacement program (Capital Building and Infrastructure Reserve). The Council Community Initiatives account will be established by transferring \$3.0M from the Gaming Revenue Provision for environmental, heritage, arts and culture, safety and security, and infrastructure projects as recommended by Council. It is also recommended that item 2 of Policy 3707, the Long Term Financial Management Strategy be updated to reflect the recommended allocation distribution.



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

CG:cg

Att. 1: Updated Policy 3707 Long Term Financial Management Strategy



Policy 3707:

It is Council Policy that:

1. **Tax Revenue**

Tax increases will be at Vancouver's CPI rate (to maintain current programs and maintain existing infrastructure at the same level of service) plus 1.0 % towards infrastructure replacement needs.

2. **Gaming Revenue**

Gaming revenues are designated for the capital reserves, the major capital community facility replacement program, the grants program, the Council Community Initiatives account, and towards the cost of policing relating to gaming activities. ~~will go directly to the capital reserves, the grants program and a community legacy project reserve.~~

3. **Alternative Revenues & Economic Development**

Any increases in alternative revenues and economic development beyond all the financial strategy targets can be utilized for increased levels of service or to reduce the tax rate.

4. **Changes to Senior Government Service Delivery**

Any additional costs imposed on the City as a result of mandatory senior government policy changes should be identified and added to that particular year's taxes above and beyond the CPI and infrastructure percentage contribution.

5. **Capital Plan**

Ensure that long term capital funding for infrastructure (e.g. parks, trails, facilities, roads etc.) is in place in order to maintain community liveability and generate economic development.

6. **Cost Containment**

Staff increases should be achieved administratively through existing departmental budgets, and no pre-approvals for additional programs or staff beyond existing budgets should be given, and that a continuous review be undertaken of the relevancy of the existing operating and capital costs to ensure that the services, programs and projects



delivered continue to be the most effective means of achieving the desired outcomes of the City's vision.

7. **Efficiencies & Service Level Reductions**

Savings due to efficiencies or service level reductions identified in the strategy targets should be transferred to the capital reserves. Any savings due to efficiencies beyond the overall strategy targets can be utilized to reduce the tax rate or for increased levels of service.

8. **Land Management**

Sufficient proceeds from the sales of City land assets will be used to replenish or re-finance the City's land inventory. Any funds in excess of such proceeds may be used as directed by Council.

9. **Administrative**

As part of the annual budget process the following shall be undertaken:

- all user fees will be automatically increased by CPI;
- the financial model will be used and updated with current information, and
- the budget will be presented in a manner that will highlight the financial strategy targets and indicate how the budget meets or exceed them.

10. **Debt Management**

Utilize a "pay as you go" approach rather than borrowing for financing infrastructure replacement unless unique circumstances exist that support borrowing.



City of Richmond

Report to Committee

To: General Purposes Committee **Date:** February 26, 2015
From: Amarjeet S. Rattan **File:** 01-0150-01/2015-Vol
Director, Intergovernmental Relations & Protocol Unit 01
Re: **Resolution for LMLGA and UBCM: Environmental Bill of Rights**

Staff Recommendation

That Council approve the following resolution to be forwarded to the Lower Mainland Local Government Association (LMLGA) for consideration:

Environmental Bill of Rights

WHEREAS municipalities and regional districts are the government nearest to people and the natural environment, and therefore share a deep concern for the welfare of the natural environment and understand that a healthy environment is inextricably linked to the health of individuals, families, future generations and communities;

AND WHEREAS fostering the environmental well-being of the community is a municipal purpose under section 7(d) of the Community Charter and regional district purpose under section 2(d) of the Local Government Act;

THEREFORE BE IT RESOLVED that the Lower Mainland Local Government Association (LMLGA) and the Union of BC Municipalities (UBCM) request that the Province of British Columbia enact a Provincial environmental bill of rights that:

- a) Recognizes the right of every resident to live in a healthy environment, including the right to clean air, clean water, clean food and vibrant ecosystems;
- b) Provides for public participation in decision-making respecting the environment and access to environmental information;
- c) Provides access to justice when environmental rights are infringed; and
- d) Has whistleblower protection

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

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

Staff Report

Origin

On February 24, 2015, the Parks and Recreation Committee referred the creation of a resolution requesting that the Lower Mainland Local Government Association (LMLGA) and the Union of BC Municipalities (UBCM) request that the Province of British Columbia enact a Provincial Environmental Bill of Rights to staff. Attached is the proposed resolution for approval.

This report supports Council's Term Goal #8 Sustainability:

To demonstrate leadership in sustainability through continued implementation of the City's Sustainability Framework.

Findings of Fact

Ontario's *Environmental Bill of Rights (EBR)* is a ground-breaking law that was passed in 1993. In the *EBR*, the provincial government has a responsibility to consult the public on environmental decisions, and the public has the right to have a say.

The Environmental Commissioner of Ontario (ECO) is charged with monitoring and reporting on how well the government complies with the *EBR*. Under the *EBR*, you have rights to participate in ministry decisions about the environment and hold the government accountable for those decisions. (The *EBR* applies to environmentally significant decisions and proposals made by certain Ontario ministries or under certain Acts.)

Bill C-634, The Canadian Environmental Bill of Rights, was introduced as a private members Bill in Fall 2014 but only received first reading. The Bill would introduce a legal duty for the federal government to protect Canadians' right to a healthy environment. The David Suzuki Foundation is currently wrapping up its cross Canada Blue Dot tour calling for the right to a healthy environment to be included in Canadian law.

Analysis

It is proposed that the following resolution be sent to the Lower Mainland Local Government Association (LMLGA) and the Union of BC Municipalities (UBCM) to request that the Province create an Environmental Bill of Rights for British Columbia.

WHEREAS municipalities and regional districts are the government nearest to people and the natural environment and therefore share a deep concern for the welfare of the natural environment and understand that a healthy environment is inextricably linked to the health of individuals, families, future generations and communities;

AND WHEREAS fostering the environmental well-being of the community is a municipal purpose under section 7(d) of the Community Charter and regional district purpose under section 2(d) of the Local Government Act;

THEREFORE BE IT RESOLVED that the Lower Mainland Local Government Association (LMLGA) and the Union of BC Municipalities (UBCM) request that the Province of British Columbia enact a Provincial environmental bill of rights that:

- a) Recognizes the right of every resident to live in a healthy environment, including the right to clean air, clean water, clean food and vibrant ecosystems;
- b) Provides for public participation in decision-making respecting the environment and access to environmental information;
- c) Provides access to justice when environmental rights are infringed; and
- d) Has whistleblower protection

Financial Impact

There is no financial impact to this resolution.

Conclusion

Staff recommend that Council approve the above resolution and that it be forwarded to the Lower Mainland Local Government Association (LMLGA) and the Union of BC Municipalities (UBCM) to request that the Province of British Columbia enact a Provincial environmental bill of rights.



Denise Tambellini
Manager, Intergovernmental Relations & Protocol Unit
(604-276-4349)

DT:dt



To: General Purposes Committee
From: Amarjeet S. Rattan
Director, Intergovernmental Relations & Protocol Unit
Date: February 25, 2015
File: 01-0140-20-
PMVA1/2015-Vol 01
Re: Port Metro Vancouver Resolution to LMLGA, UBCM and FCM

Staff Recommendation

1. That the Port Metro Vancouver Resolution, as proposed in the February 25, 2015 staff report from the Director, Intergovernmental Relations and Protocol Unit, be submitted to the Lower Mainland Local Government Association, the Union of BC Municipalities and the Federation of Canadian Municipalities for their endorsement (Attachment 2).
2. That a letter and the staff report titled "Port Metro Vancouver Resolution to LMLGA, UBCM and FCM" dated February 25, 2015, be sent to Metro Vancouver, the City of Vancouver, the Corporation of Delta, the City of Coquitlam, the Village of Belcarra, the City of Burnaby, the City of New Westminster, the City of Port Moody, the City of North Vancouver, the City of Surrey, the District of North Vancouver, the City of Port Coquitlam, the District of West Vancouver, the District of Maple Ridge, the City of Pitt Meadows and the Township of Langley, requesting their support for the endorsement of the Port Metro Vancouver Resolution.
3. That the above mentioned letter and staff report be copied to the Office of the Prime Minister, the Minister of Transport Canada, the Premier of British Columbia, the BC Minister of Agriculture, Richmond Members of Parliament and Members of the Legislative Assembly, the Federal Leader of the Official Opposition and the Provincial (BC) Leader of the Official Opposition.

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

Att. 2

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

Staff Report

Origin

At the February 10, 2015 Council meeting, the following referral was made in regards to the report titled, “Richmond Response: Adopted Port Metro Vancouver Land Use Plan”:

That a resolution be sent to the Lower Mainland Local Government Association for submission to the Union of British Columbia Municipalities and to the Federation of Canadian Municipalities

This report is in response to this referral.

Analysis

Port Metro Vancouver (PMV) is the trade name for the Vancouver Fraser Port Authority, a non-shareholder, financially self-sufficient corporation established by the Government of Canada in 2008, under the *Canada Marine Act*. PMV is accountable to the Minister of Transport Canada. Transport Canada, under the direction of the Minister, oversees and regulates most aspects of the Port’s activities through the *Canada Marine Act* and through *Letters Patent* and pursuant to the *Port Authorities Management Regulations*.

The *Letters Patent* issued for PMV indicate that it manages both Federal real property and lands, which the port holds in its own name. PMV may provide services or carry out activities in connection with transport services within the port, or within or between specified municipalities to provide access to or from the port and its facilities. The 16 specified municipalities are those adjacent to PMV operations, namely Coquitlam, Delta, Maple Ridge, New Westminster, Pitt Meadows, Port Coquitlam, Surrey, Richmond, Vancouver, Burnaby, District of North Vancouver, City of North Vancouver, Port Moody, West Vancouver, Belcarra and the Township of Langley.

PMV Land Use Plan and Agriculture Land Reserve (ALR) Lands

PMV’s Mission Statement is “To lead the growth of Canada’s Pacific Gateway in a manner that enhances the well being of Canadians and inspires national pride.” In the spirit of this statement, it would be expected that PMV would consider and balance the interests of both the country and the communities within which it operates.

A key priority for PMV is to ensure that it has an adequate supply of industrial land in the Metro Vancouver region to meet its long term trade requirements. According to its Land Use Plan, PMV’s current inventory of 1,000 hectares of market ready industrial lands is sufficient to meet port demand for approximately 10 years. On December 5, 2014, PMV stated that it needs an additional 930 hectares (2,300 acres) to meet its long term needs. A concern exists that PMV has not stated where in the Metro Vancouver region it will expand its holdings, if it will expand in Richmond and that it will not expand on agricultural land.

PMV operations in Richmond are located on approximately 790 acres of Federal real property known as Fraser Port (Attachment 1). Within this site, PMV leases out approximately 240 acres for ‘non port related use’ (Adesa Richmond Public Auto Auction and Harvest Power Composting Facility) and also has an inventory of approximately 175 acres of undeveloped land.

In addition, PMV recently purchased the 55 acre industrial zoned site known as Fraser Wharves located at the south end of No. 6 Road. As well, there is approximately 160 acres of industrial land to the west of the Fraser Port site that PMV could potentially acquire for their future expansion.

PMV has also purchased approximately 230 acres ALR agricultural land, known as the Gilmore Farm Lands, adjacent to the Fraser Port site. The *Supplementary Letters Patent* issued by the Minister of Transport Canada clearly states that this agricultural land purchase is being made “in support of port operations” (Attachment 2). All indications are that PMV will continue to purchase more agricultural land in the City and throughout the Metro Vancouver region for their future expansion.

City Council and staff participated in the PMV 2012-2104 Land Use Plan process and have repeatedly requested PMV, on at least ten occasions, to not expand on or use agricultural land, as the protection of farmland is a Council priority.

From a land use perspective, as the City’s 2041 Official Community Plan (OCP) and the Metro Vancouver 2040 Regional Growth Strategy (RGS) are important approved land use planning documents that preceded the preparation of PMV’s Land Use Plan, the port and the implementation of the PMV Land Use Plan should have been guided by them. This is not the case, as PMV has not committed to avoid developing on agricultural land. As well, the City is concerned about the PMV being allowed to set a precedent for others who own or may own agricultural land and wish to develop it for non-agricultural purposes. Agricultural land is typically about one third the cost of industrial land and would have lower carrying costs.

PMV’s Land Use Plan identifies ALR agricultural lands as a “Special Study Area”. PMV was requested to delete their plans “Special Study Area” designations in Richmond and replace them with an “Agricultural” designation, before the Plan was presented to the PMV Board of Directors for approval. Letters were also sent to the Minister of Transport Canada, the BC Minister of Agriculture, BC Ministry of Transportation and Infrastructure, the Chair of the BC Agricultural Land Commission, the Metro Vancouver Board and all Metro Vancouver municipalities advising them of these recommendations.

As PMV has refused to acknowledge the City’s concerns, in relation to their ownership and future use of ALR lands, staff recommend that the City direct its efforts to collaborating with the Lower Mainland Local Government Association (LMLGA), Union of BC Municipalities (UBCM), Federation of Canadian Municipalities (FCM), Metro Vancouver and member municipalities, to seek their support in requesting that the Government of Canada reform and improve PMV- Municipal relations through changes to federal regulations and policies to compel PMV to engage in meaningful consultations with municipalities, and adhere to municipal and regional bylaws and policies).

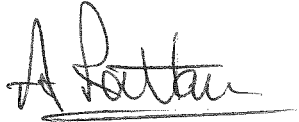
Accordingly, a Resolution (Attachment 2) outlining City concerns and recommendations should be forwarded to LMLGA, UBCM, FCM, Metro Vancouver and member municipalities to gain their support in pursuing federal regulatory changes to PMV operations which impact municipal interests.

Financial Impact

No financial impact.

Conclusion

Staff have reviewed Port Metro Vancouver's adopted 2014 Land Use Plan and find that, after repeated requests from the City of Richmond, the Plan does not protect ALR agricultural land from future port expansion or operations. A City Resolution to LMLGA, UBCM and FCM Resolution (Attachment 2) outlines the actions required from the Minister of Transport Canada to stop PMV from expanding its operations and activities on agricultural land.

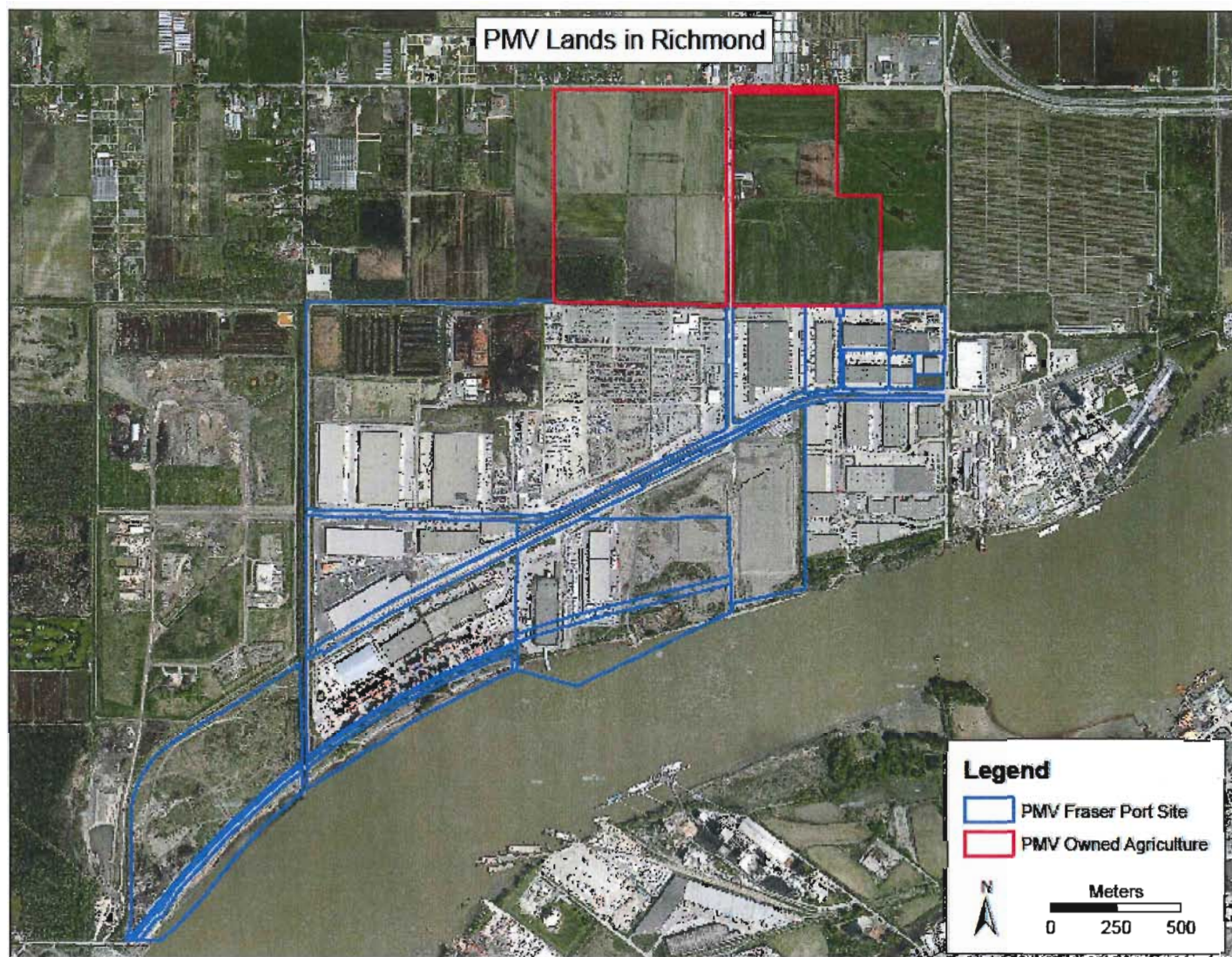


Amarjeet S. Rattan
Director, Intergovernmental Relations & Protocol Unit
(604-247-4686)

AR:zf

Attachments:

1. PMV Lands In Richmond Map
2. Draft LMLGA and UBCM FCM Resolution PMV Ownership of Agricultural Lands



City of Richmond 2015 LMLGA and UBCM/FCM Resolution:

Discouraging Port Metro Vancouver (PMV) From Expanding on Agricultural Lands Resolution:

WHEREAS Port Metro Vancouver (PMV), also known as the Vancouver Fraser Port Authority (VFPA), is an amalgamation of the former Fraser River Port Authority, North Fraser Port Authority and Vancouver Port Authority which occurred on January 1, 2008, through the issuance of a *Supplementary Letter of Patent* from the Minister of Transport Canada, giving it the responsibility of operating and developing the assets and jurisdictions of the three combined authorities;

AND WHEREAS the *Canada Marine Act* (e.g., through *Letters Patent* and pursuant to the *Port Authorities Management Regulations*) allows PMV to undertake port activities including the shipping, navigation, transporting and handling of goods and passengers, including managing, leasing, licensing, acquiring and disposing of lands for the purposes of operating and supporting port operations;

AND WHEREAS in 2008, PMV purchased four parcels in BC Agricultural Land Reserve (ALR) in the City of Richmond, totaling 241.51 acres, which over time it intends to develop for port purposes and these ALR land purchases have been authorized by the issuance of *Supplementary Letters of Patent* (attached) signed by the Minister of Transport Canada;

AND WHEREAS since 2008, the PMV Board was guided by three previous Land Use Plans of the former Vancouver Port Authority, North Fraser Port Authority and the Fraser Port Authority, which on October 28, 2014, the Board replaced with a new Land Use Plan (Plan) to manage PMV lands and waters;

AND WHEREAS PMV's Plan designates the four ALR parcels as 'Special Study Areas' and not for agricultural use;

AND WHEREAS from a regional and municipal land use management perspective, the City's approved 2041 Official Community Plan (OCP) and the Metro Vancouver's approved 2040 Regional Growth Strategy (RGS) preceded the PMV's 2014 approved Land Use Plan, PMV and the implementation of its Plan should be guided by them;

AND WHEREAS the City of Richmond has advised PMV that it continues to strongly object to its Land Use Plan, as it does not protect ALR land, and has requested the PMV Board to delete the "Special Study Areas" located within ALR in the City of Richmond, and create a policy which prohibits the expansion of PMV operations on all ALR lands;

THEREFORE BE IT RESOLVED that the Lower Mainland Local Government Association (LMLGA) and the Union of BC Municipalities (UBCM) call on the federal government and the Minister of Transport Canada, through the Federation of Canadian Municipalities (FCM) and other avenues as appropriate, to:

1. Request the Minister of Transport Canada to rescind the March 24, 2009 *Supplementary Letter of Patent* (attached) issued by the Honourable John Baird, Minister of Transport , Infrastructure and Communities, which authorized the transfer of the 229.34 acre Agricultural Lands real property, described in this *Supplementary Letter of Patent*, from A.C. Gilmore & Sons (Farms) Ltd. to PMV, and order the PMV Board to dispose of this real ALR property and other real ALR properties, currently designated in their Plan as ‘Special Study Areas’, for agricultural purposes, at fair market value;
2. Request the Minister of Transport Canada, by way of regulatory changes (e.g., to *the Canada Marine Act, the Port Authorities Management Regulations and Letters of Patent*), to prohibit the PMV and its subsidiaries, from purchasing any ALR land in the City of Richmond and within the Metro Vancouver region, for port purposes; and
3. Request the Minister of Transport Canada to require PMV to establish, with the local governments located within the area in which it operates, a meaningful consultation process and a formal dispute resolution process to address Municipal/PMV issues arising from its operations and activities.



Transport Canada Transports Canada

Place de Ville
Ottawa
K1A 0N5

Fax (613) 990-8889 Télécopieur (613) 990-8889

LEGAL
SCANNED
SEP 04 2009

Your file Votre référence

Our file Notre référence
AHP 7060-120-19-4

April 7, 2009

Mr. Robin Silvester
President and Chief Executive Officer
Vancouver Fraser Port Authority
100 The Pointe
999 Canada Place
Vancouver, British Columbia
V6C 3T4

Dear Mr. Silvester:

I am pleased to enclose English and French versions of the Supplementary Letters Patent issued by the Minister of Transport, Infrastructure and Communities to amend Schedule C of the Letters Patent to reflect the acquisition of 6131 & 6220 No. 8 Road from A.C. Gilmore & Sons (Farms) Ltd.

As these Supplementary Letters Patent are to be effective upon registration in the Land Registration Office of the transfer documents, copies of the registered document(s) should be forwarded to this office at the earliest opportunity for deposit with the original Supplementary Letters Patent in the Transport Canada Legal Registry.

These Supplementary Letters Patent will be published in the April 11, 2009 issue of the *Canada Gazette* pursuant to subsection 8(3) of the *Canada Marine Act*.

Should you have any questions, please feel free to contact me at (613) 949-9436.

Yours truly,

Robert Spencer,
Manager, Port Property
Airport and Port Programs

Enclosures

Cc: Irene Gauld, VFPA

Canada

51-0209 (96-12)

CANADA
SUPPLEMENTARY LETTERS PATENT
issued to the
VANCOUVER FRASER PORT AUTHORITY

BY THE MINISTER OF TRANSPORT, INFRASTRUCTURE AND COMMUNITIES

WHEREAS effective January 1, 2008 the port authorities of Vancouver, Fraser River and North Fraser amalgamated to continue as the Vancouver Fraser Port Authority ("Authority");

WHEREAS Letters Patent were issued by the Minister of Transport, Infrastructure and Communities for the Authority pursuant to paragraph 59.7(k) of the *Port Authorities Management Regulations* effective January 1, 2008;

WHEREAS in support of port operations the Authority wishes to acquire from A.C. Gilmore & Sons (Farms) Ltd. the real property described below;

WHEREAS Schedule C of the Letters Patent describes the real property, other than federal real property, held or occupied by the Authority;

WHEREAS the board of directors of the Authority has requested the Minister of Transport, Infrastructure and Communities to issue Supplementary Letters Patent to add to Schedule C of the Letters Patent the real property described below;

NOW THEREFORE under the authority of section 9 of the *Canada Marine Act*, the Letters Patent are amended by adding to Schedule C of the Letters Patent the real property described as follows:

PID Number	Description
013-055-887	SECTION 7 BLOCK 4 NORTH RANGE 4 WEST EXCEPT FIRSTLY: THE NORTH EAST QUARTER SECONDLY: THE EAST 12.5 CHAINS OF THE SOUTH EAST QUARTER THIRDLY: .919 ACRES ON THE NORTH WEST QUARTER ON PLAN WITH BYLAW FILED 53425 NEW WESTMINSTER DISTRICT
004-137-973	SECTION 12 BLOCK 4 NORTH RANGE 5 WEST EXCEPT: (1) PARCEL "A" (REFERENCE PLAN 14013); (2) PART CONTAINING 5260.4 SQUARE METRES ON PLAN BCP393; NEW WESTMINSTER DISTRICT

Received and filed under
 No. 157753
 in Registry of Legal
 Services Transport Canada

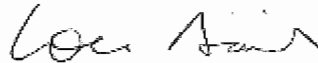
219/19

Reçu et classé sous
 No. _____
 au Bureau d'enregistrement
 du Service juridique des
 Transports Canada

- 2 -

These Supplementary Letters Patent are to be effective on the date of registration in the New Westminster Land Title Office of the transfer documents evidencing the transfer of the real property described above from A.C. Gilmore & Sons (Farms) Ltd. to the Authority.

Issued under my hand this day of ~~2nd~~ ^{4th} ~~May~~ ^{May} 2009.



John Baird, P.C., M.P.
Minister of Transport, Infrastructure and Communities



City of Richmond

Report to Committee

To: General Purposes Committee
From: Cathryn Volkering Carlile
General Manager, Community Services
Date: February 25, 2015
File: 08-4057-01/2015-Vol
01
Re: **Kiwanis Towers - Second Disbursement from the Affordable Housing
Reserve Fund to 7378 Gollner Avenue**

Staff Recommendation

1. That, subject to Resolution 2 below, \$5,848,406 be paid to Richmond Kiwanis Senior Citizens Housing Society (the "Society") towards construction costs associated with 296 subsidized senior housing units at 7378 Gollner Avenue (formerly 6251 Minoru Boulevard) to be used by the Society.
2. That, pursuant to the Contribution Agreement, dated November 9, 2012, between the City and the Society, no payment be made by the City until:
 - a. substantial completion of all 148 Seniors Housing Units in the first tower is confirmed by a quantity surveyor retained by and reporting to BC Housing; and
 - b. the City grants its final building inspection permitting occupancy of all 148 units.
3. That the Chief Administrative Officer and the General Manager of Community Services be authorized to:
 - a. Negotiate and execute all amendments to the Contribution Agreement and other agreements and documents in relation to the disbursements and revised payment schedule.
 - b. Disburse the amount as stated in Resolution 1 above.

Cathryn Volkering Carlile
General Manager, Community Services
(604-276-4068)

Att.1

REPORT CONCURRENCE		
ROUTED TO: Finance Division Law Development Applications	CONCURRENCE <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 purpose of this report is to recommend that Council approve a payment of \$5,848,406 to Richmond Kiwanis Senior Citizens Housing Society (“Society”) towards construction costs associated with 296 seniors’ subsidized rental housing units to be owned by the Society at 7378 Gollner Avenue (formerly 6251 Minoru Boulevard) (“Kiwanis Towers”).

Kiwanis Towers represents an innovative multi-stakeholder funding approach to leverage non-profit, private and public sector resources and expertise with senior government financing and technical support to achieve subsidized rental housing with tenant amenity spaces to meet the needs of Richmond’s low income seniors.

The project originated when Kiwanis proposed the replacement of an aging seniors housing complex on its nearly 5 acre site with two concrete towers, financed partially through the selling of a portion of the site to Polygon. Polygon has contracted with Kiwanis to build the seniors units as well as three market condominium towers on its parcel. City capital contributions are being provided to the project from the capital Affordable Housing Reserve Fund utilizing funds generated through developer contributions from other Polygon sites. BC Housing is providing low-interest construction financing and facilitating the take-out mortgage.

This report supports Council’s Term Goal #2 Community Social Services:

To develop and implement an updated social services strategy that clearly articulates and communicates the City’s roles, priorities and limitations with respect to social services issues and needs.

2.5. Development of a clearer definition of affordable housing priorities and subsequent utilization of affordable housing funding.

Background

Affordable Housing Special Development Circumstance Provisions

On April 10, 2012, Council endorsed amendments (subsequently adopted) to the Affordable Housing Statutory Reserve Fund Policy 5008, Zoning Bylaw 8500 and Affordable Housing Operating Reserve Fund Establishment Bylaw No. 8206. The amendments provide Council with authority to direct:

1. Different proportions of contributions to the two capital and operating Affordable Housing Reserve Funds, from time to time, to support affordable housing special development circumstances (“AHSDCs”); and
2. Capital financial support for specific affordable housing developments for affordable housing project eligible costs that include:

- a. Municipal fiscal relief (i.e., development cost charges, costs related to the construction of infrastructure required to service the land, and development application and permit fees);
- b. The construction of infrastructure required to service the land on which the affordable housing is being constructed; and
- c. Other costs normally associated with construction of the affordable housing (e.g. design costs, soft costs).

At the discretion of Council, 100% of contributions can be allocated to projects that meet the AHSDC requirements set out in Policy 5008.

Kiwanis Towers Financial Contributions

On June 25, 2012 Council approved recommendations in a staff report, dated May 30, 2012, from the General Manager of Community Services titled “Project Specific Financial and Policy Considerations for the Proposed Kiwanis Towers Affordable Housing Development at 6251 Minoru Boulevard.” These recommendations included provision of financial support toward the development of seniors housing units up to a maximum of \$20,837,610 for the costs of construction, and up to a maximum of \$3,305,468 for development cost charges, permit fees, and service cost charges. The entirety of these latter costs and part of the construction costs are to be funded with capital Affordable Housing Reserve Funds; the balance of construction costs are to be funded through new Affordable Housing Value Transfers to be received from several contributor sites owned by Polygon (Attachment 1).

A rezoning application (RZ 11-591685) was adopted and a development permit (DP 12-609958) was issued for Kiwanis Towers on March 11, 2013.

The rezoning considerations divided the City’s contributions towards Kiwanis Towers into:

- Four payments toward construction costs;
- Payments for development cost charges and permit fees; and
- One payment for service cost charges.

The project’s contribution schedule, as well as the Council-approved pre-conditions for the contributions set out in the rezoning considerations, was included in a subsequently executed Contribution Agreement, dated November 9, 2012, between the City and the Society (“Contribution Agreement”). The Contribution Agreement provides that, subject to Council’s approval, the second payment for construction costs are due upon a) substantial completion, as determined by a quantity surveyor retained by and reporting to BC Housing, of the first tower containing 148 Seniors Housing Units and, b) the City granting a final building inspection permitting occupancy of all 148 Seniors Housing Units within the first tower.

On September 4, 2013, the Kiwanis Towers project received its building permit. The issuance of this permit was the first funding milestone in the Contribution Agreement, which triggered the release of the first disbursement of the City’s financial contributions of \$9,166,870 towards construction costs and \$2,603,630 to cover development cost charges and permit fees. The

remainder of the budgeted amount to cover development cost charges and permit fees will be allocated towards covering service costs and any additional development cost charges in a future disbursement.

On February 13, 2015, the Kiwanis Towers project received its final building permit issuing occupancy. The issuance of this permit is the second funding milestone in the Contribution Agreement, which triggers the release of the second disbursement of the City's financial contributions of \$5,848,406 towards construction costs.

Analysis

Payment Toward Costs of Construction (\$5,848,406)

On June 25, 2012, Council approved a maximum of \$20,837,610 towards the costs of constructing Kiwanis Towers, including the allocation of \$2,147,204 towards construction costs from existing capital Affordable Housing Reserve Funds. The remaining funding is to be provided through Affordable Housing Value Transfers from several Polygon contributor sites, which are being made in phases from 2012 to 2017 subject to Council's approval of the rezoning of those contributor sites.

The Contribution Agreement between the City and the Society provides that the City's second payment of \$3,818,963 towards the cost of constructing the Kiwanis Towers be contributed upon a) the substantial completion of the first tower and, b) the City granting final building inspection permitting occupancy of all 148 units, and the development meeting all project construction and funding requirements as determined by a third-party independent Quantity Survey retained by and reporting to BC Housing.

A contribution of \$1,886,850 from Polygon's Mueller project didn't advance in time for the first disbursement to Kiwanis. Therefore, this amount has been added to the second disbursement request. In addition, a voluntary AHVT cash-in-lieu contribution of \$2,877,448.32 to the City's Capital Affordable Housing Reserve was approved by Council through the adoption of the subject rezoning for Polygon's Alexandra West project to be provided in four equal disbursements of \$719,362 towards the Kiwanis project. Both projects are providing a slightly higher contribution amounts than what was initially contemplated when the Kiwanis rezoning report was adopted. Therefore, the Mueller project disbursement will provide \$141,047 more and the Alexandra West will provide \$1,546 more than initially anticipated. Despite these higher contributions, the City's maximum total contribution to the Kiwanis project remains at \$20,837,610. The Contribution Agreement will need to be revised to address the changes in the amounts of each disbursement.

The following table reflects the targeted and actual disbursed amounts disbursed to Kiwanis and the remaining balance to be distributed in disbursements 2, 3 and 4.

Figure 1: Disbursement 1 (May 2, 2014) – Towards Construction Costs

Source	Description	City Approved Contributions to the Kiwanis project	Amounts Disbursed	Remaining Disbursement Balance
Capital Affordable Housing Reserve Fund	Previously approved AH Capital Projects from Cash-in-Lieu projects	\$2,147,204	\$2,147,204	
Capital Affordable Housing Reserve Fund	Developer Contributions from Polygon Sites (AHVTs)	\$18,690,406	\$7,019,666	
	Totals	\$20,837,610	\$9,166,870	\$11,670,740

*\$1,745,803 from the Polygon Mueller project didn't advance in time for the first disbursement and is included in the second disbursement request.

Figure 2: Request for Second Disbursement (Target – Spring 2015)¹ – Towards Construction Costs

Source	Description	City Approved Contributions to the Kiwanis project (in 2012)	Disbursement #2 Total (Subject to Council Approval)	Remaining Disbursement Balance
Capital Affordable Housing Reserve Fund (Developer Contributions from Polygon Sites (AHVTs))	Carrera	\$1,355,344	\$1,355,344	
	Alexandra Road West	\$717,816	\$719,362	
	Mueller (Avanti)	\$1,745,803	\$1,886,850	
	Total	\$3,818,963	\$3,961,556	
Capital Affordable Housing Reserve Fund	Developer Contribution from Mueller site (AHVT) – carried from Project Disbursement #1	\$1,745,803	\$1,886,850	
	Totals	\$5,564,766	\$5,848,406	\$5,822,334

Staff recommend that Council approve the second scheduled payment of \$5,848,406 (AHVT funds) comprised of \$1,886,850 (carried from Project Disbursement #1) and \$3,961,556 towards the construction costs of Kiwanis Towers.

¹ Release of funds is subject to Final Building Permit Issuing Occupancy and confirmed final Quantity Survey report.

The upcoming third scheduled payment (anticipated to be \$3,961,556.08) toward construction costs of Kiwanis Tower 2 will be due, subject to Council's approval, when a quantity surveyor retained by and reporting to BC Housing determines that the second tower containing 148 seniors housing units has achieved substantial completion and when the City grants a final building inspection permitting occupancy of those units. Occupancy for Tower 2 is targeted for Summer 2015.

The fourth and final scheduled payment (anticipated to be \$1,860,777.92) towards construction costs of Kiwanis Towers will be due, subject to Council's approval, when a quantity surveyor retained by and reporting to BC Housing certifies that the seniors housing units are complete in their entirety and all deficiencies are corrected, provided that Kiwanis is in compliance with the terms of the Contribution Agreement, Housing Agreement and Housing Covenant, and other agreements between Kiwanis and the City relating to Kiwanis Towers.

Changes to Legal Agreements

In order to implement the revised disbursement amounts, staff recommend the Chief Administrative Officer (or designate) and the General Manager of Community Services be authorized to negotiate and execute all amendments to the Contribution Agreement and related agreements with respect to the disbursements and revised payment schedule. Further changes are proposed to secure the use of insurance proceeds for affordable housing, in the event of damage and/or destruction of the Kiwanis Towers.

Financial Impact

The combined amount of payments being recommended at this time is \$5,848,406 received by the City as AHVT contributions. \$5,564,766 was approved for disbursement through the Five Year Financial Plan (2014-2018) and the additional \$283,640 is included in the approved 2015 Capital Budget.

Conclusion

Kiwanis Towers exemplifies an innovative multi-stakeholder approach to combine non-profit, private, and public sector funding and expertise with senior government financing and technical support to achieve subsidized rental housing to meet the needs of Richmond's low income seniors.

In receiving its final building permit issuing occupancy, Kiwanis Towers has reached a milestone triggering the second of the City's financial contributions.



Dena Kae Beno
Affordable Housing Coordinator
(604-247-4946)



Joyce Rautenberg
Affordable Housing Planner
(604-247-4916)

Att. 1: Kiwanis Project Total Contribution Schedule

Kiwanis Project Total Contribution Schedule

Source	Affordable Housing Contribution Amount
Affordable Housing Capital Reserve Fund	\$2,147,204
Polygon Contributor Sites	
Mayfair Place (RZ 10-537689) 9399 Odlin Rd	\$2,223,360
Cambridge Park (RZ 08-408104) 9500 Odlin Rd	\$2,721,600
Carrera (RZ 11-591685) 6251 Minoru Blvd	\$4,066,032
Alexandra Road West (RZ 12-598503) 9311,9331,9393,9431,9451,9471 Alexandra Rd	\$2,871,264
Mueller (Avanti) (RZ 11-591985) 8331,8351,8371 Cambie Rd and 3651 Sexsmith Rd	\$5,237,409
Alexandra Road East (RZ 12-598506) 9491,9511,9531,9591 Alexandra Rd	\$892,634 *
Jayden Mews (RZ 13-649641) 9700 and 9740 Alexandra Rd	\$678,107
TOTAL	\$20,837,610

*Amount was decreased from the original contribution agreement amount of \$1,570,741 in lieu of Jayden Mews contribution and securing built units on site. This contribution is subject to Council, in its discretion, approving the proposed rezoning of these properties.