



General Purposes Committee

Anderson Room, City Hall
6911 No. 3 Road

Monday, July 16, 2018
4:00 p.m.

Pg. # ITEM

MINUTES

- GP-4** *Motion to adopt the **minutes** of the meeting of the General Purposes Committee held on July 3, 2018.*



ENGINEERING AND PUBLIC WORKS DIVISION

1. **CITY CENTRE DISTRICT ENERGY UTILITY BYLAW NO. 9895**
(File Ref. No. 10-6600-10-04; 12-8060-20-009895) (REDMS No. 5865851 v.6 ; 5843610)

GP-7

See Page GP-7 for full report

Designated Speaker: Peter Russell

STAFF RECOMMENDATION

That the City Centre District Energy Utility Bylaw No. 9895, presented in the “City Centre District Energy Utility Bylaw No. 9895” report dated, June 6, 2018, from the Senior Manager, Sustainability and District Energy be introduced and given first, second and third readings.



COMMUNITY SERVICES DIVISION

2. **BRITANNIA SHIPYARDS NATIONAL HISTORIC SITE STRATEGIC DEVELOPMENT PLAN**

(File Ref. No. 11-7000-01) (REDMS No. 5846096 v. 4; 5846395 v. 2)

GP-54

See Page GP-54 for full report

Designated Speaker: Marie Fenwick

STAFF RECOMMENDATION

That the Britannia Shipyards National Historic Site Strategic Development Plan as outlined in the staff report titled “Britannia Shipyards National Historic Site Strategic Development Plan” dated July 9, 2018, from the Director, Arts, Culture and Heritage Services be endorsed as the guide for the future development and operation of Britannia Shipyards National Historic Site.



3. **GARDEN CITY LANDS SOILS DEPOSIT FEES BYLAW NO. 9900 AND CONSOLIDATED FEES BYLAW NO. 8636, AMENDMENT BYLAW NO. 9903**

(File Ref. No. 06-2345-20-GCIT1; 12-8060-20-009900; 12-8060-20-009900/9903) (REDMS No. 5886935 v. 8; 5885972; 5893741)

GP-127

See Page GP-127 for full report

Designated Speakers: Jamie Esko and Alex Kurnicki

STAFF RECOMMENDATION

That Garden City Lands Soils Deposit Fees Bylaw No. 9900 and Consolidated Fees Bylaw 8636, Amendment Bylaw No. 9903 be introduced and given first, second and third readings.



4. **STEVESTON COMMUNITY CENTRE AND BRANCH LIBRARY PROGRAM**

(File Ref. No. 06-2052-25-SCCR1) (REDMS No. 5817243 v. 66)

GP-135

See Page GP-135 for full report

Designated Speakers: Elizabeth Ayers and Martin Younis

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ITEM

STAFF RECOMMENDATION

That the staff report titled, “Steveston Community Centre and Branch Library Program,” dated July 4, 2018, from the Director, Recreation Services and Senior Manager, Capital Buildings Project Development, be received for information.

☐

ADJOURNMENT

☐



General Purposes Committee

Date: Tuesday, July 3, 2018

Place: Anderson Room
Richmond City Hall

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

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

MINUTES

It was moved and seconded

That the minutes of the meeting of the General Purposes Committee held on June 18, 2018, be adopted as circulated.

CARRIED

COMMUNITY SAFETY DIVISION

1. **APPLICATION FOR A NEW LIQUOR PRIMARY LIQUOR LICENCE FROM 1091919 BC LTD, AT 4000 NO 3 ROAD UNIT 3300**
(File Ref. No. 12-8275-30-001) (REDMS No. 5863120)

In response to a query from Committee, Carli Edwards, Manager, Community Bylaws and Licencing, advised that opposition to the application that was initially received in complaint letters had been addressed by the applicant with further outreach to the community.

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It was moved and seconded

- (1) *That the application from 1091919 BC Ltd., for a new Liquor Primary Liquor Licence to operate a karaoke lounge establishment, at premises located at 4000 No 3 Road Unit 3300, with liquor service, be supported for:*
 - (a) *A new Liquor Primary Liquor Licence with primary business focus of entertainment, specifically a karaoke lounge with total person capacity of 160 persons; and*
 - (b) *Liquor service hours for Monday to Sunday, from 10:00 PM to 2:00 AM;*
- (2) *That a letter be sent to Liquor Control and Licensing Branch advising that:*
 - (a) *Council supports the applicant's new Liquor Primary Liquor Licence application and the hours of liquor service with the conditions as listed above;*
 - (b) *The total person capacity set at 160 persons is acknowledged; and*
 - (c) *Council's comments on the prescribed criteria (Section 71 of the Liquor Control and Licencing Regulations) are as follows:*
 - (i) *The impact of additional noise and traffic in the area of the establishment was considered;*
 - (ii) *The potential impact on the community was assessed through a community consultation process; and*
 - (iii) *Given that this is a new business, there is no history of non-compliance with this establishment;*
 - (d) *As the operation of a licenced establishment may affect nearby residents, businesses and property owners, the City gathered the views of the community through a community consultation process as follows:*
 - (i) *Residents, businesses and property owners within a 50 metre radius of the establishment were notified by letter. The letter provided information on the application with instructions on how to submit comments or concerns; and*
 - (ii) *Signage was posted at the subject property and three public notices were published in a local newspaper. The signage and public notice provided information on the application with instructions on how to submit comments and concerns; and*

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- (c) *Council's comments on the general impact of the views of residents, businesses and property owners are as follows:*
- (i) *The community consultation process was completed within 90 days of the application process; and*
 - (ii) *That based on the number of letters sent and the few opposed responses received and significant supporting responses received from all public notifications, Council considers that the approval of this application is acceptable to the majority of the residents, businesses and property owners in the area and the community.*

CARRIED

ADJOURNMENT

It was moved and seconded
That the meeting adjourn (4:02 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 Tuesday, July 3, 2018.

Mayor Malcolm D. Brodie
Chair

Amanda Welby
Legislative Services Coordinator



City of Richmond

Report to Committee

To: General Purposes Committee
From: Peter Russell
Senior Manager, Sustainability and District Energy
Date: June 6, 2018
File: 10-6600-10-04/2018-Vol 01
Re: City Centre District Energy Utility Bylaw No. 9895

Staff Recommendation

That the City Centre District Energy Utility Bylaw No. 9895, presented in the "City Centre District Energy Utility Bylaw No. 9895" report dated, June 6, 2018, from the Senior Manager, Sustainability and District Energy be introduced and given first, second and third reading.

Peter Russell
Senior Manager, Sustainability and District Energy
(604-276-4130)

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

Staff Report

Origin

In October 2015, Council and the Lulu Island Energy Company (LIEC) Board endorsed the issuance of a Request for Expression of Interest (RFEOI) to identify a suitable utility partner to conduct a feasibility analysis to design, build, finance and operate a district energy utility (DEU) in the City Centre North area of Richmond, on the basis of the following guiding principles:

1. The DEU will provide end users with energy costs that are competitive with conventional energy costs based on the same level of service; and
2. Council will retain the authority of setting customer rates, fees and charges for DEU services.

In September 2016, LIEC staff issued a Request for Proposals (RFP) with an expanded scope for City Centre, to the three proponents shortlisted under the RFEOI as directed by the LIEC Board and endorsed by Council. In February 2018, LIEC executed a Memorandum of Understanding with the lead proponent of the RFP, Corix Utilities (Corix).

As the City Centre DEU due diligence process has advanced, through rezoning applications five developments have committed to construct and transfer energy plants to the City or LIEC, so that LIEC can provide immediate service to these customers.

At the regular Council meetings on June 11, 2018, June 25, 2018 and July 9, 2018, Council directed staff to prepare a service area bylaw to provide district energy services to each of these developments. This report presents the Service Area Bylaw for Council's consideration.

This report supports Council's 2014-2018 Term Goal #4 Leadership in Sustainability:

Continue advancement of the City's sustainability framework and initiatives to improve the short and long term livability of our City, and that maintain Richmond's position as a leader in sustainable programs, practices and innovations.

4.1. Continued implementation of the sustainability framework.

4.2. Innovative projects and initiatives to advance sustainability.

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.

6.1. Safe and sustainable infrastructure.

6.2. Infrastructure is reflective of and keeping pace with community need.

Background

District Energy Utilities as Part of a Sustainable Community

Richmond's 2041 Official Community Plan (OCP) establishes a target to reduce community greenhouse gas (GHG) emissions 33 per cent below 2007 levels by 2020 and 80 per cent by 2050. Additionally, the OCP includes a target to reduce energy use 10 per cent below 2007 levels by 2020. Richmond's Community Energy & Emissions Plan (CEEP) identifies that buildings account for about 64 per cent of energy consumption in Richmond, and 43 per cent of GHG emissions; residential developments especially are prime energy consumers in the community. Richmond is growing, with today's population expected to increase by 35 per cent by 2041, and employment by 22 per cent. This growth will be accompanied by new building development, the majority of which will occur in Richmond's City Centre.

In this context, shifting to more sustainable energy systems for buildings will support the City's climate and energy targets. Sustainable energy systems have the following characteristics:

- Use energy wisely – e.g. they are efficient, minimize consumption, minimize waste energy, and use low carbon sources of energy.
- Increase energy security by being reliant and resilient – e.g. they minimize price volatility, incorporate localized systems to avoid being completely dependent on external systems, and are adaptable to future technologies and energy sources.
- Have low-carbon intensity – e.g. they emit zero to low GHG emissions.
- Are cost-effective and do not result in unacceptable impacts (social, environmental or economic).

Based on the above criteria, the City has identified district energy utilities (DEUs) as a key component of sustainable energy systems that can be implemented in neighbourhoods undergoing redevelopment. Some of the key benefits of a DEU are as follows:

- Reduced building capital and operations costs – DEUs replace the need for individual buildings to have their own boilers or furnaces, chillers or air conditioners, resulting in capital cost and maintenance cost savings.
- Efficiency – DEUs can operate more efficiently than typical stand-alone building mechanical systems, thereby reducing emissions and costs.
- Reduced emissions through using renewable energy and waste energy sources – DEUs can use renewable sources such as sewer heat recovery, geothermal, biomass, combined heat and power generation, and other technologies with the potential for very low emissions. Moreover, DEUs can capture and use waste heat from industrial, commercial and institutional use (i.e. ice surfaces and wastewater treatment plants).
- Reliability – DEUs use proven technology; most DEU's operate with a high reliability rate.

- Resiliency – District energy systems’ ability to make use of multiple different fuel sources allow DEUs to incorporate new energy source opportunities in the future, providing financial and environmental resiliency and mitigating the potential for volatility in thermal energy prices.

Many DEUs come to be identified by the energy source they are hooked up to, such as geothermal, biomass, or solar; however, the most critical elements of a DEU are the customer base and the distribution network, and when establishing the partnerships and legal framework of a DEU the primary focus should be on these elements. The specific system or technology that is used to generate the heat can be altered or switched out over the life of the DEU depending on the best available technology at the time.

District Energy in Richmond

In 2013, the City incorporated Lulu Island Energy Company Ltd. (LIEC) for the purposes of managing district energy utilities on the City’s behalf. LIEC currently owns and operates the Oval Village District Energy (OVDEU) and Alexandra District Energy (ADEU) Utilities, as well as advances new district energy opportunities.

In the OVDEU service area, LIEC currently services eight buildings containing over 1,700 residential units. Energy is currently supplied from the two interim energy centres with natural gas boilers which combined provide 11 MW of heating capacity. When enough buildings are connected to the system, a permanent energy centre will be built which will produce low carbon energy. Currently it is planned to harness energy from the Gilbert Trunk sanitary force main sewer through the implementation of the permanent energy centre in 2025. Over the next 30 years, the OVDEU system is anticipated to reduce GHG emissions by more than 52,000 tonnes of CO₂ as compared to business as usual¹. OVDEU is developed under a concession agreement with Corix. During the concession period (30 years), Corix will design, build, finance and operate the OVDEU and will supply energy services to LIEC; LIEC owns the assets and Council sets customer rates.

In the ADEU service area, LIEC provides heating and cooling services to six residential buildings, large commercial development at “Central at Garden City”, the Richmond Jamatkhana temple and Fire Hall #3, in total connecting over 1450 residential units and over 1.6 million square feet of floor area. While some electricity is consumed for pumping and equipment operations, almost 100% of this energy is currently produced locally from the geo-exchange fields in the greenway corridor and West Cambie Park, and highly efficient air source heat pumps. The backup and peaking natural gas boilers and cooling towers in the energy centre have operated for only a few days throughout the system’s operation to date. LIEC staff estimate that this has eliminated 2,340 tonnes of GHG emissions² in the community.

¹ “Business as usual” refers to building not connected to district energy. It is used for comparing the performance of district energy connected buildings to buildings that are not connected to district energy. The business-as-usual (BAU) building is one that assumes 40% of the building heating load is provided from electricity and the remaining 60% would be from gas make-up air units.

At the same time, the City has continued to secure commitments that new developments will be “District Energy Ready” through rezoning, development and building permit processes. This means that new developments in appropriate potential service areas are built with in-building mechanical systems that are compatible with district energy connection for space heating and domestic water heating.

Combining the total energy demand from all LIEC customers, LIEC is delivering 36% of its energy from low-carbon energy sources.

Analysis

LIEC is continuing to work with Corix on the City Centre DEU due diligence process. This work includes the development and analysis of long term DEU servicing strategies for the City Centre area. Staff are expecting to report to Council on the outcomes of this due diligence process in early 2019.

Currently, the City and LIEC have been securing a customer base by requiring all new developments larger than 10,000 sq.ft. in the City Centre area to be “DEU-Ready”. If the DEU is not available before occupancy, the developers typically install natural gas boilers to provide energy, and the City registers a restrictive legal covenant on the property which requires the building to connect to the district energy system when it becomes available in front of the building.

As the City Centre DEU due diligence process has advanced, staff saw the opportunity to secure a customer base for the immediate implementation of greenhouse gas emissions reduction through the rezoning application process. As such, staff have secured through the rezoning applications from four developments (Keltic RZ 17-773703, 8071/8091 Park Road RZ 17-779229, South Street RZ 15-692485, Townline RZ 17-779262) to construct and transfer the low carbon energy plants to the City at no cost to the City or LIEC, so that LIEC can provide immediate service to the customers and start immediate implementation of GHG emissions reductions. One development (Bene RZ 15-694855) proposed to construct and transfer conventional energy plant to the City at no cost to the City or LIEC since it was too advanced in their design and they couldn’t upgrade to low carbon system without delaying their development schedule.

Council have directed staff to prepare a service area bylaw to provide district energy services to these developments at the Council’s first reading of the rezoning applications for those developments.

The low carbon energy source planned to be used for four developments is air-source heat pump (ASHP); the Bene development proposed to transfer ownership of a conventional energy plant to the City, this exception is because the development was too advanced in their design and they couldn’t upgrade to low carbon system without delaying their development schedule. ASHP is the most versatile and could be implemented at the lowest cost; LIEC is already using this technology in the Alexandra DEU service area to service Central at Garden City commercial development.

There are more upcoming developments in the City Centre area; staff will be continuing to secure from those developments their commitment to the low carbon energy plants. If Council adopts the proposed bylaw, staff will bring recommendations to Council to expand the service area under the bylaw with the rezoning applications for the additional developments.

LIEC staff have completed the business plan whereby LIEC can service these new customers from the on-site low carbon energy plants at competitive cost to customers for the same level of service. Based on analysis performed for these types of developments and considering that LIEC would provide space heating, cooling and domestic hot water heating service, the blended business as usual rate is estimated to be between \$13 and \$14 per m²/year (\$120-\$140 per MWh).

Consistent with Council objectives, staff have used a rate that is competitive with the conventional energy costs for the same level of service in the attached bylaw. The rate structure and actual rate to customers will be refined once the costs have been confirmed through the design and engineering phase for the first developments. Staff will bring forward a report to Council with the rate structure recommendation before the occupancy of the first building. The same approach was undertaken for both ADEU and OVDEU in the startup stages.

Staff will continue to undertake analysis of the DEU servicing strategy using the same approach for the five buildings in this report for the City Centre area in an effort to secure customers and immediate implementation of GHG emissions reduction in synergy with the proposed BC Energy Step Code adopted by Council in July this year. This servicing strategy is consistent with the City Centre DEU due diligence analysis currently being completed in partnership with Corix.

LIEC will engage an outside engineering consultant to create design guidelines and equipment specifications, to provide support to the developer's design teams, to peer review the designs, to provide inspections during construction and sign off after the commissioning of the plants on behalf of LIEC. After LIEC takes ownership of the plants, a plant operator will be hired to operate and maintain the plants. Costs for all this work will be funded from the existing and future LIEC capital and operating budgets.

Financial Impact

There is no financial impact to the City. The low carbon energy plants will be designed and constructed by developers at their cost. Costs incurred by LIEC for engineering support and operations and maintenance will be funded from the existing and future LIEC capital and operating budgets. Ultimately, all costs will be recovered from customers' fees.

Conclusion

Adopting the proposed Service Area Bylaw will allow for immediate provision of low carbon energy and in turn immediate reduction of GHG emissions from five large developments in the City Centre. It would also provide an immediate connectivity opportunity with the future low carbon district energy system which is currently in development. It will increase the community's energy resiliency by taking advantage of the district energy system's ability to utilize different fuel sources and future fuel switching capability of the technology that is used. This will also provide financial and environmental stability to LIEC that mitigates potential volatility in the energy cost to customers.



Peter Russell
Senior Manager, Sustainability and District Energy
(604-276-4130)

PR:ap



City Centre District Energy Utility Bylaw No. 9895

WHEREAS the *Community Charter* empowers the municipality to provide any service that the Council considers necessary or desirable.

WHEREAS the City of Richmond (the “City”) wishes to establish a service for the purpose of providing energy for space and domestic water heating and, when available, space cooling, to multi-family, residential, commercial, institutional and industrial buildings located within the City’s municipal boundaries as more particularly detailed in Schedule A to this Bylaw.

NOW THEREFORE the Council of the City of Richmond enacts as follows:

1. **Name of Bylaw.** This Bylaw shall be known and cited for all purposes as “City Centre District Energy Utility Bylaw No. 9895”.
2. **Defined terms.** All capitalized terms used in this Bylaw and the schedules hereto have the meanings given in Schedule B to this Bylaw.
3. **Establishment.** Council hereby authorizes the design, construction, installation, operation, maintenance, repair, and management of a district energy utility system for the generation, storage, transmission, and distribution of energy for the space heating and domestic water heating, and when available, space cooling, at any Designated Property within the Service Area.
4. **Ownership of DEU.** Ownership of the DEU, including any expansion or extension of the DEU, is to remain vested in the City or the Service Provider, and their respective successors and assigns, and is not to pass to any Owner, or other person who has an interest in a Designated Property, and, despite any attachment or annexation to a Designated Property or other real property, the Distribution System, Energy Generation Plants, Energy Transfer Stations, Service Connections, and any components thereof, are not to become part of a Designated Property or other real property.
5. **Mandatory Use of DEU.** Subject to the Service Provider providing Services pursuant to this Bylaw, each Owner of a new building proposed for construction or under construction within the Service Area after the date of enactment of this Bylaw, for which the City's Building Regulation Bylaw requires submission of a building permit application or issuance of final inspection notice permitting occupancy, to any one of which the Owner, as at the date of enactment of this Bylaw, is not yet entitled, will connect to and utilise the DEU for internal space heating and domestic hot water, and when available, space cooling, in accordance with the terms and conditions of this Bylaw.
6. **Mandatory Construction of Energy Generation Plant.** Each Owner of a new building proposed for construction on an Energy Generation Plant Designated Property after the date

of enactment of this Bylaw, for which the City's Building Regulation Bylaw requires submission of a building permit application or issuance of final inspection notice permitting occupancy, to any one of which the Owner, as at the date of enactment of this Bylaw, is not yet entitled, will install and construct an Energy Generation Plant, or arrange for the Service Provider to install and construct such Energy Generation Plant, On Site in accordance with the terms and conditions of this Bylaw.

7. **Permissive Use of DEU.** An Owner of an existing building located either inside the Service Area, or located outside the Service Area but within the City of Richmond, may apply to the City Engineer to utilize the DEU, and if:

- (a) the City Engineer is of the opinion that the DEU is capable of servicing the building that is the subject of the application;
- (b) the City Engineer is of the opinion that servicing the building is necessary or desirable; and
- (c) the Owner enters into an agreement with the City, in form and substance satisfactory to the City Engineer and City Solicitor, undertaking, among other matters, to wholly or partially, in the City's sole discretion, fund the capital cost of extending the DEU outside the Service Area to the Owner's building in an amount and at a time determined by the City Engineer;

then the City Engineer may approve the application, in which case the Owner must utilize the DEU in accordance with the terms and conditions of this Bylaw.

8. **General Terms and Conditions.** The Services shall be provided and used in accordance with the terms and conditions described in Schedule B to this Bylaw.
9. **Fees, Rates and Charges.** The fees, rates and charges payable in respect of the Services shall be those described in Schedules C and D to this Bylaw, which shall be based on the cost of providing, maintaining and expanding the Services and which may be different for different Designated Properties based upon the use, capacity and consumption of those Designated Properties. Unless otherwise indicated or advised by the Service Provider, all rates, charges and fees payable under this Bylaw are payable to the Service Provider.
10. **Operation.** The City may operate the DEU and provide the Services directly, or through one or more Service Providers.
11. **Access.** The City authorizes its officers and employees and the officers, employees, agents, servants, contractors and subcontractors of the Service Provider to enter onto any property or into any building applying for, connecting or connected to or using the Services or required to apply for, connect to and use the Services to connect or disconnect the Services and to inspect and determine whether all regulations, prohibitions and requirements contained in this Bylaw and the General Terms and Conditions are being met, or for any other related purpose which the Service Provider requires.

12. **Security.** The City authorizes its officers and employees and the officers and employees of the Service Provider to:

- (a) require persons applying for, connecting or connected to or using the Services to provide security with respect to the Services in an amount determined by the City or the Service Provider, in accordance with the General Terms and Conditions; and
- (b) require Owners responsible for the installation of Energy Generation Plants to provide security with respect to the Energy Generation Plant in an amount determined by the Service Provider, in accordance with the General Terms and Conditions.

13. **Discontinuance.** The City or the Service Provider may discontinue providing the Service to a person or property in accordance with and for the reasons specified in the General Terms and Conditions, including because of:

- (c) unpaid fees or taxes in relation to the Services;
- (d) failure to furnish required security; or
- (e) non-compliance with the General Terms and Conditions or the provisions of this Bylaw.

14. **Notice of discontinuance.** The City or the Service Provider may discontinue providing the Service to a person or property upon providing not less than 48 (forty-eight) hours written notice outlining the reasons for the discontinuance, unless the discontinuance is for any one or more of those reasons specified in the General Terms and Conditions for which no notice of discontinuance is required.

15. **Headings and Table of Contents.** The division of this Bylaw and the General Terms and Conditions into sections and the insertion of any table of contents and headings are for convenience of reference only and shall not affect the construction or interpretation of the Bylaw or the General Terms and Conditions.

16. **Severability.** Each provision of this Bylaw and the General Terms and Conditions is intended to be severable and if any provision is determined by a court of competent jurisdiction to be illegal or invalid or unenforceable for any reason whatsoever such provision shall be severed from this Bylaw and will not affect the legality, validity or enforceability of the remainder of or any other provision of this Bylaw or the General Terms and Conditions.

17. **Schedules.** The following schedules are incorporated into and form part of this Bylaw:

Schedule A	-	Boundaries of Service Area
Schedule B	-	General Terms and Conditions
Schedule C	-	Fees
Schedule D	-	Rates and Charges
Schedule E	-	Energy Generation Plant Designated Properties

18. This Bylaw is cited as **"City Centre District Energy Bylaw No. 9895"**.

FIRST READING

SECOND READING

THIRD READING

ADOPTED

_____	CITY OF RICHMOND

_____	APPROVED for content by originating dept.
_____	APPROVED for legality by Solicitor

_____	CITY OF RICHMOND

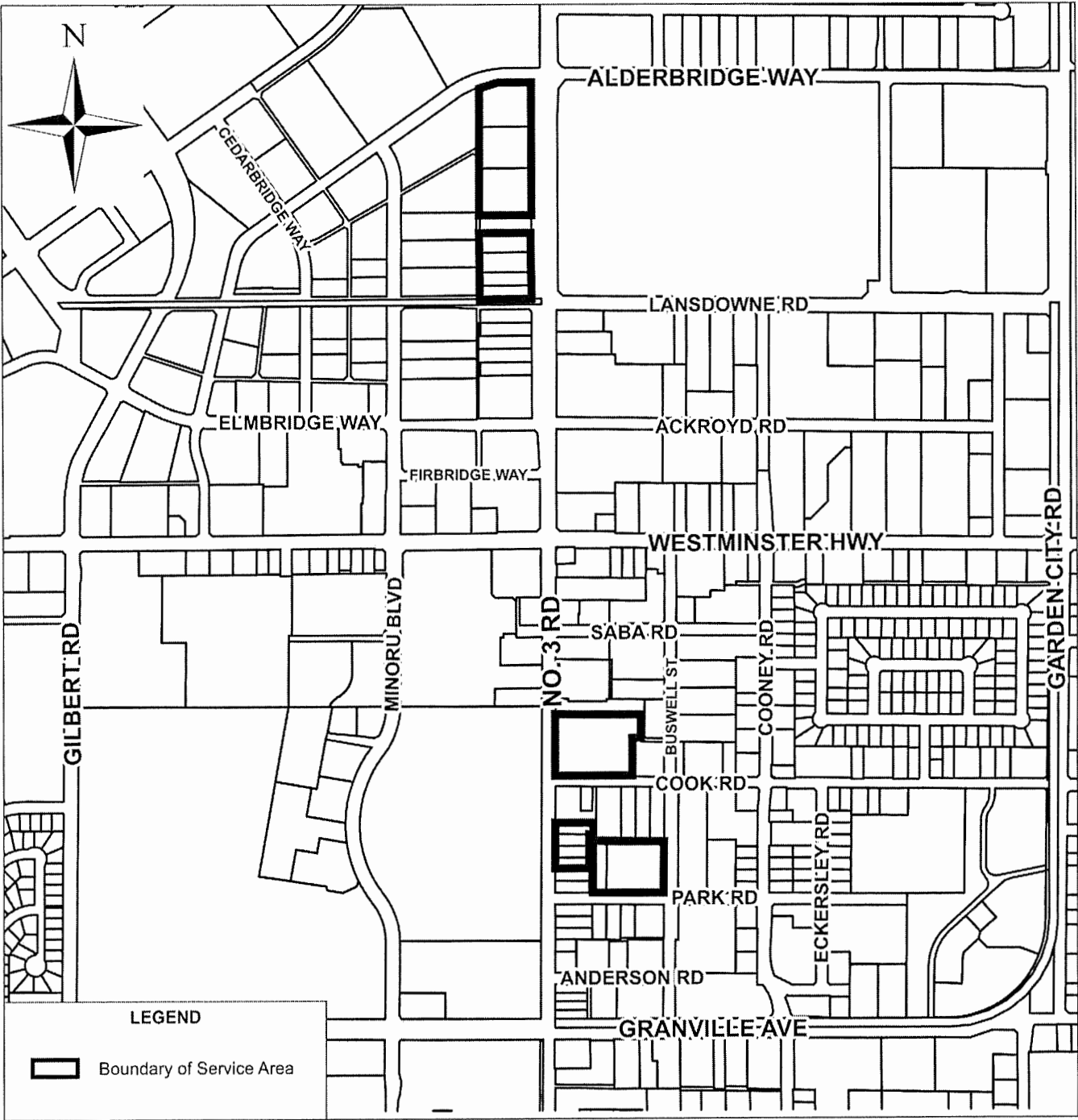
_____	APPROVED for content by originating dept.
_____	APPROVED for legality by Solicitor

MAYOR

CORPORATE OFFICER

SCHEDULE A

Boundaries of Service Area



SCHEDULE B**GENERAL TERMS AND CONDITIONS****PART 1: INTERPRETATION****1.1 Definitions**

Unless the context indicates otherwise, in this Bylaw and in the schedules referred to herein the following words have the following meanings:

- (a) **“back-billing”** has the meaning given in Section 12.2 of these General Terms and Conditions;
- (b) **“building”** means any multi-family residential, commercial, institutional or industrial building, and includes new and existing buildings described in Sections 5 and 7 of the Bylaw, and if a building or structure constructed upon a parcel of real property is subdivided by an air space plan, “building” means any such subdivided air space parcel or remainder parcel notwithstanding that the buildings constructed within such parcels may be physically connected;
- (c) **“Building Mechanical System”** means a DEU-compatible mechanical system, including an internal space heating and cooling and domestic water heating distribution system, for a building located on Designated Property that is to receive the Services;
- (d) **“Bylaw”** means the City Centre District Energy Utility Bylaw No. 9895 to which these General Terms and Conditions are attached and form part of;
- (e) **“City”** means the City of Richmond;
- (f) **“City Engineer”** means the individual appointed by Council from time to time to be the General Manager of the Engineering and Public Works Department of the City, or his or her designate;
- (g) **“City Solicitor”** means the individual appointed by Council from time to time to be the City Solicitor of the Law Division of the City, or his or her designate;
- (h) **“Cooling”** means the energy transferred from the DEU through the Distribution System, or through the Service Connection for Designated Properties with an Energy Generation Plant On Site, for the purpose of lowering the ambient air temperature in a Designated Property;
- (i) **“Council”** means the Council of the City of Richmond;
- (j) **“Customer”** means an Owner of a Designated Property who is being provided with the Services or who has filed an application for Services with the Service Provider that has been approved by the Service Provider;
- (k) **“Delivery Point”** means the outlet of the Heat Exchanger;

- (l) **“Designated Property”** means a parcel of real property and the building(s) to which this Bylaw applies pursuant to Sections 5 and 7 of the Bylaw;
- (m) **“DEU”** means the district energy generation and utility system, referred to in Parts 4 and 5 of the Bylaw, and consists collectively of the Distribution System, the Energy Generation Plants, the material, machinery, equipment and fixtures forming part of the Energy exchange system used for the purpose of heating or cooling the fluid that flows through the Distribution System and the Service Connections and all equipment including the pressure vessels, conduits, pipes, valves, lines, pumps, Energy Transfer Stations and any component thereof, together with all fluid, ancillary appliances and fittings necessary to provide Energy to Designated Properties in the Service Area and all additions thereto and replacements thereof as such system is expanded, reduced or modified from time to time;
- (n) **“Director, Building Approvals”** means the individual so appointed by Council from time to time, or his or her designate;
- (o) **“Distribution System”** means the system of fluid pipes, fittings and ancillary components used for distributing fluid for the purposes of providing Energy to Designated Properties in the Service Area, from energy generation plants and equipment located Off Site of such Designated Property, including all additions thereto and replacements thereof and the system of fluid pipes connecting the Distribution System to the Service Connection including all additions thereto and replacements thereof;
- (p) **“Energy”** means heated fluid and cooled fluid;
- (q) **“Energy Generation Plant”** means a discrete energy generation plant that generates energy from a low carbon energy source as acceptable to the City Engineer, that is capable of connecting to the Distribution System as soon as the Distribution System is extended to reach the building(s) serviced by the Energy Generation Plant, that provides space heating, space cooling and domestic hot water heating to one or more building(s), and that is located On Site of one or more of the buildings it provides energy to;
- (r) **“Energy Generation Plant Designated Property”** means any property located in an area in the City of Richmond delineated in the boundaries map attached as Schedule E hereto or such portions thereof as may be designated by the Council and such other areas as may be added from time to time by the Council;
- (s) **“Energy Generation Plant Installation Fee”** means the fee payable to the Service Provider under this Bylaw as specified in Schedule C (Fees);
- (t) **“Energy Services Agreement”** has the meaning given in Section 3.1 (Energy Services Agreement) of these General Terms and Conditions;
- (u) **“Energy Transfer Station”** means, collectively, a Heat Exchanger and Meter Set and all related pipes, fittings and other equipment which control the transfer, and

measure of Energy from the Distribution System, or from an Energy Generation Plant On Site, to a Building Mechanical System;

- (v) **“ETS and Service Connection Installation Fee”** means the fee payable to the Service Provider under this Bylaw as specified in Schedule C (Fees);
- (w) **“General Terms and Conditions”** means the terms and conditions set out in this Schedule B;
- (x) **“Gross Floor Area”** means the total area of all horizontal floors, measured to the outer building limits, including all uses and all areas giving access such as corridors, hallways, landings, foyers, staircases and stairwells, and includes enclosed balconies and mezzanines, enclosed porches or verandas, elevator shafts and accessory buildings, except those used for parking;
- (y) **“Heat Exchanger”** means the equipment installed at a Designated Property to transfer Energy from the DEU to the Designated Property;
- (z) **“Heating”** means the energy transferred for the purpose of raising the ambient air or domestic hot water temperature in a Designated Property;
- (aa) **“Meter Set”** means an assembly of metering and ancillary equipment that measure the amount of Energy consumed by a Customer;
- (bb) **“Off Site”** means located on, or occurring at, a different parcel of real property (not including a contiguous air space parcel or remainder parcel), or real property owned by the City;
- (cc) **“On Site”** means located on, or occurring at, the same parcel of real property or a contiguous air space parcel or remainder parcel;
- (dd) **“Owner”** means a person who owns, occupies, or controls a parcel of real property with a building thereon, and includes a registered owner, an owner under agreement, an occupier of Crown land, a cooperative association incorporated or continued under the *Cooperative Association Act* of British Columbia, a strata corporation established or continued under the *Strata Property Act* of British Columbia and an owner of a freehold estate in a Strata Lot;
- (ee) **“Person”** or **“person”** means any individual, corporation, limited-liability company, partnership, firm, joint venture, association, trust, or other entity or organization, including a government authority;
- (ff) **“Rates”** means, collectively, the fixed monthly charges, capacity charges and volumetric charges specified in Schedule D (Rates and Charges) for Services, as amended from time to time;
- (gg) **“Service Area”** means the area in the City of Richmond as delineated in the boundaries map attached as Schedule A hereto or such portions thereof as may be designated by the Council and such other areas as may be added from time to time by the Council;

- (hh) “**Service Related Charges**” include, but are not limited to, the fees specified in Schedule C (Fees), the rates and charges specified in Schedule D (Rates and Charges), GST, PST and all other taxes applicable to the Services;
- (ii) “**Services**” means the delivery of Energy from and through the DEU to a Delivery Point and through an Energy Transfer Station for use in a Designated Property, and any service provided in connection with the DEU, including but not limited to providing, supplying and installing Service Connections, Energy Transfer Stations and/or any components thereof, providing and installing Energy Generation Plants in accordance with these General Terms and Conditions, re-activating existing Service Connections, transferring an existing account, changing the type of Services provided, or making alterations to existing Service Connections, Heat Exchangers or Meter Sets;
- (jj) “**Service Connection**” means that portion of the DEU extending from:
 - (i) the Distribution System to the Delivery Point, for Designated Properties receiving Energy from energy generation plants and equipment located Off Site of such Designated Property; and
 - (ii) the Energy Generation Plant to the Delivery Point, for Designated Properties receiving Energy from Energy Generation Plant(s) located On Site of such Designated Property;
- (kk) “**Service Provider**” means such Person or Persons appointed, contracted or otherwise engaged by Council to operate, maintain and manage the DEU on behalf of the City, and to provide the Services to Customers in accordance with the terms and conditions of this Bylaw, including its successors, assigns, officers, employees, servants, agents and contractors; and
- (ll) “**Strata Lot**” has the meaning given in the *Strata Property Act*.

PART 2: APPLICATION REQUIREMENTS

2.1 Application for Services

An Owner of a Designated Property that must utilize the DEU pursuant to Section 5 of the Bylaw, and an Owner of a Designated Property seeking the Services pursuant to Section 7 of the Bylaw, must apply to the Service Provider for the Services at least 120 days before the date the Owner requires the Services.

2.2 Required Documents

An Owner applying for Services may be required to sign an application form and an Energy Services Agreement provided by the Service Provider.

2.3 Separate Properties

If an Owner is requesting Services from the Service Provider at more than one Designated Property, then the applicant will be considered a separate Customer for each Designated Property.

2.4 Required References

The Service Provider may require an applicant for Services to provide reference information and identification acceptable to the Service Provider.

2.5 Refusal of Application

The Service Provider may refuse to accept an application for Services for any of the reasons listed in Part 15 below (Discontinuance of Services and Refusal of Services).

PART 3: AGREEMENT TO PROVIDE SERVICE

3.1 Energy Services Agreement

“Energy Services Agreement” means an agreement between the Service Provider and a Customer for the provision of Services, whether such agreement is:

- (a) in the form of a written application of the Customer for Services that has been approved by the Service Provider and that is deemed to include the terms and conditions specified in this Bylaw; or
- (b) the Service Provider’s standard services agreement signed by the Customer.

3.2 Term

An Energy Services Agreement between a Customer and the Service Provider will commence on the later of:

- (a) the date the Customer’s application is approved by the Service Provider under Section 3.1(a) above; or
- (b) the date indicated in the Service Provider’s standard services agreement, or if none, the date that the standard services agreement is signed by the Customer,

and will continue until the Energy Services Agreement is terminated either in accordance with the terms of the Energy Services Agreement or the terms of this Bylaw.

3.3 Customer Status

An Owner becomes a Customer of the Service Provider on the earlier of:

- (a) the date that the term of the Energy Services Agreement commences under Section 3.2 (Term) above; or
- (b) the date that the Service Provider commences the provision of Services to the Owner’s Designated Property.

3.4 No Assignment/Transfer

A Customer may not transfer or assign an Energy Services Agreement without the written consent of the Service Provider.

PART 4: SERVICE CONNECTIONS, ENERGY TRANSFER STATIONS AND ENERGY GENERATION PLANTS

4.1 Service Connection and Energy Transfer Station

In order to provide the Services and bill a Customer for Energy delivered, the Service Provider will, subject to Sections 4.4 (Supply and Installation of Service Connection and Energy Transfer Station by Customer) and 4.9 (Additional Service Connections, Energy Transfer Stations) below, serve each Designated Property with one Service Connection and one Energy Transfer Station. The technical specifications of all Service Connections and Energy Transfer Stations and the components thereof will be determined by the Service Provider.

4.2 Energy Generation Plant

In order to Provide the Services to one or more Designated Property(ies) that will receive Energy from an Energy Generation Plant located On Site of a Designated Property, subject to Section 4.5 (Supply and Installation of Energy Generation Plant by Service Provider), the Owner of such Designated Property will design, construct and install an Energy Generation Plant On Site of such Designated Property. The technical specifications of all Energy Generation Plants and the components thereof will be determined by the Service Provider. Unless the Service Provider is procuring and completing the design, construction, installation and commissioning of the Energy Generation Plant pursuant to Section 4.5 (Supply and Installation of Energy Generation Plant by Service Provider), the Service Provider will have final approval of all design elements, equipment specifications, construction inspections and work approvals for the Energy Generation Plant.

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

The Service Provider will:

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

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

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

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

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

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

4.5 Supply and Installation of Energy Generation Plant by Service Provider

- (a) An Owner may make an application to the Service Provider requesting that the Service Provider design, construct, install and commission the Energy Generation Plant, or any component thereof, for one or more Designated Property(ies), at the sole cost and expense of the Owner. The Service Provider may, in its sole discretion approve such application.
- (b) The Service Provider may, at its sole discretion, elect to procure and complete the design, construction, installation and commissioning of the Energy Generation Plant, or any component thereof, required for the Designated Property(ies), at the sole cost and expense of the Owner, by providing the Owner with written notice.
- (c) If the Service Provider has approved an application pursuant to Section 4.5(a) or provided the Owner with notice pursuant to Section 4.5(b), then upon payment of the applicable Energy Generation Plant Installation Fee set out in Schedule C (fees), the Service Provider will procure and complete the design, construction, installation and commissioning of the Energy Generation Plant, or such components thereof, at the sole cost and expense of the Owner.
- (d) Notwithstanding Section 4.5(c) and 9.4(b), the Service Provider may, at its sole discretion, allow the Owner to pay the Energy Generation Plant Installation Fee in installments, and may require the Owner to provide security in such form and amount as the Service Provider deems necessary, for the cost and expense of the design, construction, installation and commissioning of the Energy Generation Plant, or such components thereof.

4.6 Transfer of Service Connections, Energy Transfer Stations, and Energy Generation Plants Supplied and Installed by Owner

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

4.7 Use of Energy Generation Plant

The Service Provider may use an Energy Generation Plant to provide Services to any Customer of the Service Provider, and may use Energy from sources other than

- (a) the Energy Generation Plant located On Site of a Designated Property, or
- (b) the Energy Generation Plant located On Site of another building in a multi-building development that the Designated Property is located in,

to provide Services to such Designated Property.

4.8 Customer Requested Routing

If a Customer requests:

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

then, provided that:

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

undesirable consequences, including but not limited to public health and safety concerns,

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

4.9 Additional Service Connections, Energy Transfer Stations

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

4.10 Site Preparation

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

4.11 Customer Requested Alterations

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

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

4.12 Easement, Statutory Right of Way and Section 219 Covenant

- (a) An Owner of a Designated Property that is to receive Services under this Bylaw must sign and deliver to the Service Provider a Section 219 covenant and

statutory right of way to be registered against title to the Designated Property in favour of the City, in the form or forms supplied by the City and/or the Service Provider, for the installation, operation, maintenances and related services on the Designated Property of all necessary facilities for supplying the Services to the Designated Property. Each such Section 219 covenant and statutory right of way will have priority over any other financial encumbrances registered against title to the Designated Property; and

- (b) If one or more privately-owned intervening properties are located between the Designated Property and the DEU, then the Customer will be responsible for all costs of obtaining licenses, statutory rights of way, easements, leases or other agreements, the form and content of which shall be as determined in the sole discretion of the City, for non-exclusive access to, on, over and under such properties in favour of the City, for the purposes of performing installation, operation, maintenances and related services on each intervening property of all necessary facilities for supplying the Services to the Designated Property.

4.13 Maintenance by Service Provider

Subject to Section 4.14 (Maintenance by Customer) below, the Service Provider will maintain the Service Connection, the Energy Transfer Station and, once ownership has been transferred to the City or the Service Provider, the Energy Generation Plant.

4.14 Maintenance by Customer

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

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

4.15 Service Calls

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

4.16 Protection of equipment

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

4.17 Damage

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

4.18 No Obstruction

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

4.19 No Unauthorised Changes

Subject to Sections 4.2 (Energy Generation Plant) and 4.4 (Supply and Installation of Service Connection and Energy Transfer Station by Customer) above, no Service Connection, Energy Transfer Station, Energy Generation Plant or any component thereof or related equipment will be installed, connected, moved or disconnected except by the Service Provider's authorized employees, contractors or agents or by other Persons acting with the Service Provider's written permission.

4.20 Removal of Equipment

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

PART 5: METERING**5.1 Measurement**

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

5.2 Testing Meters

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

- (a) the Customer is entitled to return of the meter testing fee paid pursuant this Section;
- (b) the cost of removing, replacing and testing the Meter Set will be borne by the Service Provider subject to Section 17.4 (Responsibility for Energy Transfer Station) below; and

- (c) the Service Provider will estimate the resulting billing overpayment or shortfall, and settle with the Customer accordingly, provided any such settlement will not extend beyond 12 months before the month in which the test takes place.

5.3 Defective Meter Set

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

PART 6: DEU EXPANSIONS AND EXTENSIONS

6.1 Expansion and Extension

The City may make extensions and expansions of the DEU in accordance with system development requirements.

PART 7: ACCESS

7.1 Access to Designated Property

The Customer must provide free access to, and the Service Provider and its authorized officers, employees, agents, servants, contractors and subcontractors have the right of entry, at any reasonable time and except in the case of emergency, upon reasonable notice, onto a Customer's Designated Property, for the purpose of reading, testing, repairing or removing Service Connections, Energy Transfer Stations, Energy Generation Plants and any components thereof, and ancillary equipment, turning Energy on or off, completing system leakage surveys, stopping leaks, examining pipes, connections, fittings and appliances and reviewing the use made of Energy delivered to the Customer, to inspect and determine whether all regulations, prohibitions and requirements contained in this Bylaw and in any Energy Services Agreement are being met, or for any other related purpose which the Service Provider requires.

7.2 Access to Equipment

The Customer must at all reasonable times and except in the case of emergency, upon reasonable notice, provide clear access to the Service Provider's equipment including the equipment described in Section 7.1 (Access to Designated Property) above.

PART 8: APPLICATION AND REACTIVATION FEES

8.1 Fees for applications

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

8.2 Waiver of Application Fee

The application fee will be waived by the Service Provider if Services to a Customer are reactivated after they were discontinued for any of the reasons described in Section 14.2 (Right to Restrict) below.

8.3 Reactivation Fees

If Services are terminated

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

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

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

8.4 Identifying Meter Sets

If a Customer requests the Service Provider to identify the Meter Set that serves the Customer's Designated Property after the Meter Set was installed, then the Customer will pay to the Service Provider the costs the Service Provider incurs in re-identifying the Meter Set where:

- (a) the Meter Set is found to be properly identified; or
- (b) the Meter Set is found to be improperly identified as a result of Customer activity, including but not limited to:
 - (i) a change in the legal civic address of the Designated Property; or
 - (ii) renovating or partitioning the Designated Property.

PART 9: RATES, CHARGES, FEES AND OTHER COSTS

9.1 Fees and Rates Payable

Each Customer must pay to the Service Provider:

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

9.2 Excess demand fee

Pursuant to section 19.1(g), a building permit applicant must pay to the Service Provider the excess demand fee set out in Part 2 of Schedule D (Rates and Charges).

9.3 Electrical and Utility costs

The Customer shall pay:

- (a) their proportionate share of all costs of electricity and utilities consumed by an Energy Generation Plant or any component thereof, that the Customer receives Energy from; and
- (b) all costs of electricity consumed by an Energy Transfer Station or any component thereof, including electricity consumed by electrical pumps and other equipment installed for the operation of the Energy Transfer Station.

9.4 Basis of Fees

- (a) The fees specified in Schedule C (Fees) shall be estimated fees based on the full costs of providing, maintaining and/or expanding the Services, including, without limitation the capital and overhead costs of purchasing, renting, acquiring, providing, supplying, delivering and installing the Service Connection, Energy Transfer Station, Energy Generation Plant or any component thereof, at a Designated Property, and costs of design, construction, administration, operations and other related activities associated with the Services, and may be different for each Designated Property based upon the use, capacity and consumption of each Designated Property, and the Service Connection, Energy Transfer Station and Energy Generation Plant installed thereon.
- (b) Subject to Section 4.5(d), where an Owner, Customer or other person is to have work done or Services received at cost, all fees payable shall be payable in advance before commencement of the work.
- (c) After completion of the work, the Service Provider will notify the Owner, Customer or other person of the actual cost.
- (d) If the actual cost is more than the estimated cost, the Owner, Customer or other person will be liable for and must pay the Service Provider the shortfall within 30 days after demand by the Service Provider.
- (e) If the actual cost is less than the estimated cost, the Service Provider will refund to the Owner, Customer or other person the excess, except that if the Customer owes any money under this Bylaw at that time, the Service Provider may apply the excess against such debt.
- (f) Calculation of the costs or estimated costs the City or Service Provider incurs or expects to incur under this Bylaw will include, without duplication, amounts spent by the City or Service Provider using its own work force or engaging an independent contractor for gross wages, employee fringe benefits, materials, equipment rentals at rates paid by the City or Service Provider or set by the City

or Service Provider for its own equipment, and fees and other charges payable to an independent contractor, plus an amount equal to 20% of those costs to cover the City or Service Provider's overhead and administrative expenses.

PART 10: SECURITY FOR PAYMENT OF BILLS

10.1 Security Deposit

If a Customer cannot establish or maintain credit to the satisfaction of the Service Provider, then the Customer may be required to provide a security deposit in the form of cash or an equivalent form of security acceptable to the Service Provider, the amount of which shall not:

- (a) be less than \$50; and
- (b) be greater than an amount equal to the estimate of the total bill for the two highest consecutive months' consumption of Energy by the Customer.

10.2 Interest

The Service Provider will pay any accrued interest on a security deposit to a Customer. Subject to Section 10.5 (Application of Deposit), if a security deposit in whole or in part is returned to the Customer for any reason, the Service Provider will credit any accrued interest to the Customer's account at that time. No interest is payable on:

- (a) any unclaimed deposit left with the Service Provider after the account, for which security was obtained, is closed; and
- (b) a deposit held by the Service Provider in a form other than cash.

10.3 Refund of Deposit

When the Customer pays the final bill, the Service Provider will refund any remaining cash security deposit plus any accrued interest to the Customer, or will cancel the equivalent form of security and provide evidence of such cancellation upon request by the Customer.

10.4 Unclaimed Refund

If the Service Provider is, despite reasonable efforts, unable to locate the Customer to whom a cash security deposit is repayable, and the cash security deposit remains unclaimed 10 years after the date on which it first became refundable, the deposit, together with any interest accrued thereon, will be forfeit and will become the absolute property of the Service Provider.

10.5 Application of Deposit

If a Customer's bill is not paid when due, the Service Provider may apply all or any part of the Customer's security deposit and any accrued interest thereon toward payment of the bill. Even if the Service Provider utilizes the security deposit, the Service Provider may, under Part 15 (Discontinuance of Services and Refusal of Services) below, discontinue Services to the Customer for failure to pay for Services on time.

10.6 Top-Up of Deposit

If a Customer's security deposit is utilized by the Service Provider for payment of an unpaid bill, the Customer must replenish the security deposit before the Service Provider will reconnect or continue providing Services to the Customer.

10.7 Failure to Provide Security Deposit

Failure to provide a security deposit acceptable to the Service Provider may, in the Service Provider's discretion, result in discontinuance or refusal of Services as set out under Part 15 (Discontinuance of Service and Refusal of Service).

PART 11: BILLING**11.1 Basis for Billing**

The Service Provider will bill the Customer in accordance with the Customer's Energy Services Agreement and this Bylaw, for the amount of each fee, rate or charge that the Customer is responsible for paying for receipt of and in relation to the Services.

11.2 Form of Bill

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

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

11.3 Meter Measurement

The Service Provider will measure the quantity of Energy delivered to a Customer using a Meter Set and the starting point for measuring delivered quantities during each billing period will be the finishing point of the preceding billing period.

11.4 Multiple Meters

For a Customer who has more than one Meter Set on their Designated Property, each Meter Set will be billed separately.

11.5 Estimates

If the Service Provider is not able to obtain a meter reading for any reason, the Service Provider may estimate the Customer's meter readings for billing purposes.

11.6 Estimated Final Reading

If an Energy Services Agreement is terminated, the Service Provider may estimate the final meter reading for final billing.

11.7 Incorrect Register

If any Meter Set has failed to measure the delivered quantity of Energy correctly, then the Service Provider may estimate the meter reading for billing purposes, subject to Part 12 (Back-Billing).

11.8 Bills Frequency

The Service Provider may bill a Customer as often as the Service Provider considers necessary but generally will bill on a quarterly basis.

11.9 Bill Due Dates

The Customer must pay the bill for Services on or before the due date shown on each bill.

11.10 Adjustment for Partial Period

The Service Provider may pro rate the amount due from a Customer for a partial billing period, on a daily basis.

11.11 Historical Billing Information

Customers who request historical billing information may be charged the cost of processing and providing the information.

PART 12: BACK-BILLING**12.1 When Required**

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

12.2 Definition

Back-billing means the re-billing by the Service Provider for Services rendered to a Customer on account of a discovery that the original billings are either too high (overbilled) or too low (under-billed). The discovery may be made by either the Customer or the Service Provider. The cause of the billing error may include any of the following non-exhaustive reasons or any combination thereof:

- (a) stopped meter;
- (b) metering equipment failure;
- (c) missing meter now found;
- (d) switched meters;
- (e) double metering;

- (f) incorrect meter connections;
- (g) incorrect use of any prescribed apparatus respecting the registration of a meter;
- (h) incorrect meter multiplier;
- (i) the application of an incorrect rate;
- (j) incorrect reading of meters or data processing; and
- (k) tampering, fraud, theft or any other criminal act.

12.3 Re-Billing Basis

Where metering or billing errors occur, the consumption and demand will be based upon the records of the Service Provider for the Customer, or the Customer's own records to the extent they are available and accurate, or if not available, reasonable and fair estimates may be made by the Service Provider. Such estimates will be on a consistent basis with Designated Properties and buildings of a similar kind, or according to the Energy Services Agreement.

12.4 Tampering/Fraud

If there are reasonable grounds to believe that the Customer has tampered with or otherwise used the Service Provider's Services in an unauthorized way, or there is evidence of fraud, theft or other criminal acts, or if a reasonable Customer should have known of the under-billing and failed to promptly bring it to the attention of the Service Provider, then:

- (a) the extent of back-billing will be for the duration of the unauthorized use, subject to the applicable limitation period provided by law, and the provisions of Sections 12.7 (Under-Billing) to 12.10 (Changes in Occupancy) below will not apply;
- (b) the Customer is liable for the direct administrative costs incurred by the Service Provider and the City in the investigation of any incident of tampering, including the direct costs of repair, or replacement of equipment; and
- (c) under-billing resulting from circumstances described above will bear interest computed at the rate and at the times specified in Schedule C (Fees) until the amount under-billed is paid in full.

12.5 Remediating Problem

In every case of under-billing or over-billing, the cause of the error will be remedied as soon as possible, and the Customer will be promptly notified of the error and of the effect upon the Customer's ongoing bill.

12.6 Over-billing

In every case of over-billing, the Service Provider will credit the Customer's account with all money incorrectly collected for the duration of the error, subject to the applicable limitation period provided by law. Simple interest on such over-billed amount, computed

at the rate and at the times specified in Schedule C (Fees), will also be credited to the Customer's account.

12.7 Under-billing

Subject to Section 12.4 (Tampering/Fraud) above, in every case of under-billing the Service Provider will back-bill the Customer for the shorter of

- (a) the duration of the error;
- (b) six months; or
- (c) as set out in the Energy Services Agreement between the Customer and the Service Provider, if any.

12.8 Terms of Repayment

Subject to Section 12.4 (Tampering/Fraud) above, in all cases of under-billing, the Service Provider will offer the Customer reasonable terms of repayment. If requested by the Customer, the repayment term will be equivalent in length to the back-billing period. The repayment will be interest free and in equal instalments corresponding to the normal billing cycle. However, delinquency in payment of such instalments will be subject to the usual late payment charges.

12.9 Disputed Back-bills

Subject to Section 12.4 (Tampering/Fraud), if a Customer disputes a portion of a back-billing due to under-billing based upon either consumption, demand or duration of the error, then the Service Provider will not threaten or cause the discontinuance of Services for the Customer's failure to pay that portion of the back-billing, unless there are no reasonable grounds for the Customer to dispute that portion of the back-billing. The undisputed portion of the bill will be paid by the Customer and the Service Provider may threaten or cause the discontinuance of Services if such undisputed portion of the bill is not paid.

12.10 Changes in Occupancy

Subject to Section 14.4 (Tampering/Fraud), where changes of occupancy have occurred, the Service Provider will make a reasonable attempt to locate the former Customer who has been under-billed or over-billed. If, after a period of one year, such Customer cannot be located, then the applicable under-billing or over-billing will be cancelled.

PART 13: LATE PAYMENT AND RETURNED CHEQUE CHARGES

13.1 Late Payment Charge

If the amount due for Services or any Service Related Charges on any bill has not been received in full by the Service Provider on or before the due date specified on the bill, and the unpaid balance is \$15 or more, then the Service Provider may include the late payment charge specified in Schedule C (Fees) in the next bill to the Customer.

13.2 Returned Cheque Charge

If a cheque received by the Service Provider from a Customer in payment of a bill is not honoured by the Customer's financial institution for any reason other than clerical error, then the Service Provider may include a charge specified in Schedule C (Fees) in the next bill to the Customer for processing the returned cheque, whether or not the Service has been disconnected in accordance with the provisions of the Bylaw and these General Terms and Conditions.

13.3 Collection as Taxes

Any amount due from a Customer to the Service Provider for Services or any Service Related Charges that remains unpaid by December 31 of the year in which the amount became due, will be added to the property taxes for the Designated Property in question and collected in the same manner and with the same remedies as property taxes.

PART 14: INTERRUPTION OF SERVICE

14.1 Regular Supply

The Service Provider will use its reasonable efforts to provide the constant delivery of Energy and the maintenance of unvaried temperatures.

14.2 Right to Restrict

The Service Provider may require any of its Customers, at all times or between specified hours, to discontinue, interrupt or reduce to a specified degree or quantity, the use of Energy for any of the following purposes or reasons:

- (a) in the event of a temporary or permanent shortage of Energy, whether actual or believed to exist or anticipated by the Service Provider;
- (b) in the event of a breakdown or failure of the DEU;
- (c) to comply with any legal requirements;
- (d) to make repairs or improvements to any part of the DEU;
- (e) in the event of fire, flood, explosion or other emergency to safeguard Persons or property against the possibility of injury or damage; or
- (f) for any other reason that the Service Provider considers necessary.

14.3 Notice

The Service Provider will, to the extent practicable, give notice of any service limitations under Section 14.2 (Right to Restrict) to its Customers by:

- (a) newspaper, radio or television announcement; or
- (b) in accordance with Section 21.1 (Service of Notices).

14.4 Failure to Comply

If, in the opinion of the Service Provider, a Customer has failed to comply with any requirement under Section 14.2 (Right to Restrict), then the Service Provider may, after providing notice to the Customer in the manner specified in Section 21.1 (Service of Notices), discontinue Services to the Customer.

PART 15: DISCONTINUANCE OF SERVICES AND REFUSAL OF SERVICES

15.1 Discontinuance With Notice and Refusal Without Notice

Subject to applicable federal, provincial, and local government laws, statutes, regulations, bylaws, orders and policies, the Service Provider may discontinue Services to a Customer with at least 48 hours written notice to the Customer, or may refuse Services for any of the following reasons:

- (a) the Customer has failed to pay the bill for Services and/or Service Related Charges on or before the due date;
- (b) the Customer or applicant has failed to furnish adequate security for billings by the specified date;
- (c) the Customer or applicant has failed to pay the bill for Services and/or Service Related Charges in respect of another Designated Property on or before the due date;
- (d) the Customer or applicant occupies the Designated Property with another occupant who has failed to pay the bill for Services and/or Service Related Charges or furnish adequate security in respect of another Designated Property which was occupied by that occupant and the Customer at the same time;
- (e) the Customer or applicant is in receivership or bankruptcy, or operating under the protection of any insolvency legislation and has failed to pay any outstanding bills for Services and/or Service Related Charges;
- (f) the Customer has failed to apply for Services;
- (g) the Customer has failed to ensure that there is an adequate supply to the Designated Property of electricity required to operate the Energy Transfer Station or any component thereof, including any electrical pumps and other equipment installed for the operation of the Energy Transfer Station, whether by failure to pay utility bills or otherwise howsoever, with the result that electricity to the Designated Property has been reduced or interrupted and either (i) the proper operation of the Energy Transfer Stations have been negatively affected, or (ii) undue or abnormal fluctuations in the temperature of Energy in the DEU may occur; or
- (h) land or a portion thereof on which the Service Provider's facilities are, or are proposed to be, located, or the land or portion thereof on which an Energy

Generation Plant is, or is proposed to be located, contains contamination which the Service Provider, acting reasonably, determines has adversely affected or has the potential to adversely affect the Service Provider's facilities, the Energy Generation Plant, or the health or safety of its workers or which may cause the Service Provider to assume liability for cleanup and other costs associated with the contamination. For the purposes of this Section, "contamination" means the presence in the soil, sediment or groundwater of special waste or another substance in quantities or concentrations exceeding criteria, standards or conditions established by the British Columbia Ministry of Water, Land and Air Protection or as prescribed by present and future laws, rules, regulations and orders of any other legislative body, governmental agency or duly constituted authority now or hereafter having jurisdiction over the environment.

15.2 Discontinuance or Refusal Without Notice

Subject to applicable federal, provincial and local government laws, statutes, regulations, bylaws, orders and policies, the Service Provider may discontinue without notice or refuse the supply of Energy or Services to a Customer for any of the following reasons:

- (a) the Customer or applicant has failed to provide reference information and identification acceptable to the Service Provider, when applying for Services or at any subsequent time on request by the Service Provider;
- (b) the Customer has defective pipe, appliances, mechanical systems or Energy fittings in the Designated Property;
- (c) the Customer uses Energy in such a manner as in the Service Provider's opinion:
 - (i) may lead to a dangerous situation; or
 - (ii) may cause undue or abnormal fluctuations in the temperature of Energy in the DEU;
- (d) the Customer fails to make modifications or additions to the Customer's equipment which have been required by the Service Provider to prevent the danger or to control the undue or abnormal fluctuations described under paragraph (c);
- (e) the Customer breaches any of the terms and conditions upon which Services are provided to the Customer by the Service Provider;
- (f) the Customer fraudulently misrepresents to the Service Provider its use of Energy or the volume delivered;
- (g) the Customer vacates the Designated Property that is receiving the Services;
- (h) the Customer stops consuming Energy at the Designated Property;
- (i) either

- (i) the Customer has failed to ensure that there is an adequate supply to the Designated Property of utility services required to operate the Energy Generation Plant or any component thereof; or
- (ii) if the Service Provider has assumed responsibility for the supply of any utility services required to operate the Energy Generation Plant or any component thereof, there is an interruption in the supply of such utility service to the Designated Property

whether by failure to pay utility bills or otherwise howsoever, with the result that one or more utility services to the Designated Property has been reduced or interrupted and the proper operation of the Energy Generation Plants have been negatively affected; or

- (j) the Service Provider is unable to safely access the Energy Generation Plant that provides Energy to the Customer for any reason, including, without limitation, due to any structural issues with the building in which such Energy Generation Plant is located.

PART 16: TERMINATION OF ENERGY SERVICES AGREEMENT

16.1 Termination by the Service Provider

Subject to applicable federal, provincial and local government laws, statutes, regulations, bylaws, orders and policies, the Service Provider may terminate an Energy Services Agreement by giving the Customer at least 48 hours written notice if Services are discontinued under Part 15 (Discontinuance of Services and Refusal of Services).

16.2 Continuing Obligation

The Customer is responsible for, and must pay for, all Energy delivered to the Customer's Designated Property until the Energy Services Agreement is terminated and is responsible for all damage to and loss of any Energy Transfer Station, any Energy Generation Plant, any component thereof, or other equipment of the Service Provider on the Designated Property.

16.3 Effect of Termination

Termination of an Energy Services Agreement does not release the Customer from any obligations under the Energy Services Agreement which expressly or by their nature survive the termination of the Energy Services Agreement;

16.4 Sealing Service Connection

After the termination of Services to a Designated Property and after a reasonable period of time during which a new Customer has not applied for Services at the Designated Property, the Service Provider may seal off the Service Connection to the Designated Property.

PART 17: LIMITATIONS ON LIABILITY

17.1 Responsibility for Delivery of Energy

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

17.2 Responsibility Before and After Delivery Point

The Customer is responsible for all expense, risk and liability for:

- (a) the use or presence of Energy, being delivered from the DEU to a Customer's Designated Property, before it passes the Delivery Point in the Customer's Designated Property;
- (b) the use or presence of Energy, being returned from a Customer's Designated Property to the DEU, after it passes the Delivery Point in the Customer's Designated Property; and
- (c) the Service Provider-owned and City-owned facilities serving the Customer's Designated Property,

if any loss or damage caused by or resulting from failure to meet that responsibility is caused, or contributed to, by the act or omission of the Customer or a Person for whom the Customer is responsible.

17.3 Responsibility After Delivery Point

The Customer is responsible for all expense, risk and liability with respect to the use or presence of Energy being delivered to the Customer's Designated Property after it passes the Delivery Point.

17.4 Responsibility for Equipment

The Customer is responsible for all expense, risk and liability with respect to all Service Connections, Energy Transfer Stations, Energy Generation Plants, any components

thereof, and all related equipment located at, in, on, over, under, across or along the Customer's Designated Property, and is jointly and severally responsible, together with all other Customers connected to and using the Energy generated by an Energy Generation Plant, for all expense, risk and liability with respect to that Energy Generation Plant (regardless of its location, unless located on City owned real property), unless any loss or damage is:

- (a) directly attributable to the negligence of the Service Provider, its employees, contractors or agents; or
- (b) caused by or resulting from a defect in the equipment. The Customer must prove that negligence or defect.

For greater certainty and without limiting the generality of the foregoing, the Customer is responsible for all expense, risk and liability arising from any measures required to be taken by the Service Provider to ensure that the Service Connections, Energy Transfer Stations, Energy Generation Plant, or related equipment at, in, on, over, under, across or along the Customer's Designated Property are adequately protected, as well as any updates or alterations to the Service Connection(s) on the Customer's Designated Property necessitated by changes to the grading or elevation of the Customer's Designated Property or obstructions placed on such Service Connection(s).

17.5 Customer Indemnification

The Customer will indemnify and hold harmless the Service Provider, and the City if the City is not the Service Provider, and their respective employees, contractors and agents from all claims, loss, damage, costs or injury (including death) suffered by the Customer or any Person claiming by or through the Customer or any third party caused by or resulting from the use of Energy by the Customer or the presence of Energy at or in the Customer's Designated Property, or from the Customer or Customer's employees, contractors or agents damaging the Service Provider's or the City's equipment or facilities.

PART 18: OFFENCES UNDER BYLAW

18.1 Offence

A person who:

- (a) violates any provision of this Bylaw, or does any act or thing which violates any provision of this Bylaw, or suffers or allows any other person to do any act or thing which violates any provision of this Bylaw;
- (b) neglects to do or refrains from doing anything required to be done by any provision of this Bylaw; or
- (c) fails to comply, or suffers or allows any other person to fail to comply, with an order, direction, or notice given under any provision of this Bylaw,

is guilty of an offence against this Bylaw and liable to the penalties imposed under this Part.

18.2 Fine for offence

Every person who commits an offence against the Bylaw and these General Terms and Conditions is punishable on conviction by a fine of not less than \$250.00 and not more than \$10,000.00 for each offence, except that:

- (a) a person who commits an offence under section 4.14 that results in fouling of the Heat Exchangers is liable to a fine of not less than \$2000.00 for each offence; and
- (b) a person who fails to comply, or suffers or allows any other person to fail to comply, with an order, direction, or notice given under any provision of the Bylaw and these General Terms and Conditions is liable to a fine of not less than \$500.00 for each offence.

18.3 Fine for continuing offence

Each day that an offence continues is a separate offence.

18.4 Tampering with DEU

A person must not tamper, interfere with, damage, or destroy any part of the DEU.

PART 19: BUILDING PERMIT REQUIREMENTS FOR DEU COMPATIBLE BUILDING MECHANICAL SYSTEMS AND ENERGY GENERATION PLANTS

19.1 Building Permit Application

A person who applies, under the Building Regulation Bylaw, for a permit that is to authorize the installation or alteration of a Building Mechanical System, or an On Site Energy Generation Plant if the Designated Property is an Energy Generation Plant Designated Property, must include in, or submit with, the application:

- (a) an acknowledgment signed by the Owner that the building is located on a Designated Property, and, if applicable, an acknowledgement signed by the Owner that the building is located on an Energy Generation Plant Designated Property
- (b) a duly signed section 219 covenant and a statutory right of way in accordance with section 4.12, to be registered against title to the Designated Property prior to building permit being issued;
- (c) mechanical and other plans and documentation as the City Engineer may require, signed or certified by the registered professional responsible for design of the Building Mechanical System, On Site Service Connection and On Site Energy Generation Plant (if the building is located on an Energy Generation Plant Designated Property);

- (d) a certificate signed by the Service Provider, acting as the City's agent for this limited purpose, that the specifications, design, mechanical and other plans relating to the Building Mechanical System are compatible with the DEU;
- (e) a certificate signed by the Service Provider, acting as the City's agent for this limited purpose, that the specifications, design, mechanical and other plans relating to the On Site Service Connection and On Site Energy Generation Plant are compatible with the DEU and to the Service Provider's satisfaction;
- (f) an energy modelling report, signed by the registered professional who is responsible for design of the Building Mechanical System, estimating the:
 - (i) peak energy demand for space heating and cooling;
 - (ii) peak heat energy demand for domestic hot water;
 - (iii) combined peak heat energy demand for any uses other than space heating and domestic hot water; and
 - (iv) hour by hour consumption of energy for space heating, cooling and domestic hot water heating;
- (g) a cheque in the amount of:
 - (i) the excess demand fee as specified in Part 2 of Schedule D; and
 - (ii) the ETS and Service Connection Installation Fee, as specified in Schedule C (Fees);
 - (iii) the Energy Generation Plant Installation Fee, as specified in Schedule C (Fees), if the building is located on an Energy Generation Plant Designated Property; and
 - (iv) building permit application DEU review fee, as specified in Schedule C (Fees). For certainty, the building permit application DEU review fee shall, notwithstanding section 9.4, be a fixed fee and not an estimated fee;
- (h) the proposed location of the Energy Transfer Station, certified by the Service Provider as approved;
- (i) the proposed location of Distribution System components in or on the Designated Property, certified by the Service Provider as approved;
- (j) the proposed location of Service Connection, certified by the Service Provider as approved;
- (k) the proposed location of the Energy Generation Plant(s), certified by the Service Provider as approved, if the building is located on an Energy Generation Plant Designated Property;

- (l) the proposed location of the Delivery Points, certified by the Service Provider as approved;
- (m) the proposed schedule for installation or alteration of the Building Mechanical System, On Site Service Connection and, if the building is located on an Energy Generation Plant Designated Property, On Site Energy Generation Plant;
- (n) the proposed commencement date for the delivery of Energy by the Service Provider; and
- (o) such other information as the Service Provider or City Engineer may require.

19.2 Submission of copy of application

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

19.3 Approval of Energy modelling report

The report submitted under section 19.1(f) is subject to approval by the City Engineer.

19.4 Approval of Locations - General

The location of each of the:

- (a) Energy Transfer Station, submitted under section 19.1(h);
- (b) Distribution System components in or on the Designated Property, submitted under section 19.1(i);
- (c) Service Connection, submitted under section 19.1(j);
- (d) Energy Generation Plant(s), submitted under section 19.1(k); and
- (e) Delivery Points, submitted under section 19.1(l);

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

19.5 Approval of schedule

The proposed schedule for installation or alteration of the Building Mechanical System, On Site Service Connection and On Site Energy Generation Plant(s) is subject to approval by the City Engineer.

19.6 Design of Building Mechanical System, On Site Service Connection and On Site Energy Generation Plant(s)

The design of the Building Mechanical System, On Site Service Connection and On Site Energy Generation Plant(s) is subject to approval by the City Engineer following certification by the Service Provider under section 19.1(d).

19.7 Approval of building permit

The building permit is subject to approval by the:

- (a) Director, Building Approvals under the Building Regulation Bylaw; and
- (b) Director, Building Approvals and City Engineer under the Bylaw and these General Terms and Conditions.

19.8 No work before permit issuance

A person must not begin to install or alter a Building Mechanical System, On Site Service Connection and On Site Energy Generation Plant(s) until the Director, Building Approvals has issued the building permit.

19.9 Signed Energy Services Agreement required

No building permit for a Building Mechanical System, On Site Service Connection or On Site Energy Generation Plant(s) will be issued until an Energy Services Agreement has been signed relating to the Designated Property.

PART 20: DESIGN AND INSTALLATION OR ALTERATION OF BUILDING MECHANICAL SYSTEM

20.1 Integration with DEU

The design and installation or alteration of the Building Mechanical System must integrate the Building Mechanical System and DEU in a manner that enables the Building Mechanical System to derive the most benefit possible from the DEU and the DEU to operate at peak efficiency.

20.2 Prohibited components and primary source

A Building Mechanical System must utilize the DEU for not less than 100%, or such other lesser quantity as approved by the City Engineer, of all the annual space heating and domestic water heating requirements, and when available, space cooling requirements, for a building on a Designated Property as determined in the energy modelling report required under section 19.1(f). An Owner must not itself perform, provide, install or realize, nor allow any other Person to perform, provide, install or realize any other system to provide primary space heating, domestic hot water heating, and when available, space cooling to any building on the Designated Property, and must not allow or consent to any other Person supplying or distributing primary space heating, domestic hot water heating, and when available, space cooling to any building on the Designated Property, except that:

- (a) a person who is altering an existing building may retain components otherwise prohibited under this section 20.2 to the extent permitted by the Director, Building Approvals under the Building Regulation Bylaw or by the Director, Building Approvals and City Engineer under this Bylaw;
- (b) unless pre-approved in writing by the City Engineer, in-suite gas fireplaces are not permitted; and
- (c) unless pre-approved in writing by the City Engineer, stand-alone gas make-up air units are not permitted.

20.3 Scheduling

An applicant must:

- (a) ensure that installation of the Building Mechanical System, On Site Service Connection and On Site Energy Generation Plant(s) proceeds in accordance with the schedule approved under section 19.5 (Approval of Schedule), and any changes to the schedule approved under this section 20.3; and
- (b) advise the Director, Building Approvals and City Engineer within 24 hours of any proposed changes to the schedule for installation or alteration of the Building Mechanical System, On Site Service Connection and On Site Energy Generation Plant(s) which proposed changes are subject to approval by the Director, Building Approvals and City Engineer.

20.4 Service Provider's scheduling

To the extent the City Engineer and Service Provider consider it necessary, convenient, or financially prudent, the Service Provider will co-ordinate its schedule for construction of any Distribution System components and Energy Transfer Stations for a Designated Property with the applicant's schedule for installation or alteration of the Building Mechanical System, On Site Service Connection and On Site Energy Generation Plant(s).

20.5 Approval of installation or alteration of work

Completion of the installation or alteration of a Building Mechanical System, On Site Service Connection and On Site Energy Generation Plant(s) is subject to approval by the Director, Building Approvals and City Engineer under this Bylaw.

20.6 No occupancy allowed

An Owner is not entitled to final building inspection allowing occupancy under the Building Regulation Bylaw for a building on a Designated Property until the City Engineer has given approval under section 20.5 (Approval of Schedule), and the Owner has paid the Service Provider all applicable fees and charges in accordance with section 9.4 (Basis of Fees).

PART 21: MISCELLANEOUS AND GENERAL PROVISIONS

21.1 Service of Notices

All written notices to be given under this Bylaw may be:

- (a) sent via registered mail to the Customer's billing address or to the address of the Owner shown on the assessment roll prepared pursuant to the Assessment Act;
- (b) if the notice refers to real property, by posting it on the real property;
- (c) delivered by hand to the addressee thereof;
- (d) sent by facsimile or e-mail to the addressee thereof,

and any such notice given as aforesaid will be deemed to have been given, in the case of delivery by hand, when delivered, in the case of facsimile transmission or e-mail, when a legible facsimile or e-mail is received by the recipient if received before 5:00 p.m. on a day other than a Saturday, Sunday or statutory holiday in the Province of British Columbia or Canada (a “business day”), or on the next business day if such facsimile or e-mail is received on a day which is not a business day or after 5:00 p.m. on a business day, in the case of delivery by registered mail, on the date received, and in the case of posting on property, at the time of posting. In the event of discontinuance of postal service due to strike, lockout, labour disturbance or otherwise, notices shall be delivered by hand or facsimile transmission or e-mail.

21.2 Notice of Violation

An inspector or official of the City, or a bylaw enforcement officer, may give notice to any person ordering or directing that person to:

- (a) discontinue or refrain from proceeding with any work or doing anything that contravenes this Bylaw; or
- (b) carry out any work or do anything to bring a Building Mechanical System, On Site Service Connection and/or On Site Energy Generation Plant(s) into conformity with this Bylaw,

within the time specified in such notice.

21.3 Unauthorised Sale, Supply or Use

Unless authorized in writing by the Service Provider, a Customer will not sell or supply the Energy supplied to it by the Service Provider to other Persons or use the Energy supplied to it by the Service Provider for any purpose other than as specified in the Energy Services Agreement and this Bylaw.

21.4 Taxes

The rates and charges specified in the applicable Schedules hereto do not include any local, provincial or federal taxes, assessments or levies imposed by any competent taxing authorities which the Service Provider may be lawfully authorized or required to add to its normal levies, rates and charges or to collect from or charge to the Customer.

21.5 Conflicting Terms and Conditions

Where anything in this Bylaw conflicts with the provisions of another bylaw adopted by the City or conflicts with special terms or conditions specified under an Energy Services Agreement, then the terms or conditions specified under this Bylaw govern.

21.6 Authority of Agents of the Service Provider

No employee, contractor or agent of the Service Provider has authority to make any promise, agreement or representation not incorporated in this Bylaw or in an Energy Services Agreement, and any such unauthorized promise, agreement or representation is not binding on the Service Provider.

21.7 Additions, Alterations and Amendments

This Bylaw and its Schedules may be added to, cancelled, altered or amended by Council from time to time.

SCHEDULE C**Fees**

Bylaw Section	General Terms and Conditions Section(s)	Application	Fee
	2.1	Application for service to Designated Property	No fee
7	8.1	Application for voluntary use of energy utility system	BY ESTIMATE
	4.5(c)	Energy Generation Plant Installation Fee	BY ESTIMATE
	4.2, 4.4, 4.9 & 8.1	ETS and Service Connection Installation Fee	BY ESTIMATE
	4.8	Customer requested routing	BY ESTIMATE
	4.11	Application to remove, relocate, or alter Energy Transfer Station, any component thereof, or related equipment or distribution system extension servicing	\$400.00
	4.15	Service call during Service Provider's normal business hours	\$150.00
	4.15	Service call outside Service Provider's normal business hours	\$400.00
	5.2	Application for meter test	\$400.00
	8.3	Reactivation fee	BY ESTIMATE
	8.4	Re-identification of Meter Set	BY ESTIMATE
	12.6	Interest on over-billed amounts	Bank of Canada prime rate minus 2% per annum payable monthly
	13.1	Late Payment Charge	\$100.00
	13.2	Cheque returned to the Service Provider	\$100.00
	19.1(g)(iv)	Building permit application DEU review fee charged in addition to building permit application fee under Building Regulation Bylaw.	2% of the Building Permit fee

SCHEDULE D**Rates and Charges****PART 1 - RATES FOR SERVICES**

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

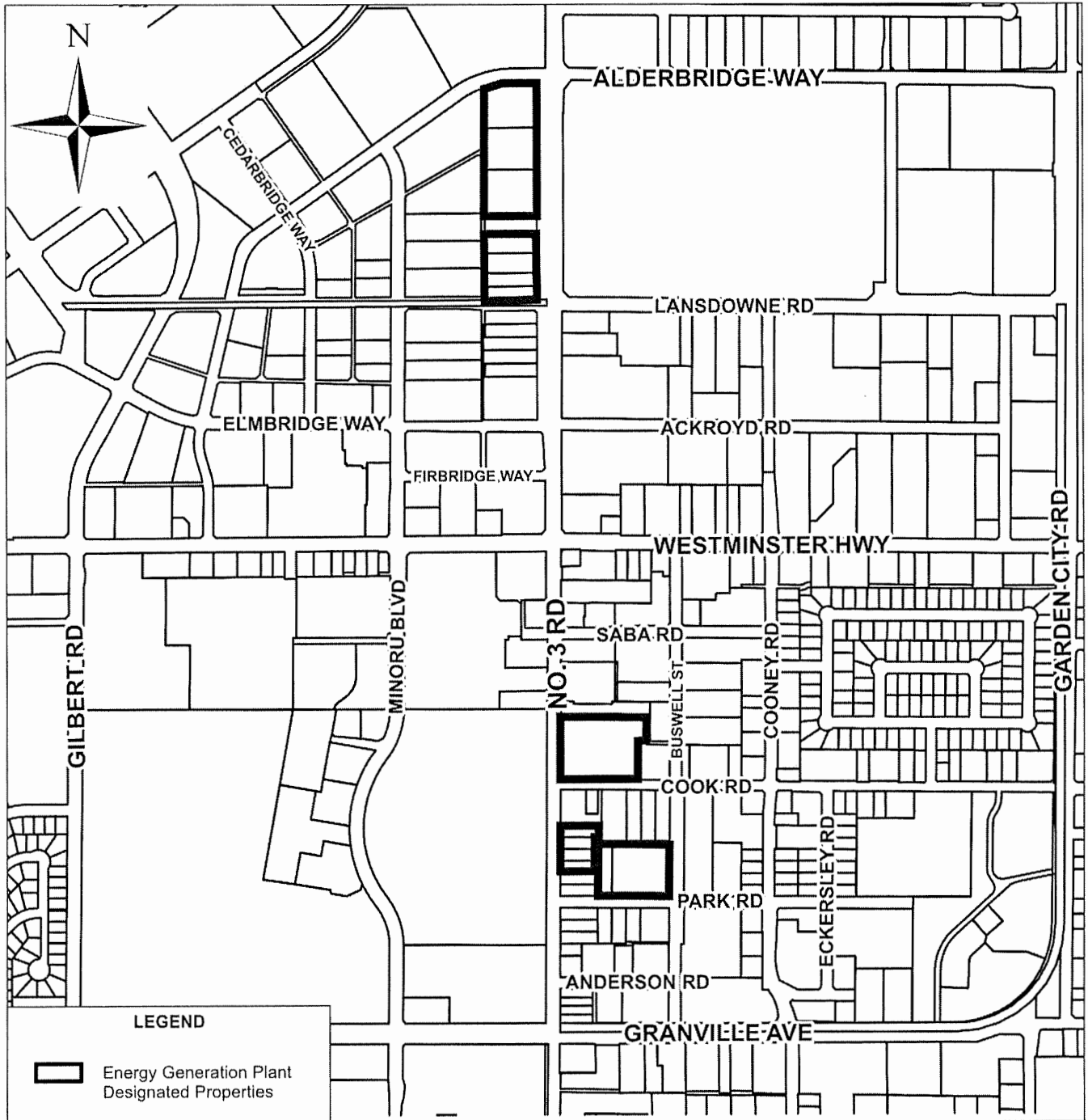
- (a) capacity charge - a monthly charge of \$0.109 per square foot of gross floor area;
and
- (b) volumetric charge – a monthly charge of \$0.00 per megawatt hour of Energy
returned from the Energy Transfer Station at the Designated Property.

PART 2 - EXCESS DEMAND FEE

Excess demand fee of \$0.14 for each watt per square foot of the aggregate of the estimated peak heat energy demand referred to in section 19.1(f)(i), 19.1(f)(ii) and 19.1(f)(iii) that exceeds 6 watts per square foot.

SCHEDULE E

ENERGY GENERATION PLANT DESIGNATED PROPERTIES





City of Richmond

Report to Committee

To: General Purposes Committee
From: Jane Fernyhough
Director, Arts, Culture and Heritage Services
Date: July 9, 2018
File: 11-7000-01/2018-Vol
01
Re: Britannia Shipyards National Historic Site Strategic Development Plan

Staff Recommendation

That the Britannia Shipyards National Historic Site Strategic Development Plan as outlined in the staff report titled "Britannia Shipyards National Historic Site Strategic Development Plan" dated July 9, 2018, from the Director, Arts, Culture and Heritage Services be endorsed as the guide for the future development and operation of Britannia Shipyards National Historic Site.

Jane Fernyhough
Director, Arts, Culture and Heritage Services
(604-276-4288)

Att. 1

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

Staff Report

Origin

The purpose of this report is to provide an overview of the Britannia Shipyards National Historic Site Strategic Development Plan (Attachment 1) and seek Council endorsement for both the Development Plan and for capital development priorities that support this plan.

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.

2.3. *Outstanding places, programs and services that support active living, wellness and a sense of belonging.*

2.4. *Vibrant arts, culture and heritage opportunities.*

Analysis

Background

In 2014 Council endorsed the following vision and mission for Britannia Shipyards National Historic Site (Britannia Shipyards):

Vision: Britannia Shipyards is an outstanding national historic site that inspires a lasting connection to Canada's West Coast maritime heritage.

Mission: Britannia Shipyards National Historic Site preserves West Coast maritime heritage with an emphasis on local wooden boat building traditions and the cultural mosaic and living conditions of the people who worked on the Steveston waterfront. This unique heritage park provides engaging interpretation and innovative programs that respond to changing community needs.

Britannia Shipyards is a heritage park that provides local residents and visitors from around the world the opportunity to experience Richmond's maritime and cultural heritage. It is a place for active participation through educational programs, special events and festivals and a place for quiet reflection.

Britannia Shipyards Strategic Planning Background

The Britannia Shipyards National Historic Site Strategic Development Plan (Development Plan) (Attachment 1) will provide the framework for decision making at Britannia Shipyards for the next five years.

This plan builds on previous plans and strategies, including:

- Britannia Shipyards National Historic Site Strategic Plan 2014-2018 (2014);
- Britannia Heritage Shipyard Business Plan Update, 2008-2012 (2008);
- Britannia Heritage Shipyard Historic Zone Development Plan (2004);
- Britannia Heritage Shipyard Business Plan (2000); and
- Steveston Community Industrial Adjustment Study – Feasibility Report – Britannia Heritage Shipyard Development Project prepared by Cornerstone Planning Group (1998).

With many of the recommendations from these plans fulfilled, and the fact that Richmond is in the midst of a profound transformation becoming an increasingly urban city with a growing, aging and more ethnically diverse population, the need to update the strategic plan for Britannia was recognized. The Development Plan was developed as a result of this need.

Britannia Shipyards Development Plan Key Recommendations

Building on the Council-endorsed Britannia Shipyards' vision, mission and the 2014 Strategic Plan, the objective of the Development Plan is to provide direction for short, medium and long term priorities.

Crucially, the Development Plan recommends an incremental, iterative approach to ensure sufficient resources are in place to successfully achieve the desired outcomes, ensure stakeholder buy-in, and limit risks. As a key cultural asset for the City, the priority remains on providing public access and increasing visitation to the site.

Short and medium term initiatives that contribute to Britannia Shipyards as a destination tourism attraction will be supported in part by Municipal and Regional District Tax (MRDT) funding over the next four years.

In the **short-term** (2018 and 2019), the Development Plan recommends:

- Complete heritage restoration and interpretation (See Table 1 – Britannia Shipyards Capital Development Priorities);
- Improve volunteer participation through increased and enhanced recruitment, training, supervision and recognition;
- Invest in precursors to success including the collection of quality metrics;
- Develop a program plan for the Richmond Boat Builders building and redevelop the space as required to ensure proper equipment is in place to support the type of work occurring;
- Conduct preparatory work to assess viability of additional boat building and repair activities on site;
- Enhance and expand marketing, partnerships, sponsorship opportunities, grants and donations;
- Explore opportunities to enhance and utilize the Britannia Heritage Shipyard Society(BHSS)membership program;
- Ensure hiring of a Manager with an appropriate skill set including knowledge of museum and heritage programming, exhibit development and destination tourism (this is an existing vacant position); and

- Enhance and expand paid programming aligned with the site's vision by diversifying program offers and improving awareness of programs, including increasing the number of paid tours, enhancing and expanding school visits and providing more opportunities for visitors to get on the water. Invest in key staff to enhance visitor offer and expand programming on the site, including:
 - Community Facilities Programmer and additional auxiliary staff to support growth. These positions are currently being funded on an annual basis through a one-time additional level and MRDT funding; and
 - Shipyard Operations Supervisor, a new staff position to provide oversight of boat building and repair activities. This position will be brought forward as an ongoing additional level request through the 2019 budget process.

In addition to the recommendations detailed above, the Development Plan also references the need for increased capacity in the BHSS. The Society has been active on the site since the early 1990's and its current role is formalized under the terms of a service agreement with the City that was executed in 2016. This agreement provides a framework for both boat building and repair activities, which have been the focus of the Society, as well as other activities on the site.

The BHSS Board of Directors reviewed the draft Development Plan and provided comments to staff in March 2018. The Board stated that overall the plan was well written and has some good ideas. They also stated that in order for the BHSS to have an effective role at Britannia, it is important for the City to come up with a clear vision and direction that is well communicated and enforced.

Since that time, the BHSS has held their Annual General Meeting and elected a new board, and a new Chair. Staff continue to work with the Board to evaluate the role of the BHSS at Britannia and the suitability of the current agreement with the City. Any revisions to the agreement with BHSS will be the subject of a future report to Council.

In the **medium-term** (2020–2022), the Development Plan recommends:

- Creating a new event(s) that can draw new visitors while remaining aligned with the site's vision; and
Exploring opportunities to increase rentals as restoration continues and potentially more space becomes available. As any private use of space can negatively affect regular visitors to the site by limiting their access to exhibit and program space, staff recommend any future rentals are carefully managed so as to not compete with the site's core programming.

In the **long-term** (2023–onwards), assuming heritage restoration and exhibit development is complete and visitation had increased, it is recommended that the site consider retail, food and beverage opportunities as well as expanded boat building and repair activities.

While not addressed in the Development Plan, staff recommend monitoring tour bus traffic and parking issues that may arise as a result of increases in site visitation and developing longer term transportation plans if required.

To address a referral at the February 28, 2017 meeting of Parks, Recreation and Cultural Services Committee, staff anticipate bringing forward a report to Council in fourth quarter 2018 to address the feasibility of repaving Dyke Road around Paramount Pond to increase capacity.

The short, medium and long term priorities will be achieved through a combination of allocation of existing resources as well as future additional level requests through the operating budget process.

Capital Development Priorities

In order to support the recommendations of the Development Plan, staff recommend the following schedule for capital development and operating budget impact (OBI) submissions for Council's consideration.

Table 1: Britannia Shipyards Capital Development Priorities

Project	Current Status	Recommended Use	Requirements	Funding Status	Project Timeframe
Phoenix Net Loft	Unrestored	To be determined A report to Council will be prepared for Q4 2018	Preservation and reconstruction	\$11.5 M approved funding available	2018–2020
			Development of program plan options	Funding available within existing budgets	2018
			Interior detailed design and construction	Future capital submission required	2018–2021
Richmond Boat Builders and Boat Yard	Boat repair and restoration projects	Status Quo	FFE, tools and equipment	Future capital submission may be required depending on program plan	2019
Britannia Shipyard	Exhibit: Industry on the Waterfront Exhibit and Shipyard Ways	Status Quo	A review of current code requirements to consider upgrades is currently underway Planning for future use of Shipyard Ways is currently underway	Future capital submission may be required \$165,000 approved funding available for Shipyard Ways	TBD

Project	Current Status	Recommended Use	Requirements	Funding Status	Project Timeframe
First Nations Bunkhouse	Unrestored	Exhibit and program space	Reconstruction of building and exhibit and program development	Future capital submission required	2019–2020
Japanese Duplex	Unrestored	Exhibit and program space	Reconstruction of building and exhibit and program development	Future capital submission required	2019–2020
Murakami House Exhibits	Exhibit and program space	Minor exhibit upgrades	Exhibits are 20 years old and in need of an update – they can be updated concurrently with the design of the Japanese Duplex	Future capital submission required	2019–2020
Murakami Boat Works	Flexible program and meeting space	Status Quo	Complete	No funding required	
Seine Net Loft	Exhibit, program and flexible event / rental space	Future uses may be re-evaluated pending program plan for the Phoenix Net Loft	Complete	No funding required	
Administration Building	Staff offices	Status Quo	Complete	No funding required	
Historic Zone: Murchison House, Manager's House, Men's Bunkhouse, Point House and Chinese Bunkhouse	Exhibit: How We Lived: Stories of Work and Play at Britannia, flexible program and event space	Status Quo	Complete	No funding required	

Project	Current Status	Recommended Use	Requirements	Funding Status	Project Timeframe
Vessels: Silver Ann, Fleetwood, Burnaby, Portage Queen, Iona, Starliner and several skiffs and small boats	Silver Ann is on display on the dock. Remaining vessels are stored on-site or currently under repair.	To be determined	Planning is currently underway to develop recommended options for Council's consideration	Future capital submission may be required depending on program plan	2018-ongoing
Landscaping			Complete design for site landscaping including improved wayfinding and interpretive signage	\$150,000 approved funding available	2020
			Construction and installation	Future capital submission required	2020–2021

Next Steps

Regular monitoring and annual performance reporting will continue to ensure the successful implementation of the plan. Council will be kept informed through the annual Museum and Heritage Services Update.

Financial Impact

There is no financial impact to the endorsement of the Development Plan. The actions in this report will be considered through the annual capital planning and operating budget processes to be approved by Council.

Conclusion

The endorsement of the Development Plan builds on the success of previous strategic plans and addresses several key outstanding issues.

Britannia Shipyards is the City of Richmond's flagship maritime heritage asset. With the endorsement of the Development Plan, the City will be prepared to bring Britannia Shipyards to its full potential.

July 9, 2018

- 8 -

A handwritten signature in black ink, appearing to read "MFenwick".

Marie Fenwick
Manager, Museum and Heritage Services
(604-247-8330)

Att. 1: Britannia Shipyards National Historic Site Strategic Development Plan

Britannia Shipyards National Historic Site Strategic Development Plan

February 2018

Prepared for

[The City of Richmond](#)

Prepared by

[Nordicity](#)

In association with

[RC Strategies + PERC](#)

[Lord Cultural Resources Ltd.](#)

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Executive Summary

As the oldest shipyard community in British Columbia Britannia Shipyards National Historic Site (Britannia Shipyards) retains its vision to be *an outstanding national historic site that inspires a lasting connection to Canada's west coast maritime heritage*. While the site is City-owned and managed, it also holds a service agreement with the Britannia Heritage Shipyard Society (BHSS), with the latter contributing to some of the site's operations and programming.

The site's mission, endorsed by City Council in April of 2014, emphasizes Britannia Shipyards' unique offering in terms of its capacity to provide access to - and participation in - local history:

Britannia Shipyards preserves west coast maritime heritage with an emphasis on local wooden boat building traditions and the cultural mosaic and living conditions of the people who worked on the Steveston waterfront. This unique heritage park provides engaging interpretation and innovative programs that respond to changing community needs.

Building on Britannia Shipyards' mission, the objective of the Development Plan is to provide direction in view of reasonable expansion and enhancement activity for the site's programs, events and tours that are **safe, educational, immersive**, and authentically relay the story of **BC's maritime history**. While revenue generation remains secondary to this important community space, the Development Plan explores ways for the site to continue offering diverse community programming and, at the same time, generate revenue to **minimize the cost (subsidy) per visitor** and build **internal capacity** in taking on particular initiatives.

To this end, three overarching goals will shape the development of Britannia Shipyards: **completing heritage restoration and interpretation**, enhancing the general **quality of the visitor experience**, and, ensuring **adequately trained staff** and volunteers are in place.

Moving forward, Britannia Shipyards will focus on the following eight key focus areas at the site:

- Site tours
- Paid programming
- School visits
- Special events
- Space rentals
- Retail offer
- Food and beverage
- Boat building and repair activity

In order to achieve success within these focus areas, Britannia Shipyards will also need to invest in key **precursors for success** such as: improved quality metrics; increased staffing and volunteer/auxiliary hours; a new marketing budget; a strategy to increase partnerships, an expanded sponsorship offer (while still pursuing donations or grants;), working with the BHSS to enhance (and leverage) its membership program; and, conducting preparatory work for boat building and repair activities (including short-term program plan for the Richmond Boat Builders Building).

In the **short-term (2018 and 2019)**, it is recommended that the site focus on three key areas:

- Enhance visitor offer and expand branding of the experiential benefits of the paid experiences to increase number of visitors taking paid tours;
- Enhance programming on the site by diversifying program offers and improving awareness of programs; and,
- Enhance school visits by exploring options for break-even cost structures and the development of bespoke offers that cater to growing demographic groups.

In the **medium-term (2020-2022)**, the site should focus on potentially increasing the number of rentals on the site, alongside events that are aligned with the site vision, while minimizing disturbance to operating hours. This will be made feasible by the increased in staff and space becoming available through restoration. Additionally, the site should increase special events by one large event that is closely aligned with the mission and purpose of Britannia Shipyards.

In the **long-term**, after Year 5, the site will regroup and consolidate gains in order to move forward with the most impactful activities on the site. At this point, the site would be near completion in terms of heritage restoration, potentially freeing up capital investment for larger projects such as a new gift shop/welcome centre building, a full-service restaurant facility (leased), and/or the infrastructure and safety measures required for renewed on-site boat building and repair activity.

While revenue generation remains a secondary goal for this important cultural and historic asset, the development plan proposed herein will also increase revenue on site and, importantly, significantly decrease the cost per visitor. The table below summarizes visitation numbers and operating deficits in 2016 and 2017 at Britannia Shipyards. Additionally, the table compares these two years to the expected 5-year financial and visitor projections. As illustrated, **the operating deficit per visitor** decreases from roughly \$3.50 per visitor to less than \$1.50.

Table 1: Yearly visitor comparison at Britannia Shipyards

Focus area	2016	2017	2022
Regular (drop-in) visitors	58,480	92,591	120,000
Program participants (registered)	1,789	2,738	5,750
School programs	1,931	2,150	2,880
Special event attendees	62,300	65,748	95,000
Visitors during rentals/ Number of rentals	3842 / 114	6045 / 167	8,100 / 225
Total visitation	128,342	169,272	231,730
Net operating activity (deficit)	\$449,184	\$623,860	\$311,267
Operating deficit / visitor	\$3.50	\$3.68	\$1.34

Crucially, the achievement of Britannia Shipyards' vision requires an incremental, iterative approach so as to ensure additional resource requirements are appropriately matched with expected outcomes.

Document map

The report begins with a description of the background and contextual information regarding Britannia Shipyards (**Sections 1 and 2**), including the vision and mission of the site, its governance structure, and the complementary development impacts of the site.

Building on that foundation, **Section 3** details a profile of the key focus areas on the site, as listed in the executive summary. It starts with the key precursors to success before moving into analysis for each focus area, which are listed in order of priority in a staged approach (short, medium or long term). Each of these sections will provide the following details:

- The status of the focus area on the site (if any);
- Challenges or barriers;
- Opportunities for growth given current realities and market considerations; and,
- Forward-looking recommendations for the site.

Section 4 provides financial projections for the scenario described in the development plan. Additionally, long term options are described with regards to larger capital expenditure projects such as a restaurant or retail offer.

A brief summary and conclusion is then provided, before moving to the Appendices which include:

- A tabulated analysis of comparable sites;
- A list of the *2014 Britannia Shipyards National Historic Site Strategic Plan* Strategic Framework (for reference);
- A detailed description of the assumptions and calculations required for the financial analysis; and,
- A list of interviewees during the stakeholder engagement process.

1. Introduction and Background

1.1 About the project

Nordicity, RC Strategies + PERC and Lord Cultural Resources were commissioned by the City of Richmond to produce a detailed Development Plan for Britannia Shipyards. This work involved close engagement with the City, the Britannia Heritage Shipyard Society (BHSS), and its relevant partners/stakeholders so as to produce a future-facing, cost-effective and sustainable plan, including a profile of key focus areas, a market analysis, a development plan and a financial analysis.

To understand the current reality of the Britannia Shipyards, the Project Team conducted a thorough document review (including the key documents listed in Section 1.2) in order to produce a profile of the site's focus areas and visitor offer. Additionally, an analysis of comparable sites was conducted to understand relevant best practices (both in Canada and internationally) and possible benchmarks for future changes at Britannia Shipyards (see Appendix 1).

Following preliminary research, the Project Team led an extensive stakeholder engagement process. Interviews were conducted with representatives from the City of Richmond, the BHSS, the wider community and comparable heritage/historic sites (see Appendix 4). Once preliminary options were developed, the findings of the research phase were validated in a focus group session with participation across stakeholder groups in November 2017.

The analysis stage included a market analysis which underpinned the creation of a development plan and financial projections. The results of this analysis can be found in subsequent sections of this report.

1.2 Background

In 2000, a *Business Plan for the Shipyards* was endorsed by Richmond's City Council. The Business Plan document was preceded by the *Britannia Heritage Shipyard Historic Zone Development Plan* in 2004 and a *Business Plan Update* in 2008. Most recently, the *Britannia Shipyards Strategic Plan 2014-2018* sets the future directions of the site in light of the changing needs of the community (see Appendix 2 for further details). The development of the 2014 Strategic Plan was underpinned by *Voices of Britannia*, a community engagement process in which more than 2,000 people participated and provided direction for this report.

In addition to studies specific to Britannia Shipyards, planning for this site also intersects with several other municipal policies and programs. The most recent strategic plan supports outcomes of the City of Richmond's *Parks and Open Spaces Strategy* and the *Museum and Heritage Strategy*. Britannia Shipyards also falls within the purview of the *City of Richmond Waterfront Strategy*.

1.3 Vision and mission of Britannia Shipyards National Historic Site

The development of the *Britannia Shipyards Strategic Plan 2014-2018* included revisions to the mission and vision articulated in the 2008 *Business Plan Update*. These updated statements reflect the site's past and its current role in the community.

The current mission of Britannia Shipyards is as follows:

Britannia Shipyards National Historic Site preserves west coast maritime heritage with an emphasis on local wooden boat building traditions and the cultural mosaic and living conditions of the people who worked on the Steveston waterfront. This unique heritage park provides engaging interpretation and innovative programs that respond to changing community needs.

The current vision states:

Britannia Shipyards is an outstanding national historic site that inspires a lasting connection to Canada's west coast maritime heritage.

The mission and vision adopted in 2014 guided the development of this Development Plan, which aims to balance local, historic maritime traditions with evolving community needs.

1.4 Building on the Britannia Shipyards Strategic Plan 2014-2018

In many ways, the Development Plan is the logical next step of the *Britannia Shipyards Strategic Plan 2014-2018*. In addition to the governance structures discussed in Section 2.1.2, several of the key focus areas discussed in this Development Plan look to build on active progress made on key strategic focus areas outlined in the Strategic Plan, including:

- **Educational Programs:** Connecting with schools is a key component of creating *Inspirational Experiences*. Specifically, one of the action items associated with this strategic focus area is to develop and deliver increased curriculum-based educational programs for K-12 and English as a Second Language (ESL) students. *Outstanding Communication* also calls for direct marketing to schools.
- **Special Events:** Expanding special events at Britannia Shipyards relates to the strategic focus areas *Unique Spaces* and *Inspirational Experiences*. One of the action items associated with *Unique Spaces* recommends designing flexible program and event space at the Seine Net Loft. In terms of *Inspirational Experiences*, a core objective is to have festivals and special events contribute to site animation and regional tourism.
- **Exhibits and Collections:** Engaging exhibits are an objective listed under *Unique Spaces*. Further, under *Respect for Historical Integrity and Authenticity*, one of the objectives is to have Britannia Shipyards be home to a well-preserved artefact collection that is used to interpret the site's history. Both of these strategic focus areas demonstrate the importance of planning for exhibits and collections at Britannia Shipyards and incorporating them into each visitor experience.
- **Visitor Programs:** The 2014 Strategic Plan establishes the need for data on visitor experiences and program participation as part of the strategic focus area *Effective Management*.

2. Current Context

This section provides an overview of the current status of programming and maintaining the site, as well as the current facilities at Britannia Shipyards.

2.1.1 Facility description

The Britannia site has many stories to tell. Site buildings were originally constructed to service early fishing and canning operations on the waterfront, including the Britannia Cannery, and many company homes for workers and families. The cannery was later converted into a shipyard (1917-18), used for both boat repair and maintenance of the ABC Packing Company fishing fleet.

By the 1930s, there were two other boatworks on the property: The Kishi Boatworks and the Murakami Boatworks, as well as over 90 residences that were home to a multicultural workforce. People moved to Steveston from all over the world with dreams of prosperity and a better future for themselves and their families. They worked in various capacities: as fishermen, boat builders, shop owners, cannery workers and in the service industry. They endured social, political, environmental and economic change together; sometimes in conflict between cultures, and sometimes building on the strengths and bonds between groups.

The stories told at Britannia Shipyards focus on the experiences of these adventurous individuals, what they did for work, and how they interacted with each other. This historic multicultural community resonates strongly with today's visitors who recognize the parallels with today's society – making history relevant to the present. Through interactive programs, exhibits and experiences, visitors learn about how the past has informed the present and how it will play a role in the future development of the wider community.

From a programming perspective, the site encompasses more than ten historic buildings, most of which are open to the public. The Chinese Bunkhouse and the Seine Net Loft are also available for rental for meetings and other social events. Facilities include:

- **Britannia Shipyard** from which the site takes its name. Dating from 1889, this building houses the "Industry on the Waterfront" exhibit. The Shipyard does not have full public occupancy and is limited to 50 visitors who must be accompanied by staff or a volunteer. The dock area and floats are used for vessel display and are accessible to the public during special events.
- **Seine Net Loft** was built in the mid-1950s and was used to store and repair nets for the fishing fleet. This building was recently restored and is used as a flexible exhibit, program and special event space, and has full public occupancy for up to 300 people.
- **Murakami House** dates from 1885 and was restored in 1998. It is currently used as exhibit space to show the living conditions of Japanese-Canadians pre-1941.
- **Murakami Boatworks** dates from 1929 and was fully restored in 1998. It is currently used as program and meeting space, and houses the BHSS and City programming staff offices.
- **The Richmond Boat Builders and Boat Yard** was originally built in 1932 as a Japanese-Canadian boat building facility. This building was restored in 1993, and has been most recently used for boat repair and restoration projects.
- **Winch House** built circa 1950, houses the winch and machinery for the Richmond Boat Builders' ways.

- **Cannery Office** dates from 1889, and was originally the office for the Britannia Cannery and Shipyard. It was fully restored in 2009 and now serves as the site's Administration Building.¹

In addition to the original structures listed above, the site has added several buildings to the historic zone, which feature the "How We Lived: Stories of Work and Play at Britannia" exhibit. These buildings include:

- **Visitor Centre and the Manager's House** were pre-fabricated in the 1880s in New Westminster and delivered to Richmond by barge. The buildings were purchased in 1895 by Mr. Murchison, the first customs and police officer in Steveston. The buildings were relocated to the site in 1994 and opened to the public in 2009. Exhibits highlight the lifestyle of a cannery or shipyard manager, and the work of John Murchison as a police chief, customs and immigration officer.
- **Men's Bunkhouse** was once home to between 4 and 15 temporary workers. Moved to Britannia in 2004, exhibits inside explore the lifestyle of single men who comprised much of the area's temporary labour force.
- **Point House** was also moved to Britannia in 2004 from Steveston. Its exhibits interpret local architecture. The north side of the building is a caretaker's suite.
- **Chinese Bunkhouse** was relocated from Knight Inlet in the early 50s to the BC Packers site. It was then relocated to Britannia in 1999, and opened to the public in 2011. The upper floor exhibits examine the lives of Chinese men who lived and worked in Steveston in the early 1900s. The main floor is a flexible meeting, program and event space.

And there remain two building on site to restore, which will be a key priority in the near-term for the site. They are:

- **The Japanese Duplex** dates from the late 1890s. While substructure repairs were completed in 2004, the building is in poor condition. It is currently used for storage only, and is not open to the public.
- **The First Nations Bunkhouse** was built in 1886, and moved to the site in 1946. It is in poor condition, has not been stabilized, and is not open to the public.

In addition to the buildings on site, Britannia Shipyards is home to a fleet of heritage vessels and a display of wooden boats owned by the City, the BHSS, individuals and other community groups that provide enhanced programming for visitors.

2.1.2 Governance

Britannia Shipyards is managed by the City of Richmond. The City has a service agreement with the BHSS which is also active on the site. Essentially, the City leads operations and maintenance while the BHSS provides additional activities, primarily in the area of boat building. At present, the City employs three full-time staff to coordinate exhibits, facility rentals, school and public programs, special events and guided tours. The City also recruits and trains volunteers to support these activities.

¹ Descriptions sourced from the Britannia Shipyards National Historic Site Strategic Plan, 2014-2018.

The BHSS was incorporated in 1991 and is a volunteer-based organization. Its purpose is to “preserve and promote west coast maritime heritage with an emphasis on local wooden boat building traditions and the cultural mosaic and living conditions of the people who worked on the Steveston waterfront.”²

The BHSS provides additional programming on site

According to the service agreement with the City, the BHSS is responsible for maintaining its own equipment and recruiting and training volunteers involved in its programs. However, as a volunteer-run initiative, there is a need for increased internal capacity, notably to connect with diverse communities and ensure safety guidelines are adhered to while handling industrial equipment.

The evolving nature of activity at Britannia Shipyards reinforces the importance of the strategic focus areas as described in the *Britannia Shipyards Strategic Plan 2014-2018*. The following table illustrates the current steps taken towards satisfying the action items of each focus area.

Figure 1: Governance and the 2014-18 Strategic Plan

Strategic Plan 2014-18 Focus Area	Action Items	Steps Taken
A relationship-based approach	Formalizing relationships with community stakeholders;	The service agreement between the City and the BHSS is now in place;
	Pursuing joint programming opportunities.	Partnerships have been forged with the Steveston Folk Guild and the Vancouver Wooden Boat Society, amongst others.
Effective management	Enhanced volunteer participation	Volunteers active at Britannia Shipyards are managed either through the City or through the BHSS – the service agreement defines the roles of both groups in coordinating volunteers.

The Project Team recognizes that the service agreement between the City and the BHSS is very new and is working through its formative stages. This study’s stakeholder consultation, however, revealed some key challenges in the current capacity of the BHSS to formally oversee programs or initiatives. Indeed, the organizational capacity of the BHSS to take on increased responsibilities may be limited in the short-term.

As described in the development plan herein (Section 3), Years 1 and 2 will witness a consolidated relationship between the City of Richmond’s Arts, Culture and Heritage Services and the BHSS. Namely, this requires a facilitated approach sensitive to the needs, aspirations and limitations of each bodies’ interests, as well as their capacities in a practical, operational context. This includes ensuring the BHSS Board membership is fit to purpose (e.g. representation from communities that reflect the site’s long-term vision). In the longer term, it is envisioned that the feasibility and effectiveness of extending more operational opportunities directly to the Society will increase.

2.1.3 Current opportunities and challenges

² Britannia Heritage Shipyard Society “About Us.” <https://britanniashipyard.ca/about-us>.

As indicated above, Britannia Shipyards offers a unique blend of museum, park, attraction and working industrial assets. This combination creates an abundance of opportunities for the site, but also means there are many voices to consider in its development going forward. Currently in the process of finishing the final stages of restoration, the site is exploring different opportunities for cost-effective activity while maintaining alignment with its strategic direction, mission and vision.

While the site's specific focus areas will be explored in this section, some of the key considerations for the broader site are as follows.

Opportunities

- The importance of celebrating cultural diversity at the site is important in a hyper-diverse city such as Richmond.
- The site has an abundance of space with diverse physical (buildings and boats) and natural (beautiful scenery) offers, meaning it can offer a diverse range of activities and events on site.
- The passion of the BHSS members provide opportunities for detailed heritage interpretation, as well as on-site boat building and repair programs in the longer term.
- Its rich history (oldest shipyard in BC) is a unique offering that cannot be matched.
- The development of the Steveston waterfront area – including the potential for connecting the Britannia dock with the larger dock in Steveston offers opportunity for increased traffic to the site.

"How can you not spend a pleasant hour or two learning about and experiencing the local history? Wooden boats, riverside setting and historical buildings make for a charming site. An easy and delightful waterfront stroll from the heart of historic Steveston."

TripAdvisor comment

Challenges

- Lack of transportation means accessibility to the site is very difficult for transit-reliant visitors.
- Uncontrolled access to the site means restricting free access is a very difficult task, resulting in challenges for revenue generation.
- The location (within a quiet neighbourhood) could be a barrier to significantly increasing traffic to the site.
- The delicate balance between museum and tourist attraction means that there are competing voices for the pace of change and trajectory of growth on the site.
- The implementation of the agreement between the City and the BHSS is only in its formative stages.
- Public perception and advertising to the community has posed a challenge in the past but can be improved with increased marketing.
- The necessary staffing to improve and grow the site has not yet been put in place.

Britannia Shipyards already has multiple revenue generating **"focus areas"**, either implemented or in review. The development plan identifies the current focus areas, internal documentation, stakeholder consultation and the findings of the market analysis.

2.2 Setting the stage for the future

Importantly, several local residents interviewed see Britannia Shipyards as a great local asset and community gathering space³ which increases awareness of Richmond's rich, multicultural maritime history. The potential for a model where public access and community park elements of Britannia Shipyards exist alongside an enhanced ticketed offer (implemented over time) was developed over the course of the study's research and analysis phase. Not only would enhanced fee-based tours and programming provide revenue, but they would also gear Britannia Shipyards towards becoming a destination tourism site.

To this end, the **development scenario** recommended herein introduces a scenario in which a paid site access offer is incrementally increased over time, while leaving the remainder of the site open for use as a public park. A physical gate was not considered for several reasons, including the fact that the Steveston Greenway runs directly through the site, and the fact that such barriers would likely eliminate the feel of a local park or gathering space.

Assuming this development scenario, we consider all related site enhancement opportunities and inputs in the proceeding sections. Based on the identification of existing and potential activities/concepts, we prioritize the activities according to the efficacy and appropriateness of each, as well as the capacity of the City of Richmond and the BHSS to embark on some of them at the same time.

For these priority areas we posit **market and cost assumptions**, based on existing market research and comparative experience in other similar historic site developments. These assumptions underpin the pro forma **development plan** projections.

³ The notion of a gathering space was a common response collected throughout stakeholder interviews.

3. Development Plan

Crucially, it is recognized that the growth of Britannia Shipyards must occur **incrementally** in order to ensure broad-based stakeholder buy-in and to limit risks. Additionally, as a key cultural, recreational and heritage asset for the City, it is important that priority **remains on providing public access to the space and the opportunity to learn more about local history**. Generating revenue, while important, remains secondary with the emphasis being on reducing cost (subsidy) per visitor. The following section illustrates the Project Team's assertion of the most feasible option, building on the current situation and market considerations. The development plan detailed in this section is based on growth occurring within **the short-term (2018 and 2019); medium-term (2020 through 2022); and long-term (beyond 2022)**.⁴

The recommended development plan is based on not only internal capacity to optimize the focus areas that offer the best hope of improving the site, but also those that offer distinct potential to resonate with the overall vision for Britannia Shipyards. They also assume that certain things need to happen (e.g. increased site visits) before other things can be pursued (e.g. gift shop, food and beverage services).

Three overarching goals would shape the next period of development at Britannia Shipyards:

- Enhance the **general quality of the visitor experience**, through higher quality heritage and interpretive interactive exhibits/programs, and more carefully crafted visitor exposure to them. This report includes some examples and suggestions of how an enhanced visitor experience will lend to significantly more site visits. A more detailed interpretive plan may be required.
- Ensure **adequately trained staffing and volunteers** are in place so as to effectively achieve the growth and development opportunities.
- Continue **heritage restoration and interpretation**. The focus needs to be on restoring and protecting heritage values and the interactive interpretive visitor experience. Capital is too scarce and the need for restoration and quality exhibits is too great for capital to be diverted to other large capital expenditure projects under consideration (e.g. securing the site perimeter, redirecting the public pathway through the site, building a restaurant or gift shop). As indicated in **Strategic Framework 1.1.2**, capital plans are to prioritize the completion of both the Japanese Duplex and First Nations Bunkhouse.

3.1 Precursors to success

To ensure maximum benefit from the various focus areas, the site will need to **invest in key precursors to success**. Following a year in which the site benefited from the celebration of Canada 150 and increased hours at the site, 2018 offers the opportunity to build on success through increased investment at the site and the funding commitment necessary to remain open seven days a week. There are several precursors to success that will augment improvements for all focus areas of the site, as listed below:

⁴ Note, while audience development tactics would naturally require a bespoke marketing strategy, some budget-related marketing assumptions are referenced herein.

- Quality metrics;
- Staffing requirements;
- Marketing;
- Partnerships;
- Sponsorship, grants and donations;
- Annual BHSS membership; and,
- Preparatory work for boat building and repair activities.

Quality metrics

An initial priority should be initiating the collection of quality metrics (e.g. customer satisfaction levels, number of attendees, proportion of repeat visits) which will provide valuable feedback on exhibits, assets and programs. A more comprehensive feedback cycle will allow staff to monitor the extent of success of each activity, consolidate gains, and move forward in an iterative process. While the site has success in one-off feedback tools (e.g. 2013 Voices of Britannia Survey, 2016 Richmond Maritime Festival Exit Survey, 2017 Visitor Survey) it is important to initiate ongoing measurement as to the satisfaction of programs and facilities on the site – in part, to ensure they remain in line with **Strategic Framework 4.1.3**.

As the measurement process evolves, the site should aim to create metrics that meet the recognized SMART criteria (Specific, Measurable, Achievable, Realistic and Time-bound). The Britannia Shipyards could also explore the option of partnering with local universities to have business and/or administration classes assist in the implementation of quality metrics.

Overall staffing requirements

A key requirement to enhancing the site will be the addition of **one new permanent full-time staff member** (in the immediate term). Currently, the site operates with three permanent full-time staff members⁵. As a result, the staff is heavily reliant on auxiliary and volunteer support. As such, it is recommended that the site adds a fourth full-time permanent role in the immediate term. A fourth full-time permanent role will continue to work directly with the Manager, Heritage Coordinator and Visitor Service Associate. Given the opportunities that could arise from a dedicated focus on improved quality, diversity and awareness of programming on the site, it is important that the new hire has the required programming knowledge and experience.

While it is important the site add a fourth staff member in the short-term, the site should work towards two more specific, roles (totalling five) in the medium to longer term. These roles could be established by shifting auxiliary roles into full-time positions, splitting more general roles into two, more specific, positions, or by hiring externally. Description of these future roles are found below:

- **Public Programs Coordinator:** This role's responsibilities would cover events, seasonal programs, BHSS program support, assistance in marketing programs and events (e.g. social media), with a concentration on program development, engaging instructors, promoting, coordinating, etc.

⁵ Note, the Gulf of Georgia Cannery operates with 7 admin staff while the Vancouver Maritime Museum has 12.

- **School and Educational Programs Coordinator:** This role's responsibilities would include curating and managing school tours, school outreach programs, and spring and summer camps, with a concentration on program development and the recruitment/training of facilitators.

The site should also add a **Shipwright/Operations Coordinator** to oversee boat building projects, site carpentry and maintenance work, development of safety procedures and equipment procedures. Additionally, this role would be to supervise volunteers involved in these projects.

Speaking to **auxiliary staff**, it is likely the case that the hours required from these staff members will **increase**. Any increase in the number of visitors will increase the requirement from auxiliary staff attendance, and may eventually require more than 90 hours per week. Table 11 in Section 3.5 presents a breakdown by key focus areas of the potential activities that will require additional staff resources. For example, as more buildings are restored, the hours required from the Building Services worker will certainly increase from the 24 hours currently allotted. In view of the increased marketing budget (detailed in section below) a **marketing professional** may be another additional auxiliary position requirement in the short-term.

On an ongoing basis, resources would be allocated to **enhance the number, quality and consistency of volunteers** on site. As indicated in **Strategic Framework 4.2**, given that almost all the opportunities presented require them, volunteers play an active role at Britannia Shipyards and contribute significantly to its success. The Site Manager may be well positioned to develop more volunteer capacity in-house, or he/she can consider partnering with an outside agency to provide that support.

Of critical importance is ensuring the particular skill-sets of the **Manager, Britannia Shipyards** are fulfilled, such as: knowledge of museum and heritage programming, events and exhibit development, a rich understanding of destination tourism, marketing/PR expertise, the ability to identify and develop public and private sector partnerships and a familiarity with the conservation and restoration of heritage buildings. The fulfillment of this role will also allow the Heritage Coordinator to focus on the development of meaningful exhibitions, community partnership development and the interpretation and exhibits in upcoming building restoration work.

In summary, it is recommended, in the short-term that the site adds one permanent full-time employee, while budgeting for increased demands on auxiliary staff time. In the medium to longer term, the new full-time role should be split into two, more specific, full-time roles. As per definitions of the role described above, this scenario would see one position focusing on school programming, with the other leading the more public side of programming and events. In the longer term, the site should hire a Shipwright/Operations Coordinator to oversee the program plan for boat building and restoration activities on site. Additionally, it is critical that volunteers remain well-trained and regularly updated about the evolution of site restoration and interpretation.

Marketing

For all of the above potential enhancements to be realized, even in part, the site will require **enhanced marketing efforts** in the immediate term. Additionally, a **reinvestment in partnerships** with important allies and **potential sponsors** are required to support development at the site.

To begin with, the City should consider an additional \$50,000 in the annual **marketing budget** (and related auxiliary marketing

"We need the communications piece, in the past marketing of Britannia Shipyards has been very poor"

Stakeholder Interview

staff). While this is a significant increase from the current base budget of \$5,000, it is a necessary step for improving awareness and the potential of the site.⁶ This increase in budget should be used to complete the development of a marketing and communications plan as indicated in **Strategic Framework 5.2.1** of the Strategic Plan 2014-2018. Additionally, it will help address potential communications gaps revealed in the 2017 Britannia Shipyards Visitor Survey. For example, the survey found that 56% of respondents heard about Britannia Shipyards via word of mouth, while an additional 13% discovered the site because they walked by or happened upon it. Given that only **19% of visitors indicated being on site as a direct result of advertising**, an increased focus on marketing could significantly increase site attendance.

In order to make the marketing budget extend as far as possible, the site should focus on leveraging **earned media** wherever possible (e.g. word of mouth, retweets, shares). Digitally speaking, the site can leverage its already strong digital presence (especially the 5,633 followers on Instagram⁷) through opportunities for interactivity at the site, which can be shared online via customized or popular hashtags. Given the site's especially strong following on Instagram, and the picturesque nature of the site, an effective way to gain earned media is an Instagram photo competition where visitors are encouraged to share their favorite moments at the site on a designated hashtag, with daily, weekly or monthly prizes. Furthermore, this type of earned media may be the biggest return on investment from the site hosting special events, where large numbers of guests attend, largely for free. If these events are high quality and people enjoy them, they will tell their friends, both in person and, of course, online.

Partnerships

To maximize return for marketing investment, the new auxiliary marketing professional should explore opportunities for or partnering/contracting with outside agencies or other heritage site as this offers a built-in opportunity for co-branding and cross-marketing initiatives. While it is important that the site maintain a **unique brand**, establishing **productive partnerships** will be a critical enabler for success in the next phase of Britannia Shipyards' development (and another way to gain earned media). In the first instance, Britannia Shipyards should continue to explore opportunities to partner with local heritage sites, especially the **Gulf of Georgia Cannery**. Some potential options for joint marketing include:

- Combined tickets, promotional offers or incentives/discounts to visit multiple sites;
- Sharing resources such as staff and volunteers;
- Marketing campaigns (e.g. Steveston, Richmond, maritime themed specific social media campaigns or advertising campaigns);
- Shared efforts in the designing, ordering and selling of merchandise (i.e. increased economies of scale, collaborative branding and marketing);

⁶ Note, the Gulf of Georgia Cannery spends more than \$65,000 on their annual marketing and advertising budget.

⁷ As of January 23rd, 2018.

Furthermore, in the longer term – and leveraging the coordinating body of the Steveston 2020 group – options for a regular bus tour of Steveston that includes both sites as well as others (e.g. Steveston Village, the Tram, the Post Office) should be considered.

Some less conventional partnerships could be leveraged for enhanced programs or other improvements for the site. For example, partnerships could be considered with the following groups:

- Local K-12 schools so as to explore opportunities for closer collaboration and more nuanced curriculum-based offerings on-site. That is, working directly with schools or districts to design bespoke educational offerings (in addition to the pre-packaged programs currently available).
- Increased linkages with Tourism Richmond could be leveraged for marketing support. Additionally, the site could explore potential partnerships with local marketing firms or business schools to aid in marketing campaigns.
- Booking or partnering with groups that have built-in audiences for special events or programs (e.g. Artisan Christmas Craft Fair brings its own audience).

Sponsorship, grants and donations

With intensified marketing efforts and expanded partnerships, increased **sponsorship** may come naturally for Britannia Shipyards. It is also recommended that the site develop a menu of **sponsorship opportunities that offers lower and higher priced options** for companies and individuals to choose from. This approach to sponsorship allows for increased programming or new exhibits/displays without adding a cost burden. In many comparable sites, programs are considered part of the mission and not motivated by revenue generation.⁸ It is often the case that costs exceed revenues by two or three times, and this becomes part of the rationale for seeking sponsorship of specific programs to keep the costs low (or non-existent).

While commercial partnerships and sponsorship opportunities provide a great opportunity, developing the right product to target sponsors does not happen overnight. It is likely that a comprehensive sponsorship package would not be developed until 2020. For this reason, it is recommended that, while developing a variety of sponsorship packages, the site should **continue to pursue a variety of grants and in-kind support**. The site should build off recent successes, such as the roughly \$50,000 in grants and in-kind support the site has acquired since 2016.

Some examples of successful **grant and in-kind support** driven activities at Britannia Shipyards in recent years include:

- Family Day and Canada 150 grants;
- The Artist in Residency program (through the City of Richmond's Public Art Department);
- Local group and individual contributions (e.g. time, objects, expertise) to exhibitions (e.g. Our Coastal Connection, Christmas Craft Fair), and;

⁸ For example, a current exhibit at the Gulf of Georgia Cannery is sponsored by the Pacific Salmon Foundation - <http://gulfofgeorgiacannery.org/join-give/sponsors> - while the busy Heritage Christmas event at the Burnaby Heritage Museum was presented by Concord Pacific <http://www.burnabyvillagemuseum.ca/EN/meta/whats-new/2017-archive/sponsorship-announcement.html>.

- One-off events (e.g. Artist's Talks).

By 2020, the site should have developed a unique menu of sponsorship offers and see a significant expansion in revenue from sponsorships. Identifying potential sponsors for special exhibitions is another area for exploration, building on the successful partnership model of the *Our Coastal Connection* exhibit in Summer 2017. Furthermore, as detailed in Section 4.4, there are a wide variety of publicly available opportunities for grants to sponsor certain activities or general finances of the site. The site could use the five-step process for engaging the business world, described as follows by the Museums Association⁹, as a starting point for building its sponsorship offer:

- Scrutinize your own project so you are in a position to demonstrate to potential funders how its "reach" will meet their own promotional goals;
- Examine the projects that companies already support to see where yours might match their priorities;
- Remember that companies have their own agenda (i.e. need for self-promotion);
- Remember that sponsorship is a business arrangement, not a casual quid pro quo; and,
- If you cannot offer 'prestige' as a small museum, you may be able to provide other benefits to a company, such as helping it demonstrate its corporate social responsibility.

It is recommended that the site continue to seek grants and donations while striving to increase sponsorship revenues by 10% annually after the 2019 launch of its sponsorship offer, contributing roughly \$84,000¹⁰ to the budget of Britannia Shipyards by Year 5.

Annual BHSS membership

In the short-term, the City should explore opportunities to work closely with the BHSS to enhance and utilize the latter's \$25 **membership program**. Some examples may include: increased access to paid programming or behind the scene tours, priority access to special events, and/or access to unique site rental offers. While this partnership could include some revenue sharing with the City, it is likely that the biggest benefit will come in the form of increasing the membership size, and, in turn, the participation in, awareness of, and enthusiasm for the **community asset** element of the site. The membership body could also play an important role in programming support. For example, much-needed school program materials and exhibit components could be created by the membership.

Another option within the membership scheme (possibly in the medium to longer term) could be an 'upper tier' where members (or organizations) who feel aligned with the mission of the site can purchase an enhanced membership (~\$100). This could include guest passes for paid tours or programs, to be distributed to those who may not be able to afford the services offered at Britannia Shipyards or discounted/priority booking of site space.

Preparatory work for enhanced boat building and repair activity

⁹ Museums Association, *Museum Practice* (2008): <https://www.museumsassociation.org/museum-practice/fundraising/16530>.

¹⁰ Note, the Gulf of Georgia Cannery raised over \$150,000 in sponsorship, grants and donations in 2016.

While a full analysis of market considerations and opportunities for boat building and repair activity can be found in Section 3.4.3, it is recommended in the immediate term, a program plan for the Richmond Boat Builders Building is developed and the building is redeveloped to support this plan. Processes and procedures must be in place to address all regulatory requirements. Appropriate City staff oversight for boat building and repair activities will help to ensure regulatory compliance.

It is also recommended that the site conducts preparatory groundwork for longer-term boat building and repair activity at the site. It is important to note that much of the programming, tours, events and school visits will be closely related to the wooden boat building traditions and maritime history of the site. However, some of the more industrial related options (e.g. more complex activity, new machinery) need to be explored further, especially as they relate to the diminished access to the public. Specifically, the following aspects need to be closely considered, in the immediate term:

- Working closely with Department of Fisheries and Oceans (DFO) and Environment and Climate Change Canada officials to ensure regulatory compliance of intentions (e.g. engineered drawings, specific use plans).
- Ensuring compliance with all Municipal, Provincial and Federal laws and regulations such as Work Safe BC Regulations, the Canadian Environmental Protection Act, the Fisheries Act, the Marine Liability Act, the Canadian Environmental Assessment Act and the Heritage Conservation Act.
- Preparing an application to the Province for permission to perform this type of activity under an amended water lot lease agreement (a process that can take 1-1.5 years)
- Ensuring hazardous materials (e.g. lead, asbestos), are first removed from vessels at a proper facility (e.g. Steveston Harbour Authority, Shelter Island).
- Developing initial plans for containing work (e.g. boom, other infrastructure) for the containment of sawdust and other less hazardous waste, including engineered drawings and equipment procedures.
- Professionalizing the activities of the BHSS – e.g. ensuring health and safety regulations are understood, practiced and overseen by BHSS leaders.

In summary, there are several important, ongoing initiatives that will provide a foundation for continued improvements at the site. The following sections will describe the operations of the site in the short, medium and long term, as they relate to eight key focus areas at the site:

- | | |
|--------------------------|----------------------------|
| ▪ Site tours | ▪ Space rentals |
| ▪ Registered programming | ▪ Boat building and repair |
| ▪ School programs | ▪ Retail/gift shop |
| ▪ Special events | ▪ Food and beverage |

3.2 Short-term focus areas (2018 and 2019)

In the short-term, the site should pursue “**low hanging fruit**” or focus resources on activities that have higher and faster returns (financial or otherwise), with measurable gains. Crucially, these focus areas also align closely with the vision and mission of the site.

3.2.1 Site tours

Current State

A guided tour is a facilitated visit of Britannia Shipyards site and buildings. Typically, staff are utilized to deliver the tours and, ideally, participants pay for the experience. Importantly, many of these visitors end up receiving informal tours or receiving casual interpretation, requiring an adequate number of volunteers on site and in addition to the more 'formal' 15-minute offered tours.

544 of the visitors to the site in 2017 paid for tours, resulting in a very modest \$2,100 in revenue in 2017, up from the \$1,500 earned from 484 visitors in 2016. Tours available to the public are shown in the table below.

Table 2: Summary of paid tours at Britannia Shipyards

Name	Fee	Minimum and Maximum Participants
Inside the Britannia Shipyards	\$4 per person	Minimum: 12 people Maximum: 30 people
Culture Makes Communities	\$8 adult \$3.50 child (6-12) Free under 6	Minimum: 12 people Maximum: 30 people
The Story of Tea	\$6 adult \$3.50 child (6-12) Free under 6	Minimum: 12 people Maximum: 30 people

Site tours are central to the vision of Britannia Shipyards as they offer an important means of telling the story of west coast maritime heritage.

Challenges

- Garnering more interest for paid tours when there is a free option - i.e. breaking the notion of "why pay for something when I can get it for free".
- Tours, especially for a small number of visitors, can be very staff intensive.
- Enforcing limits for free access will also require increased staff attention to tours.
- Having a site without secure perimeters, with a public trail running directly through it, makes it inherently difficult to stop visitors exploring for free.
- Many of the City's other assets offer free access as an important means of ensuring that access to historical or cultural programming is inclusive.

"Simply put, people do not want to pay for something they think they can get for free. We need to do a better job of advertising the benefit of the paid experience"

Stakeholder interviewee

Market Considerations and Opportunities

While the market for programming is likely to be more local and include repeat visitors, the primary market for guided tours, at least in the short-term, are newcomers to the site. Therefore, if paid tours are pursued by the site, the focus should be placed on the regional market and beyond. There are 2.4

million residents within the Vancouver census metropolitan area (CMA), and an additional 2.2 million elsewhere in the province.¹¹

Visitors from the United States and other international countries should also be targeted, particularly when already in the Vancouver area. In 2015, it is estimated that there were over 9.3 million visitors to the Vancouver metropolitan area.¹² Furthermore, these tourists spend an average of \$37.71 per trip on recreation and entertainment.¹³

An important benefit of tours whether paid, unpaid, or even informal, is that they offer more controlled access to the site. Compared to unfettered access of walk-throughs, or visitors paying for event space or attending special events, tours are much less likely to cause damage to the site's assets.

It also boasts an attractive opportunity from a financial perspective, increasing both the quantity and quality of the visitor experience while decreasing the public subsidy per use. That is potentially the best way to meet the outcome of **Strategic Framework 4.1.1**. The Burnaby Village Museum mixes free access with paid value-add experiences. At the site, entrance is free but value-added experiences such as seasonal/limited exhibits, behind the scenes tours or riding the carousel are part of the paid experiences.¹⁴

"There was no-one in the welcome centre, so we just explored by ourselves."

TripAdvisor comment

By Year 5, it is possible for the site to increase drop-in visits to **120,000 from the current 90,000** and to be well underway in the **transition away from free tours**. With the increase in marketing, branding and awareness of the value add for the paid experience, it is possible that by 2022, 80% of visitors would be paying for a guided tour of Britannia Shipyards.

Recommendations

The first priority in this transition should therefore be to enhance and translate some of the existing free tours into paid tours, such as the case with The Story of Tea, Culture Makes Communities, and Inside the Britannia Shipyards. This will require the site to create a 'brand' or a product offer for the paid tours. Additionally, it is important to focus on enhancing tour offers that hold the greatest opportunity for improving quality of visitor experience – a critical step for encouraging repeat customers. Site staff should promote this through a multi-faceted approach:

- Increased on-site presence and advertising as to the value-add of a paid tour;
- Enhanced product offering;
- Increased investment in offsite advertising/marketing and social media;

¹¹ Statistics Canada: 2016 Census of the Population.

¹² Tourism Vancouver:
https://res.cloudinary.com/simpleview/image/upload/v1/clients/vancouverbc/ytd_visitor_volume_3420d07e-b610-47a1-87a4-57b1a1f9b3e9.pdf.

¹³ https://res.cloudinary.com/simpleview/image/upload/v1/clients/vancouverbc/visitor_profile_47097789-cac9-4ff1-885c-60dbc87ad92d.pdf.

¹⁴ <http://www.burnabyvillagemuseum.ca/EN/main/visit/tours-activities-demos.html>.

- Identification of sponsorship (Section 3.1); and,
- Phasing out accessibility to (or minimizing the appeal of) free tours.

The free tours will remain an important aspect of the site. They are a way to provide public access to buildings that would otherwise be closed, and to engage the staff to keep up their historic knowledge and interpretive skills. For those site tours remaining free, donation boxes should be made available, with visible displays making a compelling case about the importance of such donations. Some potential examples of paid tours collected during the stakeholder consultation are:

- Establishing some of the facilities as an exclusive “behind the scenes” concept which non-paid tour visitors cannot access (e.g. the Chinese Bunkhouse or Parts of the Seine Net Loft);
- Providing costumes for historic photo opportunities;
- Accessing exclusive exhibitions or watching live exhibitions led by mechanics or woodworkers;
- Rowing, sailing or other maritime related skills demonstrations; or,
- Access to interesting boats docked at the site.

The BHSS should be utilized, where possible, to provide the necessary skills and hands-on presence to truly make the enhanced tours worth their fees. As discussed above, less than 1% of visitors were currently paying for tours in 2017, indicating that there is not enough to draw visitors from the free offer to the paid offerings. Furthermore, enhancing paid tours remain very much in line with the vision of the site, allowing for deeper, interactive historical learning.

3.2.2 Paid programming

Current State

A program at Britannia Shipyards can be defined as a scheduled participation opportunity for which people register. Each registration involves from 1 to 5 visits at prearranged times to take part in a specific activity. Fees paid at the time of registration typically cover most or all of the marginal costs of delivering the program (staffing, space allocation, supplies) and contribute minimally to the overall overhead operating costs of the site. In 2017, 2,738 people registered at the site for seasonal programming. This number increased from the previous year as 1,789 participants were registered in 2016.

“There are so many options when it comes to programming at Britannia, we have so much space, both indoors and outdoors”

Stakeholder interviewee

Programming at Britannia Shipyards is diverse, from small free drop-in sessions, to week-long kids camps, to yoga on the dock. These activities make up one of the largest components of revenue for the site. It is important to note that the programs vary in length and costs associated with facilitating the programs such as materials and instructor costs.

Britannia Shipyards also offers a wide array of summer camps to children between the ages of 5 and 12. The half day camp offers include:

- Maritime Treasure Hunt
- Float our Boat
- All Hands-on Deck

- Sailor Knots
- Cultural Celebrations
- Sky Cultures
- Sea Monster Myths

The camps offer hands-on engagement, storytelling and themed games to teach kids what life was like in the past. In 2016, 60 children learned traditional maritime skills in historic buildings at Britannia Shipyards.

In general, visitors have enjoyed the informative and educational aspects of the site with 27% saying they enjoyed this aspect most. At the same time, 21% stated they want to see more educational aspects and 12% wanted specific maritime skill related programming, so there remains room for improvement.¹⁵

While not necessarily a registered program, the Innovation Station (opened May 2016) offers exciting new opportunities for interactivity and learning at the site. It is a great stop for families to spend some time solving problems through creative and innovative thinking.

The site has been successful in aligning its programming with its overall vision, but an opportunity exists to more carefully align additional/enhanced site programming (as evidenced by the statistics above) in more direct relation to wooden boat building, cultural understanding and maritime history. Additionally, the fluid nature of the programming means it is able to respond to changing community needs.

Challenges

- Increased attendance is important to the mission of the institution and for revenue generation, but can be a burden on staff and volunteers and can put some of the buildings and displays at risk.
- Spreading awareness of programming requires additional and different marketing strategies.
- Increasing the diversity of offerings may water down the quality of current programming, emphasizing the need to focus on popular and/or profitable programs.
- There exists a risk of developing partnerships 'too soon', before the site's offer is fully developed.

Market Considerations and Opportunities

Despite the challenges listed above, there are substantial opportunities to significantly expand programming at Britannia Shipyards. Given the nature of the programming on the site, it is likely that most of the participants in paid programming are locals.¹⁶ As seen in the table below, there are some gaps that could be addressed to increase paid program attendance.

¹⁵ Voices of Britannia Survey.

¹⁶ An assumption carried through the market analysis, as well as reflected throughout stakeholder interviews.

Table 3: Programming gap analysis

Consideration	Gaps	Opportunities
Frequency	Few recurring programs. Summer camps through the summer	Offer recurring programs.
Participant Age Range	Low adult and senior programming.	Offer a wider variety of programs for seniors and adults.
Paid or Free	Almost all drop-in programs are free.	Charge for some drop-in programs. Limit the amount of free programming. Schedule free programming and have drop-in paid programming.
Theme	Limited skill-building programs	Increased number of maritime skill building programs ¹⁷ (e.g. woodworking etc.)

Enhancing the paid programming offer is well placed to meet local community needs in the areas of social engagement, education, and skill development. Site programming could also be strategically aligned with the broader intentions of the City. Recurring programs could also be structured to enable progressive skill and/or knowledge development which would build a stronger “following” for the site. In addition to this, recurring programming offers the important benefit of providing much needed revenue in a steadier, reliable form.

As indicated in Table 3, most of the programming at Britannia Shipyards is geared towards children and youth, leaving a gap (and pursuant opportunity) for expanding the target demographics for programming. Additional programming for adults and seniors, or cross-generational participation are key opportunities. An important finding from the stakeholder consultation in development of this plan was the BHSS’s desire to focus more on boat building as the central focus and story of the site, thereby more clearly separating the offer from the Gulf of Georgia Cannery.

A recent example that is beginning to address some of these gaps are the Stories from Things workshops which encouraged attendees (55+) to use personal objects to write their memoirs.

Taking the above into consideration, it is reasonable to believe the site can support **3,000 more registered visitors for a variety of registered programs** annually over a 5-year period. This would mean the site would be accommodating approximately 5,750 visitors for registered programs.

Recommendations

In line with **Strategic Framework 2.1**, the site should continue to enhance programming that tells the story of the site while meeting community needs. Indeed, **programming should remain aligned with the mission** of the site, and if not, be generating revenue that can be used to cross-subsidize less profitable activities on the site. However, as discussed above, paid programming is an important way for the site to generate revenue while still remaining true to the site’s mandate.

The future pricing of programming **should be reviewed to be positioned as close to revenue neutral as possible**. Paid programming, where appropriate, could be used to help reduce the cost per visitor. Attention should be placed on the bolstering of these activities, with the primary aim of serving the

¹⁷ Careful consideration of space and regulatory requirements will be needed to increase this programming effectively. This is explored in Section 3.1.

local Richmond market and wider regional tourism market. Identifying which features of the most successful programs make them profitable will be a crucial task, as this will inform not only which programs to keep, but what characteristics may make future programming successful. Similarly, getting a sense of which programs are important to mission and which are capable of sponsorship will help to identify some programs that might be eliminated (unless sponsored).

Speaking to specifics, some examples of new programming opportunities (some have been done before), that have been discussed in stakeholder engagement, include:

- Maritime/west coast/Japanese art programming or training;
- Boat and river tours¹⁸ and other water based activities (e.g. renting or providing lessons for kayaks or paddle boards);
- Programs that reoccur weekly for an extended period of time (e.g. a workshop a week for 3 months);
- Increased access to new (or changing) interpretive exhibits especially the opportunity to interact deeply or learn more about the exhibit, or to better understand how it was put together, where artifacts came from, etc. (e.g. programs on how different aspects of the site were used historically e.g. the slipway)¹⁹

3.2.3 School visits

Current State

School visits are structured experiences for student groups that are both educational and interpretive. School visits are on the rise at Britannia Shipyards, up to 2,150 in 2017 from 1,346 in 2016 and 1,286 in 2015. These tours offer unique learning opportunities for students from across the region.

Currently, there are 6 programs offered on the site, listed in the table below. All of the programs have been updated to meet BC's Ministry of Education curriculum guidelines which connect the values expressed in the First Peoples Principles of Learning and focus on social studies learning through critical thinking and the analysis of multiple perspectives.

"There is a huge opportunity with school tours but we will need to communicate and work with the schools better."

Stakeholder interviewee

Table 4: School programs offered at Britannia Shipyards

Name	Grade	Price per student
The Promise of Canada: 150 Years	All	\$4
Working on the Waterfront	K-3	\$4

¹⁸ The site would need to explore how the current relationship with Vancouver Whale Watchers would influence this. Perhaps, the Britannia Shipyards could suggest taking a small portion of the current \$12 charge in return for its promotion and free tours offered to participants in the Historic Water Shuttle.

¹⁹ 26% reported increased interpretation as an aspect for improvement (most common response) in the Voices of Britannia Survey.

Britannia Boatbuilders	All	\$5
How We Lived	Grades 4-6	\$4
Life in Sutebusuton	Grades 5-7	\$4
Inside the Britannia Shipyards	All	\$4

Much like paid tours, school visits are central to the vision of the site as they create interest in the site – and maritime history more generally – at a very young age.

Challenges

- Some school groups book a tour at the nearby Gulf of Georgia Cannery and then arrive at Britannia Shipyards unannounced (without paying).
- Current revenue is equal to supplies (e.g. boat builder kits) so profits (if any) are minimal.
- Transport is a key barrier for the school system– it remains costly to get students on-site.
- Difficult for teachers to organize and to access sufficient funding for field trips.

Market Considerations and Opportunities

Each visit is approximately 1.5 hours and 30 minutes of preparation is required before the class arrives and 30 minutes to clean up after the class departs. That said, two timeslots for classes, morning and afternoon, could easily be accommodated. Up to three groups per timeslot could be accommodated with the number of restored buildings on the site. Therefore, six classes per day could be theoretically hosted. Importantly, an increase of this nature will require an increase in volunteer and staff hours, which should be met by staff increase recommendations (Section 3.1).

Table 5: Summary of 2017 school visit attendance at Britannia Shipyards

Current Groups/ Students per Year	Public Elementary Schools in Richmond	Public Secondary Schools in Richmond	Potential Classes per Year ²⁰
Groups: 71 Students: 2,150	38	10	Groups: 96 Students: 2,880

Beyond their educational value, school visits encourage long-term repeat visit potential among families. The first priority should be working with local schools and exploring opportunities. In the longer term, the City could explore opportunities for marketing beyond its borders. As indicated above, there is enough demand to increase by nearly 1,000 visits. Note, as educational offers are important motivators for sponsorship, one spill-over impact of an enhanced school visit offer is the potential to draw new sponsorship opportunities.

In summary, there were 71 school group tours in 2017. If each public school in Richmond sent two groups per year, this total would rise to 96 groups. The City of Delta also has six schools within 20km of the site. Therefore, it is possible to continue increasing the number of school tours given enhanced marketing efforts and possibly cross promotion with the Gulf of Georgia Cannery Site. The total

²⁰ Assuming that two classes per school visited.

number of students visiting the site by Year 5 would be in the order of approximately **2,880 visits (roughly 96 classes)** and would likely be provided on a revenue neutral/slightly profitable basis.

Recommendations

Britannia Shipyards should continue to **enhance and expand promotion of their school programs on the site**. While Britannia Shipyards are certainly not the only site with curriculum-based programming, promotional material should centre on the unique, curriculum-based offerings at Britannia Shipyards. Moreover, these materials should be making clear linkages between programs or exhibits on the site and specific grades, classes and learning outcomes. This kind of promotion will be a critical role of the new staff member and increased marketing budget. The site could also explore sponsorship opportunities to cover travel costs for school groups wanting to visit the site.

It is recommended that an enhanced offer for school visits would go beyond the current break-even cost structure (or loss) and cater to a regional market. As indicated in **Strategic Framework 2.1.5**, specific offers should be developed which cater to growing demographics (e.g. ESL tours, Indigenous/Chinese/Japanese focused tours). Nordicity modelling shows that in order to break even on variable costs, the school programs (based on financials provided to us) need to charge roughly **\$6**.²¹ While there are loose constraints on how much Britannia Shipyards can charge for these programs, it is recommended that the site aims to raise the price of its school programs in the short-term. The agreement that puts loose limits on pricing may mean that it is necessary for other school programs in Richmond to review their cost structures as well. This fee increase becomes even more important if the site can successfully increase the number of school tours visiting the site.

In summary, short-term priorities should remain around enhancing the visitor experience while expanding revenue generating activities in three main areas:

- Site tours
- Paid programming
- School visits

Note, in view of the recent need to remediate the Richmond Boat Builders Building, the short-term phase also includes the development of a program plan for the building so as to allow for programming to continue as soon as possible.

3.3 Medium-term focus areas (2020 through 2022)

In Year 3, gains made in the first three years (e.g. increasing paid tours, enhanced programming and school tours) will be reviewed and additional opportunities will be pursued. Recommended initiatives for medium-term focus are described in the following sections.

²¹ While raising the price may result in an initial decrease in potential uptake of the school tours, the site should continue to work with the group of Lower Mainland Museum Educators (LMME) and other partners to identify possible ways to increase the price. Nordicity analysis shows that school programs operated at a roughly \$12,000 loss for the site in 2017 (see Appendix 3).

3.3.1 Special events

Current State

A special event is a large gathering of people who visit the site to watch or participate in an experience beyond the normal range of everyday activities. In 2017, a total of approximately 66,000 people visited the site during nine special events, as displayed below. This is also an increase from the 62,300 that visited in 2016.

Table 6: Summary of key special events at Britannia Shipyards

Event	Visitors (2017)
Richmond Maritime Festival	40,000
Canada Day Richmond	15,000
Kaiwo Maru	2,400
Family Day	2,250
Doors Open Richmond	2,000
Halloween	1,692
Grand Prix Richmond	1,074
Whale Skeleton Program	750
Culture Days Richmond	582
Total	65,748

"[The event] brings people to this area, to understand the history of this area better. It expands marine knowledge widely."

RMF exit survey respondent

Richmond Maritime Festival is the highlight of the special events at Britannia Shipyards. For two days in August 2017, the festival attracted over 40,000 visitors who participated in a range of activities, from children's boat building to creating a knitting tree, to boarding historic wooden vessels at the dock. The main stage featured a headline performance by the Matinee and the Myrtle Family Band. The Maritime Festival received an honourable mention as the best Cultural Event at the Creative City Network Conference, and the Exit Survey from the festival revealed that 87% of respondents rated their experience at the festival as excellent. In addition to this popular event, the site had 8 other events in 2017.

Current events are aligned with the vision of the site as they increase local awareness and appreciation for the site. Diversified offerings allow the site to increase its appeal to an evolving set of groups and interests. Importantly, any expansion in special events continues to maintain alignment with the vision.

Challenges

- Potential strain on staff and volunteers to accommodate more events. Increased risk to historic artifacts in displays/exhibitions.
- Parking can be a challenge for large events.
- A poorly executed event can reflect poorly on the site.

Market Considerations and Opportunities

There are opportunities to expand the number of large city-wide events at Britannia Shipyards. Since each large event only attracts 14% of the city-wide population, an opportunity exists to host another larger event in order to cater to various interests.

Table 7: Special events at tBritannia Shipyards

Event Type	Market Area	Market Population	Number of Events in 2017	Average Attendance per Event ²²	Percentage of Market Area that Attends
Large Events	City-wide (Richmond)	218,307 ²³	2	27,500	14%

However, as mentioned above, special events pose significant challenges for the site and staff to handle. Additionally, special events do not generate revenue. To help reduce the strain on resources, the site may consider opportunities to partner with other community groups. For example, 2018 will see the site host two boat rendezvous, which was the result of partnerships with local boat owners and enthusiasts.

Special events and festivals are great ways for the site to increase awareness and garner further support. As per **Strategic Framework 2.2**, the site should continue offering these programs and explore opportunities to expand the offer. However, as indicated above, events tend to be labour intensive and can lead to volunteer burnout, so it becomes important to focus on fewer events with more appeal. Therefore, **one large event** should be added while maintaining status quo in the diverse offerings of small events.

Recommendations

It is recommended that the staff **focus on creating a new event that continues to be closely aligned with the vision of the site**. Furthermore, this event should be a high-quality offering, considering ways that it **can draw new visitors while remaining aligned with the strategic purpose of the site**.

Additionally, this should happen at a time of the year that **works well in relation to other events occurring in Richmond**, and potentially cater to those not already familiar with the site. A new special event could centre around the following themes:

- National Indigenous People's Day (June)
- Chinese New Year (February)
- World Maritime Day (September)
- Centennial celebration of the site being converted into a shipyard

3.3.2 Space rentals

Current State

²² Rounded to the nearest 1,000.

²³ 2017 City of Richmond Projections (with Urban Futures Inc.).

Rentals are short-term (daily or hourly) uses of certain spaces by an external stakeholder in exchange for a fee. They are typically either for social events or group meetings. Britannia Shipyards leverages its building space for rental facilities to host celebrations of life, birthdays, fundraisers, weddings, meetings as well as promoting the site as a local filming location.

Total attendance associated with those rentals has been estimated by staff to be over 6,000 in 2017 at 167 rentals, roughly a 50% increase compared to 2016. As displayed in the table below, the number of meetings were significantly higher than any other rental type in 2017. However, only 10 of these meetings were chargeable, with a total revenue of \$2115.83. A breakdown of 2017 rental types can be found in the table below.

Table 8: Summary of 2017 rentals at Britannia Shipyards

Type of rental (2017)	# of rentals
Meetings	130
Weddings	11
Folk Guild	11
Photography	8
Birthdays	2
Celebrations of Life	1
Fundraisers	1
Heritage Fair	1
Graduation	1
Retirement	1
Total	167

Rentals are coordinated through Britannia's Visitor Services Coordinator. Two spaces are available to rent: the Chinese Bunkhouse and the Seine Net Loft. The latter is only available between May and September and is limited to two rentals per month.

Table 9: Rentals options at Britannia Shipyards

Characteristic	The Chinese Bunkhouse	The Seine Net Loft
Pricing	\$500 for up to 4 hours \$100 for each additional hour \$35/hour staffing fee (if outside of regular hours)	\$3,500 for a daily rental \$1,000 for 4 hours \$300 for each additional hour
Capacity	Standing/row seating: 100 Banquet seating: 65	Standing: 300 Banquet seating: 200
Availability	May-September: After 5pm October-April weekdays: Anytime October-April weekends: After 5pm	Daily
Features	Small kitchen, two washrooms, tables and chairs, basic audio/video equipment.	Tables and chairs, 1 to 2 staff. Washroom facilities.
Notes	Music must be turned off by 11pm Events must be finished by 10:30pm on weeknights (Sunday-Thursday) and 11:30pm on weekends (Friday-Saturday)	Events must be finished by 10:30pm (music off by 10 pm) Not climate controlled No kitchen

Additionally, Britannia Shipyards earns revenue by renting different spaces and areas on the site for filming. In 2016, the site was busy with film shoots that included *Supernatural*, *Once upon a Time*, *Legends of Tomorrow* and *The Man in the High Castle*. Revenue from these rentals go directly into a capital account used for future site maintenance and repairs.

Currently, most site rentals do not closely align with the vision of Britannia Shipyards.

Challenges

- Closing buildings for private functions and filming during operational hours result in visitor complaints.
- Rentals such as parties and weddings provide a strain on staff and volunteer resources.
- Mistreatment of the space and artifacts can result in expensive repairs.
- Rentals, especially in the evening, can be a nuisance to the neighbours and put a strain on the current coexistence of Britannia Shipyards within a residential community.
- Safety, security, logistical and operational limitations mean that taking advantage of the site's dock space can be difficult.

"Weddings are very hard on the site and the staff. They were also never part of the plan."

Stakeholder interviewee

Market Considerations and Opportunities

Britannia Shipyards has a strong opportunity to grow its space rental services. Its unique combination of waterfront buildings, large hall-like spaces, open grass, waterfront areas and dock space mean that opportunities are diverse.

The market analysis also suggests that family-oriented and cross-generational offerings (e.g. programming that would appeal to multiple generations) are in high demand. In addition to these offerings, demand remains high for meetings at the site and these could be a source of rental growth for Britannia Shipyards. In this respect, the Chinese Bunkhouse is well equipped to host private engagements, as are other unique spaces on site.

In summary, by offering rentals for some of these high demand services, combined with more space becoming available on the site (e.g. the completion of the Japanese Duplex or First Nations Bunkhouse), it is possible for the site to grow to **225 rentals per year by Year 5**. Additionally, while it is difficult to accurately predict market demand for **film shoots**, it is likely that demand for this type of site rental will also continue.

Recommendations

As mentioned above, this study's market assessment revealed a potential for a significant increase in rentals for private functions. However, with the site reaching nearly 170 rentals in 2017, it may be near capacity for number of rentals on the site. As such, **the site should continue to offer rentals at a steady rate in the short-term while exploring ways to increase chargeable rentals on the site**. However, in the medium-term, as restoration continues and potentially more space becomes available and more staff members are added, the site should **explore opportunities to increase rentals**.

While weddings are in high demand, **it is not recommended that the site aggressively pursue more wedding rentals**. Not only do these events put a large strain on the site and its staff, they compete with some of the busiest times of the year (summer weekends), often limiting opportunities for others

to visit and enjoy the site. Instead, it is recommended that the site focus on a limited number of weddings, as well as rentals that are more aligned with the vision of the site. Some examples include:

- Evening rentals that do not compete with the site's daytime programming (e.g. private parties, celebrations of life, corporate events/meetings, fundraisers);
- Cross-generational and family events such as family reunions, retirement parties and birthday parties²⁴;
- Cultural events (festivals or holiday celebrations); and,
- Community events.

In order to minimize disturbance of the site, and keep alignment with the site's vision and mission, future expansion in space rentals should consider a **stronger focus on rentals that occur outside the peak hours or summer months**.

Additionally, the site should continue to build on its reputation as a destination for film shoots. The site could consider a focused marketing campaign, promoting the site as a destination for diverse types of filming, with ample space for parking of equipment. These rentals should be prioritized for winter weekdays as closing the site in busy summer months will restrict public access.

To conclude, the site will build on success of special events and high demand for rental space on the site. As such, the site will maintain its already impressive baseline in the short-term and explore options for increasing usage in the medium-term.

3.4 Long-term focus areas (beyond 2022)

After an initial five-year period, it will be time to pause, review ideas/initiatives that have or have not worked and build on areas where success has been achieved. Additionally, it is expected that by this time, most or all of the site restoration will be complete, freeing up capacity and capital investment to invest in some revenue generating opportunities. Furthermore, by this time, drop-in site attendance should be roughly 120,000, resulting in a stronger business case for developing some of the opportunities listed below.

3.4.1 Retail offer

Current State

A retail shop for Britannia Shipyards would be defined as one selling themed souvenirs and small items pertaining to the visitor experience. Britannia Shipyards does not currently have a gift shop. While it is important to recognize the operational capacity that is needed to run a gift shop, the lack of a retail facility is potentially a missed opportunity.

In addition to generating revenue, a gift shop has the added benefit of acting as 'free' advertising. The opportunity to sell branded merchandise in the gift shop presents the potential to spread further awareness of the site around the community and beyond. In addition, it offers a chance to capitalize on the large walk-through crowd that the site enjoys.

²⁴ The price many parents are willing to pay mean that birthday parties are often required to be run at a loss for the site.

Britannia Shipyards would need to consider how the establishment of a retail offer would align with the vision of the site. One potential means of engaging the community within such an initiative would be through ensuring some of the retail is sourced from local artisans and craftspeople, while focusing on a maritime/west coast theme.

Challenges

- Staff capacity to operate and maintain a gift shop is limited.
- The initial capital investment required to set up the shop (e.g. develop space, identify/order merchandise) is considerable.
- A large majority of the visitors to Britannia Shipyards are local (70%).

Market Considerations and Opportunities

With the current number of visitors that the site hosts, there is an opportunity to generate revenue from themed/associated retail sales. It is likely that most of the revenue generated by a gift shop would be from non-local visitors. While the majority of site visitors are local, there still remains a market for tourists outside of a 50-mile radius. The following table estimates the breakdown of visitor residency.

Table 10: Geographical breakdown of visitors

Residency	Estimated Percentage of Visitors	Extrapolated Number of Visitors (based on 2017 visits)
Richmond	35%	58,800
Elsewhere in Lower Mainland	33%	55,800
Elsewhere in BC	5%	8,600
Outside BC in Canada	12%	20,400
International	15%	25,400
Total	100%	169,000

As the above table shows, 54,400 visitors per year are non-local (i.e. reside outside of Metro Vancouver). This is the primary market for selling goods through a gift shop because local visitors typically see less need for a memento associated with a local attraction. This is likely similar to the number of non-local visitors who visit the Gulf of Georgia Cannery which operates a successful gift shop. The Cannery has annual sales in the range of \$220,000 from its gift shop and realizes a net operating surplus of about \$40,000.

While the potential exists to generate revenue and other benefits through a gift shop, this remains a long-term focus for Britannia Shipyards.

Recommendation

While a full retail offer should remain a long-term focus, in the **medium-term**, the site should build on the increase in site attendance as a result of other proposed activity changes on the site. Britannia Shipyards should consider a limited offering of merchandise on the site. This should occur in an existing space and will build on improved branding as part of the increased marketing of the site.

The focus in the medium-term offer should be on **establishing a brand and improving exposure for the site**. Starting with a few branded products will offer a chance to market the site while testing potential demand for a longer term full retail offer. An immediate target 'market' for the new branded merchandise could be BHSS membership. Additionally, the site should explore potential ways to

partner with groups for increased efficiencies in their respective offers (e.g. sharing common supplies such as 'Steveston or Richmond' branded merchandise, offering limited site specific branded merchandise in each other's stores).

While it is unlikely a limited offer will generate substantial revenue for the site, it is recommended the focus of the soft launch be on the following:

- Building a merchandise brand for Britannia Shipyards;
- Testing options for future retail shop;
- Partnership identification and building; and,
- Offering limited high-quality maritime related products.

Potentially building on a soft launch in the medium-term, Britannia Shipyards should undertake steps needed for the launch of a full service retail offering or a gift shop when the necessary capital becomes available. The keys to success for a gift shop at Britannia Shipyards are a) higher attendance so as to expose more visitors to the retail offer and b) potentially integrating the retail with a new welcome centre or point of arrival so as to limit staff costs. Indeed, it is possible that the gift shop be placed in an entry location, where visitors would also register for programs, pay for tours and find out about other events.

Depending on the appetite of the City, and upskilled capacity of the BHSS, the gift shop could either be leased to a commercial service provider (with profit sharing structure) or led by the BHSS. It is in this long-term planning phase that the site should conduct a feasibility study, leveraging the advice of an expert retail consultant. Some financial considerations and projections of different long-term options conducted by Nordicity can be found in Section 4.3.

3.4.2 Food and beverage

Current State

Food and beverage opportunities at Britannia Shipyards entail the provision of food and beverage leasing of a space on the site to a third-party food and beverage operator/provider. There are no food and beverage services currently available at Britannia Shipyards.

Future food and beverage options include a small café/coffee shop that could possibly be combined with a gift shop, a food truck, a full-service restaurant or pub in the Phoenix Net Loft, and a floating restaurant.

While food and beverage does not directly align with the vision or mission of the site, the revenue generated could be used to cross-subsidize other activities on the site more directly aligned with the mission and vision. Furthermore, one consideration could be a restaurant or café that is west coast or maritime themed with historical components to it (e.g. historical narrative on menus or exhibits on walls).

"There is lots of opportunity for a restaurant or food offering on the site, but we need to finish the site first"

Stakeholder interviewee

Challenges

- Lack of staff capacity (e.g. time, skill sets) to effectively supervise a food and beverage operation.
- Increased traffic could be a risk to the site's assets.

- Low quality food and beverage service could reflect poorly on the overall site experience.
- The potential late hours of a restaurant or brewpub could be at odds with local noise bylaws and disturb current coexistence with local residents.
- Transportation and parking may be an issue.
- Generally speaking, restaurants on historic sites are unlikely to bring in significantly increased revenue, especially if the site is unable to drastically increase visitors.

Market Considerations and Opportunities

There is opportunity to lease space to food and beverage operators at Britannia Shipyards. Right now, visitors to the site are not within walking distance of any food and beverage establishments (the closest, The Fisherman's Boot, is more than 500 metres away).²⁵ A food and beverage offering also offers the opportunity to capitalize on the walk-through crowd, as well as potentially bring newcomers to the site.

There are a number of criteria that potential food and beverage operators would consider when determining if a site is appropriate for a new restaurant or service. Desired site attributes include existing site traffic, accessibility and parking, overall market trading area, proximity of competition, visibility and exposure, site size, lease rates, site visitor profile and neighbourhood demographics, facility readiness, and local zoning regulations among others.

Given the challenges discussed above, this is **not a short-term priority of the site**. However, when the capacity exists, and the number of visitors is sufficient, there is potential reward in establishing a food and beverage offering. Starting with a small offering out of the gift shop or visitor centre may be an effective first step, while licensing space for a food truck remains another option.

Recommendations

While longer term options could include a full-service food and beverage offering, a food truck at Britannia Shipyards may be considered in the **medium-term**. There is currently great demand for food truck licenses, and the City of Vancouver has resorted to a lottery system for the permits that grant the right to park trucks in specified public spaces.²⁶ In this context, it is likely there are operators who would be amenable to an arrangement with Britannia Shipyards during peak periods.

Given the relatively lower revenue generated by food trucks, and the low cost to obtain permits to operate around Vancouver, this is unlikely to generate a material surplus for Britannia Shipyards after considering administrative costs. However, this approach has the advantage of making food services available to visitors with virtually no up-front capital investment from the site.

It is recommended that Britannia Shipyards **explore opportunities to attract an operator to park at the site and provide food offerings to site visitors**. It is possible the site would be able to charge for parking during peak times or during events, but the priority should be on finding a vendor to provide

²⁵ "Walkability" is often defined as within 400 metres of a given location.

²⁶ A \$1200 annual permit extends the ability to park a food truck in a number of locations around Vancouver (with some reasonable limitations) – this gives a good sense of the 'substitute' that any rental fee Britannia Shipyards proposes will be compared against.

this service add for site visitors, thereby enhancing the visitor experience and indirectly increasing attendance over time.

The site could build on a shorter-term food offer by leasing of space for a food and beverage operation, as discussed above. While it could potentially bring some revenue to the site, the **main benefit and focus of such an undertaking should be enhancing visitor draw and visitor experience on the site.** Section 4.3 will detail some of the options for food and beverage offerings at Britannia Shipyards, including their financial implications. However, it is recommended that these options be explored in a future feasibility study with a food and beverage consultant, possibly in tandem with the feasibility study for the launch of a more substantial gift shop.

3.4.3 Boat building and repair activities

Current State

Boat building and repair activity would build on the notion of Britannia Shipyards as a working site, leveraging boat building skills and equipment. Visitors have been able to view boatbuilding activities in the the Richmond Boat Builders.. These initiatives have been well received and have strengthened engagement with the BHSS. That said, there is room for many additional programs even more aligned with boat building and repair activity. Note, such proposed boat building and repair activities necessarily builds on the development of the Richmond Boat Builders Building plan in the short-term phase, as described in Sections 3.1 and 3.2.

Offering the opportunity for visitors to watch active boat work (e.g. repair, restoration), or to work on their own projects closely align with the vision of the site in terms of the promotion of maritime heritage.

Challenges

- Environmental regulations limit where/how many of these activities can be done.
- Considerable investment into infrastructure would be needed to make some of these options feasible (and legal).
- Limited population of 'boat builders' could lead to challenges in sustaining demand for using equipment on the site.
- At the moment, the capacity of the BHSS to run significantly expanded boat building and repair operations is uncertain.
- The 'shop,' (Richmond Boatbuilders building) will need to undergo significant cleaning due to recent contamination. Once the building is cleaned, it will need to be outfitted with safe and properly maintained equipment and a new dust extraction system.

"The fact that this is a working site can be a focal point of its offer to the public"

Stakeholder interviewee

Market Considerations and Opportunities

Britannia Shipyards boasts the unique combination of waterfront access, a passionate membership within the BHSS, and access to affiliated communities of boat builders and restoration specialists. The

site is well positioned to provide boat building/restoration activity on the site and the opportunity for visitors to view such activity.

Another important opportunity surrounds the potential partnerships that could be forged with local professional shipwrights who may be able to provide unique training or boat building offers on-site.

Despite the potential market opportunities and alignment with the vision, expanding boat building and repair activity – especially into heavier work or expansion of infrastructure on-site – is unlikely to be a short-term priority. **High upfront costs and high regulatory barriers (Section 3.1) mean many of these options must remain a long-term priority.**

Recommendations

Boat building and repair-related expansion is a long-term opportunity.²⁷ Increasing or expanding this type of activity on the site has the benefit of offering visitors viewing opportunities for this work and enhancing the mandate of the site in terms of telling the story of the province's maritime heritage. Some examples of expanded offerings could include:

- Utilizing slipway equipment on-site.
- Wooden vessel building/restoration – balancing facility use between historic celebration and practical/modern utility.

As per Section 3.1, establishing new (revenue-generating) relationships with external commercial outfits, associations, boat building clubs/professional shipwrights that are in need of space to undertake their activities could be a valuable means of funding any new activity proposed.

While expansion of boat building and repair activities on the site is not recommended in the short-term, the inclusion of viewing, programming and training within the site tours, programs and school visits is highly recommended.

3.5 Looking ahead

The above development plan describes a ten-year vision for the site. In addition to the required attention on each focus area, the site will need to invest in operational precursors for success such as the increased staffing and volunteer hours, marketing and promotional campaigns and improved partnerships and sponsorship activities.

In the even longer-term, consideration may also include shifting to an entire site visit fee model so as to replace some of the "value added" fees recommended above. This shift could happen by focusing attention on establishing a *sense of arrival* through entrance-focused+ landscaping and improved wayfinding. Alternatively, the site could consider the option of fencing the site. Due to the dependent factors such as effectiveness of visitor enhancement activities described herein, as well as obvious capital and staffing investments, a feasibility study on securing the site perimeter would be undertaken before any decision-making process could take place.

²⁷ Note, this is referring to expanded operations (either through new infrastructure or types/quantity of boat building and repair activity on the site) and not to programming related to the current or historical uses of the site.

As a means of summarizing the above plan, the table below graphically displays the timeline and prioritization of each of the eight focus areas. The table is color coded by priority level and includes operational recommendations in the short, medium and long terms.

Table 11: Recommended prioritization of eight focus areas

Focus area	Current Situation	Short-Term 1-2 years	Medium-Term 3-5 years	Long-Term >5 years
Site Tours A guided tour is a facilitated visit of the site and buildings. Typically, volunteers are utilized to deliver the tours and ideally participants pay for the experience.	In 2017, over 92,000 visitors experienced free tours at Britannia Shipyards, a significant jump from the 58,000 in 2016.	Enhance paid tours and dedicated focused efforts on promoting and advertising the benefits of the paid experience.	Transition free tours to paid tours.	By this time, 80% of drop-in visitors should be paying for tours.
Programming A program is a scheduled participation opportunity for which people register. Each registration involves from 1 to 5 visits at prearranged times to take part in a specific activity. Fees paid at the time of registration typically cover most or all of the marginal costs of delivering the program (staffing, space allocation, supplies) and contribute minimally to the overall overhead operating costs of the site.	In 2017, 2,738 people registered at the site for seasonal programming. This number increased from the previous year as 1,789 participants were registered in 2016.	Since the paid programs likely cater to the Steveston market, recurring programs should meet local community needs in the areas of social engagement, education, and skill development; site programming could also be strategically aligned with the broader intentions of the City. The site should actively market these programs and encourage the development of recurring programs.	Continue to expand and improve programs offered and monitor ongoing programs. One opportunity to increase revenues would be to eliminate free drop-in programming and charge a fee for it. Free programming could still be offered as an introductory service, but it could be limited through scheduling.	Monitor programs, ensuring focus and resources are spent on most profitable or well-attended programs.

<p>School Visits</p> <p>School visits are structured experiences for student groups that are educational and interpretive.</p>	<p>Nearly 2,000 students visited the site in the past year in the school visit program. Some school groups book a tour for the nearby Gulf Georgia Cannery and then come to the shipyards site unannounced (for free).</p>	<p>Actively promote the specific curriculum-based programs which can also cater to particular demographics and a regional market. The price of these tours should be increased to roughly \$6 which will allow the site to breakeven on school tours.</p>	<p>Continue to maintain up to date curriculum-driven programs and promote these offerings widely around the regional school districts. Explore partnership opportunities with schools to design custom offerings for a fee.</p>	<p>Maintain curriculum-based relevance. Continue promotion and community partnerships.</p>
<p>Special Events</p> <p>A special event is a large gathering of people who visit the site to watch or participate in an experience beyond the normal range of everyday activities.</p>	<p>In 2017, a total of approximately 66,000 people visited the site during nine special events, as displayed below. This is also an increase from the 62,300 that visited in 2016.</p>	<p>Explore options to expand number events by one large while maintaining diverse offer of smaller events.</p>	<p>By this time the site should have added one large event.</p>	<p>Continue to offer high-quality events, closely monitoring and measuring customer experience. Consider ways to generate revenue from special event foot traffic (e.g. retail or food and beverage).</p>
<p>Space Rentals</p> <p>Rentals are short-term (daily or hourly) uses of certain spaces by an external stakeholder in exchange for a fee. They are typically either for social events or group meetings.</p>	<p>Total attendance associated with those rentals has been estimated by staff to be over 6,000 in 2017 individual visits at 167 rentals, roughly a 50% increase compared to 2016.</p>	<p>Continue offering rental space as per base context.</p>	<p>Expand rentals per year and consider target promotion for family rentals (e.g. family reunions, birthdays) and rentals that happen outside of operating hours (e.g. celebrations of life, meetings etc.)</p>	<p>As restoration is completed, target 225 rentals per year and consider optimizing new spaces which could be made available for rentals.</p>
<p>Gift Shop</p> <p>A retail shop that sells themed souvenirs and small items pertaining to the visitor experience.</p>	<p>Britannia Shipyards does not have a gift shop and there are no retail sales on the site.</p>	<p>A gift shop should not be a short-term priority.</p>	<p>Soft launch of a retail offer with limited product and begin planning and weighing structure options for a future gift shop through a soft launch.</p>	<p>Launch gift shop on the foundation of a specialist feasibility study led by a retail consultant to ensure it is fit for market.</p>

<p>Food and Beverage</p> <p>Food and beverage opportunities entail the leasing of a space on the site to a third-party food and beverage operator/provider.</p>	<p>There are no food and beverage service available at Britannia Shipyards. There is one establishment (The Fisherman's Boot) within 500 metres off the site but it is not affiliated with the site at all.</p>	<p>Food and beverage should not be a short-term priority.</p>	<p>Consider the options for limited on-site offering, focusing on finding an operator that could provide the service to visitors at no cost to the site (i.e. a food truck).</p>	<p>As restoration is complete and capital potentially becomes available, the site should consider options for leasing a restaurant space.</p>
<p>Increased Boat Building and Repair Activity</p> <p>These programs would build on the notion of Britannia Shipyards being a working site, leveraging boat building skills and equipment.</p>	<p>Currently, visitors can view a working site in the Boathouse and some boat building training.</p>	<p>Work with the BHSS to professionalize their activities. Also, work closely with environmental/ industrial regulators to draw up plans and ensure planned activities are compliant going forward.</p>	<p>Continue to professionalize activities and consider possible expansion of compliant boat building and repair programs.</p>	<p>Develop programs that are safe and authentically relay the story of Richmond's maritime history. Programs should also aim to be educational and immersive.</p>

4. Financial Analysis

This section presents Nordicity's financial modelling. Based on the City of Richmond's financial reporting in 2017, this financial model estimates the financial implication of the proposed development plan for Britannia Shipyards.

4.1 Assumptions

In broad terms, the financial model was developed to address the dual questions of how much revenue the site can generate, and how much it costs to run operations and programming at the scale required to support the proposed improvement to the site. Running between these questions is a consideration of the site's vision, mission and strategic directions.

The main inputs to the model involve estimates about attendance to Britannia Shipyards' various programs and the revenue that can be earned per attendee/group participating in these activities. Depending on the operating activity, these estimates rely on a market analysis (performed by RC Strategies+PERC), the operating capacity available to Britannia Shipyards (through its employees, the City, and the BHSS), and the visitation attributable to current programming offered at the site. These elements were considered at the level of each operating segment and then combined to estimate the full financial outlook (and funding requirements) for Britannia Shipyards' operating activities.

4.1.1 Revenue projections

Britannia Shipyards's 2017 financial indicated a significant funding requirement from the City to support an operating loss of **\$623,860**, based on total expenses of **\$744,392** with revenue of **\$120,532**.

In this context, it is unsurprising that many focal points of this plan have emphasized opportunities to continue improving the site while considering different opportunities to reduce cost (subsidy) per visitor to the site. Naturally, these opportunities remain sensitive to the character and authenticity of the site, respecting 'soft' limits on the appetite to increase commercial (consumer or industrial facing) services (e.g. retail, food and beverage, boat building and repair).

The following points outline the key assumptions underlying revenue projections:

- Regular hour drop-in visitors will increase to 120,000 per year over the five-year forecast horizon.
- Over this period, 80% of regular hour drop-in visitors will be transitioned to a paid tour model (in view of an enhanced visitor experience) at an average price of \$4 per visitor.
- Registered programming will increase from the current 2,738 by 3,000 to nearly 5,750 users of programming by 2022.
- School visits will increase from the current level of 71 groups to 96 per year. The price per student will be increased to \$6.15 to operate this program at a level at which variable costs break even.
- Britannia Shipyards will add one large special event (such as the Canada Day or the Maritime Festival) by year 3. This assumption is conservative relative to the market potential for such events, as outlined in Section 3.3.1.
- Starting in the medium-term, rentals will increase from the current level of 163 rentals per year to 225 per year.

4.1.2 Expense projections

Nordicity relied on the current levels of expenses and interviews with staff members to determine the actual cost of staff time and materials that goes into offering the various types of programming offered at the site.

The significant additions to the expenses at Britannia Shipyards include:

- A new staff member was assumed to earn \$70,000 in salary and benefits.
- The cost of administrative support (e.g. auxiliary staff) and tour preparation/facilitation were linked to the volume of visitors.
- The marketing budget was increased from \$5,000 to \$50,000 per year and held constant through the forecast period.
- Facility-related expenses (maintenance contracts and utilities) were assumed to consist of 25% fixed costs. The remaining (variable) 75% of these costs was assumed to exhibit a direct relationship with total attendance to the facility.
- Telecommunications was treated as an administrative expense and was assumed to consist of 50% fixed costs. The remaining (variable) 50% of these costs was assumed to exhibit a direct relationship with total salaries and benefits.

4.2 Pro forma income statements – five-year forecasts

The following pro forma income statement shows the result of these estimates.

	Base year	Short-term (2018-19)		Medium-term (2019-21)		
	2017	2018	2019	2020	2021	2022
Revenue						
Sponsorships, Grant, Donations	21,698	23,868	26,255	50,000	65,000	84,500
Site tours	21,112	66,156	135,234	211,234	294,156	384,000
Paid programming	17,086	19,361	21,884	24,407	26,930	29,452
School tours	5,046	18,827	20,024	21,222	22,419	23,616
Space rentals	35,610	35,610	35,610	39,171	43,088	47,397
Other (e.g. filming, recovery)	19,980	19,980	19,980	19,980	19,980	19,980
Total revenue	120,532	183,802	258,987	366,014	471,573	588,945
Expenses						
Salaries and Benefits	579,639	648,649	650,198	653,605	657,198	660,996
Contracts	54,351	55,844	57,310	65,856	67,465	69,088
Public Works Expenses	9,439	9,439	9,439	9,439	9,439	9,439
Marketing	5,952	50,000	50,000	50,000	50,000	50,000
Telecommunications	3,620	3,835	3,840	3,851	3,862	3,874
Supplies	21,211	22,432	23,210	23,989	24,768	25,546
Utilities	40,894	42,017	43,120	49,550	50,761	51,982
Other expenses	29,286	29,286	29,286	29,286	29,286	29,286
Total expenses	744,392	861,502	866,404	885,576	892,779	900,212
Net operating surplus (loss)	-623,860	-677,700	-607,416	519,563	-421,207	-311,267

As this projection shows, this plan is expected to generate significant revenue growth over the medium-term with related expense increases. Importantly, this plan will drastically decrease the subsidy per visit, as the site visits are expected to increase significantly, while modestly reducing the operating loss of the site. As such, the City will see meaningful, higher 'returns' on its investment into the operations of Britannia Shipyards.

Overall, this forecast reflects a modest escalation in expenses, which funds the addition of a new staff member as well as any additional administrative support required for the increased level of activity in tours, space rentals and marketing. The key outcome to note over the medium-term is that increased marketing and higher quality tours will help to attract more visitors to the site and increase their likelihood of choosing paid services. This outcome will mainly be driven by professionalizing the site's marketing strategy, which will focus on driving more visitors to the site overall and offering a significantly improved tour and space rental experience to patrons.

4.3 Long-term revenue considerations

As part of the research underlying this plan, Nordicity evaluated some additional opportunities that may be available to Britannia Shipyards through new operations (e.g. food and beverage service, gift shop), or external operators of these services.

The following bullet points summarize these options.

- **Operate restaurant:** The average restaurant in Canada generates a profit margin of 3%, with the top quartile earning a 15% profit margin.²⁸ Assuming 10% of visitors to the site visit a restaurant and spend \$10 each, and that the restaurant caters to 10% of visitors on site for space rentals at a price of \$20 per head, a restaurant would generate a total of \$200,000 in revenue in 2021. While this would not contribute significantly to the operating surplus at a 3% profit margin (i.e., about \$6,000 surplus), Britannia Shipyards would have control over the restaurant's menu offerings, availability of catering for space rentals, and ambiance, all of which could be tailored to align with the character and authenticity and vision of the site.
- **Operate gift shop:** The average gift shop in Canada generates a profit margin of 4%, with the top quartile earning an 18% profit margin.²⁹ Assuming 5% of visitors to the site visit the shop and spend \$10 each, and that the gift shop caters 10% of visitors on site for space rentals at a price of \$20 per head, a gift shop could generate a total of \$95,000 in revenue in 2021. While this would not contribute significantly to the operating surplus at a 4% profit (i.e., about \$4,000 surplus), margin, Britannia Shipyards would have control over the operating segment and potentially use staff to provide better service to visitors.
- **Lease space to third party restaurant or gift shop operator:** If Britannia Shipyards were to build a restaurant facility (or restore an existing building and add a commercial kitchen) and lease this facility to a restaurant operator, restaurant facilities in Steveston currently lease for about \$30 per square foot, dropping to about \$25 per square foot for retail. Assuming that the site leased a small (1,000 square foot) restaurant to a third-party operator, the site could expect about \$30,000 in gross annual rent. A similarly sized retail space (1,000 square feet) would be expected to generate \$25,000 per year. While this could potentially be an easier route than operating a restaurant, finding a willing lease could be difficult as many report difficulties to turn a profit in Steveston restaurants.

4.4 Federal, provincial and private funding options (e.g. sponsorship, grant potential)

The Gulf of Georgia Cannery reported \$95,000 in grant revenue in 2016. Such funding is available through a number of provincial and national government programs. The following subheadings outline some programs with eligibility requirements that are well aligned with the reality of Britannia Shipyards. These funds could be used to help finance restorations and/or new construction of facilities and give the site a boost in its marketing efforts.

²⁸ Industry Canada, Financial performance report for NAICS 7225 - Full-service restaurants and limited-service eating places.

²⁹ Industry Canada, Financial performance report for NAICS 45322 - Gift, Novelty and Souvenir Stores.

4.4.1 Capital grants available for development and restoration

Nordicity identified two government programs at the national and provincial level that could help fund the costs of developing new facilities and restoring heritage buildings on Britannia Shipyards. These programs are outlined below.

- **Canadian Heritage's Legacy Fund – Building Communities Through Arts and Heritage³⁰** provides fund matching of up to \$500,000 for community-initiated capital projects. This program is available to local incorporated non-profit organizations as well as municipal administrations that demonstrate an active partnership with a community-based group.

Eligible capital projects³¹:

- commemorate a significant local historical event or pay tribute to a significant local historical personality;
- mark a 100th anniversary or greater, in increments of 25 years (e.g., 125th, 150th);
- transform existing buildings or exterior spaces;
- actively involve members of the local community (e.g., volunteering);
- are intended for the general public;
- are barrier-free, easily accessed and appropriately promoted; and,
- present the work of local artists, artisans, heritage specialists or performers.

Although the Legacy Fund is limited to projects that commemorate milestone anniversaries, it is likely that the site's conversion into a shipyard in 1918 (and subsequent events, ship completions, etc. related to this milestone) would provide a variety of centennial events that could be highlighted in an application.

- **British Columbia's Community Gaming Grants Program³² offers a Capital Project Grant**, which provides fund matching to not-for-profit organizations embarking on capital projects with a budget over \$20,000. Note that this granting program has specific eligibility criteria for not-for-profit organizations³³ (and specifications for the governance thereof). It also specifically excludes municipal governments as recipients. However, the granting formula recognizes tangible donations of land and/or equipment toward the applicant's contribution of funds. As such, an endowment of land from the City would count toward BHSS's contribution, should BHSS grow the capacity to oversee a major development/restoration project in the mid- to long-term.

³⁰ <https://www.canada.ca/en/canadian-heritage/services/funding/building-communities/legacy-fund.html>.

³¹ <https://www.canada.ca/content/dam/pch/documents/services/funding/building-communities/legacy-guide-2013-eng.pdf>.

³² <https://www2.gov.bc.ca/gov/content/sports-culture/gambling-fundraising/gaming-grants/capital-project-grants>.

³³ https://www2.gov.bc.ca/assets/gov/sports-recreation-arts-and-culture/gambling/grants/capital_projects_sector_guide.pdf.

4.4.2 International marketing support for tourist experiences

More generally, **Destination Canada's Canadian Signature Experiences**³⁴ initiative provides support for international marketing of tourist attractions that deliver a quintessentially Canadian experience. Specifically, the program avails a variety of international marketing and advertising tools as well as co-promotion opportunities. Canadian Signature Experiences are promoted by Destination Canada to "show the world what Canada's tourism brand is all about."

To provide some context, the over 200 current members of the program³⁵ feature experiences such as an underground mine tour in British Columbia, a fossil prospecting hike in the Alberta badlands, and seafood cooking classes in Nova Scotia. At a conceptual level, Britannia Shipyards is well suited for inclusion in the Canadian Signature Experiences program.

Note, however, that the nature of a tourism 'experience' (as defined by Destination Canada) will require some capacity building in the context of Britannia Shipyards' current operations. The most stringent eligibility requirements for Signature Canadian Experiences are the Export Ready Criteria.³⁶ These guidelines amount to a set of best practices for a tourism operator. As such, an effort to meet these criteria is well aligned with improvements that will contribute to a successful future for Britannia Shipyards.

³⁴ <https://www.destinationcanada.com/en/programs#signatureexperiences>.

³⁵ https://www.destinationcanada.com/sites/default/files/archive/525-canadian-signature-experiences-member-list/cse_memberlist_en_full-nov2017.pdf.

³⁶ https://www.destinationcanada.com/sites/default/files/2017-03/Programs_SignatureExperiences_ExportReadyCriteria_Mar2017_EN.pdf.

5. Summary

An incremental and staged approach to growth at Britannia Shipyards will allow restoration to remain the focus in the short-term, enabling incremental change and broad-based stakeholder buy-in in the longer term. The site will continue to offer programming and events that are closely aligned with the vision and mission of the site, while at the same time, pursuing opportunities to generate necessary revenue to decrease the amount of subsidy per visitor to the site. There will be three overarching goals which will shape the next five years at Britannia Shipyards:

- Enhance the **general quality of the visitor experience;**
- Ensure **adequately trained staffing and volunteers are** in place; and,
- Continue **heritage restoration and interpretation.**

The staged approach must consider the following key components:

5.1 Invest in precursors to success

A number of initiatives need to be considered in tandem with the priority areas in order to achieve the highest level of success for the site. They include:

- **Ensure gains are benchmarked and measurable (i.e. quality metrics)**
 - An exit survey or measurement method should be designed to measure customer satisfaction as well as demographics, where possible. Building from these measurements the site should set SMART objectives for progress based on the elements herein (e.g. increase quality of visits by 30%, increase portion of repeat visits by 20%)
- **Expand number of full time staff, auxiliary works and volunteers**
 - The site should add one new permanent full-time position in the short-term and a fifth full-time staff member in the medium to longer term allowing for more targeted and specific roles. Additionally, ensure that adequate staffing hours are allocated for auxiliary and volunteer needs.
- **Invest more operating funds in marketing the site**
 - Ensure everyone in Richmond (and the wider GVRD) knows about Britannia Shipyards, knows how to get there, and what to expect when they do.
- **Reinvest in partnerships with important allies**
 - Especially important will be the Gulf of Georgia Cannery, which has the most potential for cross-branding and marketing initiatives. Additionally, the Cannery is already strong in a few areas that are well positioned for collaboration (e.g. developing an effective volunteer base, gift shop operations).
- **Increase revenue through sponsorship, grants and donations**
 - Continue to expand on recent success acquiring grants and donations. In the short-term, develop an appealing menu of sponsorship opportunities for roll out in the medium-term.

- **Enhance and leverage the BHSS membership**
 - Work together with the BHSS to enhance their membership offer to increase numbers while exploring opportunities to work with the group to benefit the site.
- **Conduct Preparatory work for increased boat building and repair activities.**
 - The site will work with the BHSS and regulators to understand, moving forward, what are the best options for boat building and repair activities on site, and what will require further exploration or investment.

5.2 Pursue low-hanging fruit

The site should invest in attainable 'wins' that align closely with the vision and mission of the site, while growing to reduce the net public subsidy of visitors to the site. As described at length herein, early investment should be focused on the following four priority areas:

- Transition from free to paid site tours;
- Enhance paid programming; and,
- Enhance school tours.

In the medium term, the site will build on success of **special events** and high demand for **rental space on the site**. As such, the site will maintain its already impressive baseline in the short-term and explore options for increasing usage in the medium-term.

These five areas of 'low-hanging fruit' will have the greatest and fastest return on investment, though it is important to note that the type of returns may be different. For example, some will deliver more quantity of visits (e.g. special events) while others (e.g. shifting to paid tours) will help to reduce net subsidy per visitor and increase revenue.

5.3 Regroup, consolidate gains and move forward

After an initial five-year period, it will be time to pause, reconsider progress, throw out ideas that have not worked, and consolidate gains where success has been achieved. By this time, the completion of restoration at Britannia Shipyards will have freed up capital and thereby allow the site to refocus on other, bigger initiatives – such as exploring food and beverage options on site, establishing a new visitor centre/gift shop, and possibly expanding boat building – in order to make further significant gains.

Undoubtedly, the constant factor amidst impending change at Britannia Shipyards is its significant place in British Columbia's maritime heritage and its exemplary ability to tell the stories of Richmond's multicultural community – past, present and future.

6. Appendix 1 – Analysis of Comparable Sites

Heritage Site	City	Overview	Ticketing Structure	Other Revenue Sources	Tour Group Partnerships	School Programs	Food and Beverage Offering	Festivals	Weddings and Event Rentals
Muskoka Heritage Park	Huntsville	The site includes a museum (open year-round), a pioneer village and a train (open seasonally). The pioneer village includes 20 dwellings, costumed narrators, farm animals, gardens.	Full Site Pass (Adult, Senior, Child); Museum (Adult/Senior, Child); Pioneer Village (Adult, Senior, Child); Train (Adult, Senior, Child); For each ticket type, one child under 3 is free with each paid adult admission; Annual Memberships (Individual, Student, Couple, Family, Senior, Senior Couple, Senior and then some).	Gift shop.	Free parking for buses and 10% off admission for groups of 20 or more.	Educational programming from last week of May to beginning of October. 4-hour visit, hands-on activities, new programs to include FN and Metis perspectives per updated curriculum.	Snack Bar (July and August).	Easter Egg Hunt, Strawberry Social, Halloween Pumpkin Trail, Santa Train Ride.	Yes, also available for corporate events and other private functions.
Port Langley	Langley	National historic site. Hudson's Bay Trading post open year-round with costumed interpreters and audio guides in English and French. Day visits or overnight tent experiences, learn to camp run by Parks Canada.	Free for Canada 150.	Gift shop.	n/a	Curriculum-based programs for primary, intermediate and secondary, English and French. Overnight tent experience for groups of up to 30 people. Also offers Girl Guide Badge and Birthday Parties.	Café (community development initiative led by Kwantlen First Nation), picnic area.	Douglas Day, Musical Christmas, Cranberry Festival, Grave Tales, Halloween.	Site rental: full site; big house and kitchen; theatre; cooperage; visitor centre; orchard. Additional items: tables, chairs, framed tent, pop up tent, stage, sound system, podium, heater.
Gulf of Georgia Cannery	Richmond	National historic site. Former cannery offers educational visitors for children and adults, exhibits, extensive collection of artefacts, seasonal events and venue rental for weddings, event	Tickets: adults, seniors, youth 6-16, children under 6, families, Gulf of Georgia Cannery Society Members. Additional fees for: School Programs, Group Bookings, Private Guided Tours; Holiday Events; Venue Rentals; Birthday Parties.	Gift shop.	Discounts for groups over 10.	Guided visits for children 3-12 in English and French. Teacher resource guides for offsite activities.	Winter Farmers Market Oct-April	Best Catch Sustainable Seafood Festival (coming soon).	Facilities for large and small events, indoors, outdoors and 50 seat theatres.

Heritage Site	City	Overview	Ticketing Structure	Other Revenue Sources	Tour Group Partnerships	School Programs	Food and Beverage Offering	Festivals	Weddings and Event Rentals
Britannia Mines	Britannia Beach	Nonprofit organization animates a national historic site. Formerly the largest copper mine in the British Empire, closed 1974. 10-acre site including underground tour. Resources available in six languages.	Tickets: adults, seniors, youth 13-17, child 5-12, daily family. Membership: family flex pack, adult, senior, youth, corporate.	Gift shop.	Case by case basis.	Curriculum based programming for all grades, option to add gold panning to an activity.	Café.	n/a	n/a
Burnaby Village Museum	Burnaby	1920s village with restored tram and carousel animated by costumed interpreters. Open seasonally (March Break, May-Sept, Halloween Weekend, Nov 25-Jan6)	Gate admission is free, carousel rides are \$2.65 each. All ages annual membership \$32-34.	Gift shop.	Pre-paid, pre-booked tours. Flat rates for groups of 1-20 and 21-35. Available year round by appointment.	Discovery days fall and spring for students Kindergarten - Grade 9. Field trips with curriculum-based activities for grades 1-6.	Ice cream parlour.	Labour Day Fair, Haunted Village, Heritage Christmas.	Site rental: full site, church, ice cream parlour, carousel, discovery room, meadow.
West Coast Railway Heritage Park	Squamish	12-acre site run by a nonprofit to restore and preserve railway heritage. Includes historic buildings, mini rail, train station.	Tickets: adults, seniors, students, children, family. Additional cost for mini-rail.	n/a	Group tours available on request.	Themed tours for children.	Canteen.	n/a	21,000 sq ft for weddings and conferences
Olde Mistick Village	Mystic, Connecticut	Maritime museum, research centre, boats that you can climb aboard and a reconstructed New England Village.	Tickets: adults, seniors, youth, children.	Commercial marina, gift shop.	Discounts for groups over 15.	Day and overnight programs, online resources and in-school travelling exhibits.	Restaurant, canteen, tavern, café.		Multiple venues available.

Heritage Site	City	Overview	Ticketing Structure	Other Revenue Sources	Tour Group Partnerships	School Programs	Food and Beverage Offering	Festivals	Weddings and Event Rentals
Pier 21	Halifax	Museum of the history of immigration on Halifax's waterfront offer interactive exhibitions, multipurpose performance spaces and a research centre to allow visitors to trace the journey of family members to Canada.	Tickets: adults, seniors, youth, children, family, student. Memberships: adults, seniors, students, family.	Gift shop (including e-commerce), donor wall.	Discount rate available.	French and English tours and workshops for school groups. Online resources for use in classrooms.	n/a	Diversity Spotlight film series.	Venues for groups of 20 to 440.
Black Creek Pioneer Village	Toronto	Preserved and reconstructed heritage buildings allowing visitors to explore a 19th century village. Open April-December.	Tickets: adults, seniors, children, students.	Gift shop, beer tastings, archery workshop, escape games, haunted walks.	Discounted rate available.	Educational programming for elementary and high school students, ESL and adult learning classes.	Café, snack bar.	Holiday programming (Halloween, Christmas etc.).	Indoor and outdoor spaces available, catering on-site.
Wooden Boat Museum	Winterton	Exhibits, collections and oral histories record the stories and skills of wooden boat building across the province. Open June to September.	Tickets: adults, children, family. Memberships: individual, student, family, community, benefactor, lifetime.	Annual conference.	n/a	Children's boat building workshops offered July and August.	n/a	n/a	n/a

Heritage Site	City	Overview	Ticketing Structure	Other Revenue Sources	Tour Group Partnerships	School Programs	Food and Beverage Offering	Festivals	Weddings and Event Rentals
Vancouver Maritime Museum	Vancouver		Tickets: adults, seniors, students, youth, children, family. Separate passes to access Vanier Park. Memberships: family, individual, senior.	Gift shop.	n/a	Programs for school groups grades K-12.	n/a		Venues and AV equipment available.
Barkerville Historic Town	Barkerville	Province of BC owned Heritage Property and Park, Government of Canada National Historic Site. 100+ buildings reconstruct gold rush history, including one of Canada's first China towns. Open May -Sept plus winter outdoor activities.	Two day admission; package including two day admission plus Theatre Royal ticket, stagecoach ride and gold panning; annual pass.	Many stores on-site (jewelers, gift shop, coffee shop). On-site accommo dation: camping and B&Bs.	Discounts for groups over 10.	Day or overnight activities.	Four restaurants.		Range of venues, catering, accommodation and custom interpretation packages for weddings, conferences and events.
Maritime Museum of the Atlantic	Halifax	History of military and civilian vessels, Halifax harbour and other maritime activities. Includes a docked boat that visitors can explore.	Tickets: adults, seniors, youth, children, family. Season pass: adult, senior, youth, family.	Gift shop.	Discounted rates available for: youth/day camps, ESL programs, post-secondary, motor coach groups.	Curriculum-based programs for students grades 3 to 8.	n/a	n/a	Venues available for weddings, film and video production.

Heritage Site	City	Overview	Ticketing Structure	Other Revenue Sources	Tour Group Partnerships	School Programs	Food and Beverage Offering	Festivals	Weddings and Event Rentals
Canadian Canoe Museum	Peterborough	Extensive exhibits of canoes based around a donated private collection. No waterfront access on-site but occasional offsite activities involving paddling etc.	Tickets: adults, seniors, students, family, children, members.	Gift shop.	Discounts for groups over 10.	Curriculum based programs for K-12. March break and PA day activities, summer camps.	n/a		Venue includes tables, chairs, kitchen access, AV and event staff.
North Pacific Cannery Museum	Prince Rupert	Exhibits, tours and local cuisine pays tribute to this history of resource extraction in BC.	Tickets: adults, seniors, youth, family, children under 5 free.	Gift shop.	Groups of ten or more discounted. Guided tours and lunch specials available.	Available upon request.	Mess House 10:30-3:00 July and August.		Venues available, including catering, seating, dishware and overnight accommodations.
London Heritage Farm	Richmond	Farm house with barn, farming equipment and gardens recreates the 1860s.	Entrance by donation.	Gift shop.	Guided tours for groups available upon request.	Structured visits available for students K-12.	Tea room.	Monthly themed teas.	House and grounds available for rental, can also add chairs, tables, tents.
Port Moody Station Museum	Port Moody	Port Moody Heritage Society operates a museum in a 1908 railway station.	Entrance by donation.	Gift shop.	Group rates for Station Tour and Tea on the Train, must reserve in advance.	Half day programs available for students K-12.	Tea on the Train.	Annual events e.g. Family Day Railroad Day, Easter Extravaganza, Holiday Tea.	Only available for wedding photography, not the event. Can be booked for children parties and film shoots.

7. Appendix 2 – Britannia Shipyards Strategic Plan 2014-2018 Strategic Framework

1 – Inspirational Experiences

Outcome 1: Historic structures are preserved and developed to celebrate the site's history and embrace future opportunities.

Action Items	Timeframe
1. Update capital development plan for Britannia Shipyards to identify priorities and future opportunities and prioritize within the five year plan.	2015-2017
2. Create capital development and interpretation plan for the Japanese Duplex and First Nations Bunkhouse	2017-2018
3. Examine the feasibility of making the Shipyard ways and winch operational and explore options for their future use.	2015
4. Complete existing capital projects including wayfinding, Shipyard ways stabilization, Richmond Boat Builders ways, boardwalk replacement and Seine Net Loft dock.	2014

Outcome 2: Engaging exhibits tell the story of our past and meet current community needs.

Action Items	Timeframe
1. Design and produce a plan for the interior of the Seine Net Loft which includes permanent and temporary exhibits as well as flexible program and event space.	2015
2. Update Murakami House exhibits.	2016

Outcome 3: Landscaping and wayfinding create a sense of place and a welcoming visitor experience.

Action Items	Timeframe
1. Update and implement landscape plan for the site.	2015-2018
2. Complete wayfinding and signage program, including the creation of a site "entrance", to create a better sense of place.	2015-2016

2 – Inspirational Experiences

Outcome 1: Site interpretation and programming tells the story of our past and meets current community needs.

Action Items		Timeframe
1.	Establish a program committee to ensure programs are meeting community needs.	2014
2.	Develop and deliver programs that foster a greater appreciation for maritime heritage.	Ongoing
3.	Develop and deliver programs that increase maritime expertise including traditional boat building techniques, heritage vessel restoration and maintenance, and contemporary maritime skills.	Ongoing
4.	Develop and deliver sustainable public programs that appeal to a variety of audiences and respond to community needs, including water-based programming and programming with other heritage sites.	Ongoing
5.	Develop and deliver curriculum-based educational programs for K-12 and English as a second language students.	Ongoing

Outcome 2: Festivals and special events contribute to site animation and regional tourism.

Action Items		Timeframe
1.	Develop and implement a festival and events strategy including criteria to evaluate future opportunities.	2015
2.	Host community festivals and events that contribute to site animation and attract new audiences.	Ongoing
3.	Develop and produce site-specific festivals and events.	Ongoing

3 – Relationship Based Approach

Outcome 1: Britannia Shipyards is governed effectively using a relationship-based approach.

Action Items		Timeframe
1.	Explore and recommend governance options that most effectively allows Britannia to realize its vision.	2014-2016
2.	Clarify the relationship, role and function of the Britannia Heritage Shipyard Society.	2014-2016

Outcome 2: Partnerships are valued as a way of doing business

Action Items		Timeframe
1.	Build relationships with diverse stakeholder groups.	Ongoing
2.	Formalize relationships with community stakeholders when appropriate.	Ongoing
3.	Pursue joint programming and marketing opportunities with other Steveston heritage sites.	Ongoing

4 – Effective Management

Outcome 1: Britannia Shipyards is managed effectively and efficiently.

Action Items		Timeframe
1.	Pursue sustainable revenue generating and other funding streams that are compatible with the site's vision, mission and values.	Ongoing
2.	Review staff positions on a regular basis to ensure they are meeting the needs of the site.	Ongoing
3.	Establish a program to monitor visitor and program participant satisfaction and continually refine services to better meet visitor needs.	2015

Outcome 2: Volunteers play an active role at Britannia and contribute to its success.

Action Items		Timeframe
1.	Increase volunteer recruitment and participation at the site.	Ongoing
2.	Ensure volunteers are properly screened, trained, evaluated, supervised and recognized.	Ongoing
3.	Develop and implement policies and procedures that ensure safety for visitors, volunteers and staff.	Ongoing

Outcome 3: The management of the City of Richmond's waterfront heritage resources in Steveston are coordinated.

Action Items		Timeframe
1.	Explore and recommend options for the management and operation of Scotch Pond and the Phoenix Gill Net Loft as part of Britannia Shipyards' governance and operations.	2014-2015

5 – Outstanding Communication

Objective 1: Britannia Shipyards has a distinctive brand and visual identity

Action Items	Timeframe
1. Create a logo and visual identity for Britannia Shipyards and apply it to all marketing and communications materials.	2015-2016

Objective 2: Marketing and communications promote the site and foster awareness that Britannia Shipyards is a unique and valuable public asset.

Action Items	Timeframe
1. Develop and implement a marketing and communications plan that addresses improved communication with stakeholders using a variety of traditional and new media tools, and direct marketing to tour operators and schools.	2016-2017

6 – Respect for Historical Integrity and Authenticity

Objective 1: Britannia Shipyards' buildings, landscape, docks and floats are preserved to maintain the historical integrity and authenticity of the site.

Action Items	Timeframe
1. Complete and adopt a conservation plan for the site's buildings.	2015
2. Ensure Standards and Guidelines for the Conservation of Historic Places are followed.	Ongoing
3. Ensure maintenance is completed in a timely and responsive manner.	Ongoing
4. Ensure landscaping is maintained in a manner that compliments the site.	Ongoing

Objective 2: Britannia Shipyards' well-maintained fleet of historic vessels reflects the site's history.

Action Items	Timeframe
1. Develop and implement vessel acquisition plan.	2015-2018
2. Develop and implement annual maintenance plan for vessels.	2015

Objective 3: Britannia Shipyards' is home to a well-preserved artefact collection that is used to interpret the site's history.

Action Items	Timeframe
1. Comply with City of Richmond Collections Policy.	Ongoing
2. Ensure artefacts are properly inventoried, stored and cared for.	Ongoing
3. Inventory and review artefact collection to identify current gaps, accept targeted new acquisitions that fill this gap and deaccession duplicate and irrelevant items.	2016-2018

8. Appendix 3 – Financial Assumptions

Contribution Analysis

The following table presents the estimated contribution surplus/(deficit) associated with each operating segment (i.e., each source of revenue identified on the pro-forma financial statements).

The figures presented in this table are the result of netting each source of revenue with its associated expenses to isolate the contribution of each operating segment to overall profitability. Associated expenses include **variable expenses** and an allocation of **direct overhead expenses**. Variable expenses include expenses such as the cost of auxiliary staff time required to book group tours or space rentals, and the materials associated with school tours. Direct overhead expenses consist of additional contract and utility expenses associated with increased facility usage (using attendance as the driving variable).

Note that no costs were associated with the first two lines ("sponsorships/grant/donations" and "other (filming/recovery)"). Applying for the grants would be a key part of the community programs coordinator and the new manager of the site. The final overhead line includes a \$70K full-time salary for the new hire detailed in the recommendations, as well as any variable maintenance costs associated with increased special event attendance.

Table 12: Contribution surplus/(deficit) by operating segment

Operating segment	Current	Short-term		Medium-term		
	2017E	2018F	2019F	2020F	2021F	2022F
Sponsorships, Grant, Donations	21,698	23,868	26,255	50,000	65,000	84,500
Other (filming, recovery)	19,980	19,980	19,980	19,980	19,980	19,980
Site tours	-17,972	24,758	91,522	165,208	245,816	333,346
School tours	-13,244	-1,220	-1,291	-1,362	-1,434	-1,505
Paid programming	5,777	9,277	10,485	11,694	12,903	14,111
Space rentals	14,743	14,743	14,743	16,218	17,839	19,623
Overhead	-654,842	-769,105	-769,110	-781,300	-781,311	-781,323
Operating surplus (deficit)	-623,860	-677,700	-607,416	-519,563	-421,207	-311,267

The preceding table shows that the largest contribution to overall profitability is projected to be paid site tours. Using the assumptions driving the costs estimated in the financial model (documented below), the contracts/maintenance that are associated with this level of facility utilization (i.e. attendance) currently drive a loss on this activity.

School tours were costed such that the price per student was set to the amount required to break even before accounting for allocated direct overhead expenses. The amount of activity relative to actual revenue in 2017 suggests a lower recovery rate on this activity, which contributes a net deficit in 2017.

Paid programming and space rentals both contribute a modest profit after accounting for their costs.

Overhead consists of fixed costs and any direct overhead that could not be associated with a source of revenue (increases in this line's deficit contribution is the result of: contracts/maintenance linked to special event attendance; and increased telecommunications costs driven by an increase in salary/payroll due to the new hire).

Assumptions

The following assumptions were used to drive the financial model:

- Paid tours
 - Total number of regular hour drop-ins: Currently, 93K per year, rising to 120K in 2022
 - Percentage of total regular hour drop-ins that attend paid tours: Currently 1.1%, rising linearly to 80% in 2022
 - Price per person per tour: \$4.00
- Special event drop-ins
 - Total number of special event drop-ins: Currently, 66K per year, rising to 95K in 2022
 - No associated revenue
- School groups
 - School group size: 25
 - Number of school groups per visit: 2
 - Number of school visits: Currently, 36 per year, rising linearly to 48 in 2022
 - Revenue per school group: \$246.00
 - Admin cost per visit: \$55.00 (one hour of visitor services associate time @ \$30 per hour and one hour of tour preparation/set-up @ \$25 per hour)
 - Facilitation cost per group visit: \$56.25 (1.5 hours of tour facilitator @ \$37.50 per hour)
 - Cost of materials per student: Between \$2.00 and \$4.00
 - Fixed cost: \$100 annually
- Space rentals
 - Total number of rentals: Currently 169, rising to 225 linearly, starting in 2020 (i.e. rentals only begin to grow in the mid-term)
 - Price per rental: \$210.71, based on current actual revenue divided by number of rentals reported
 - Admin cost per rental: \$110.00 (based on double the amount of staff time cited in the "admin cost per school visit" assumption, as described above)
- Facility overhead
 - Contracts and utilities were assumed to consist of 25% fixed costs, and the remaining 75% was assumed to exhibit a linear relationship with total attendance. Total attendance includes all visitors to the site, as documented in all of the previous assumptions about number of visitors associated with drop-in attendance, rentals, tours, etc.
- Salaries and benefits

- New hire: \$70,000 in salary and benefits per year (to increase per as year as per union contract)
- Auxiliary staff costs: Outlined separately for school tours and space rentals above
- Administrative overhead
 - Telecommunications costs were assumed to consist of 50% fixed costs, and the remaining 50% was assumed to exhibit a linear relationship with salaries and benefits (after accounting for cost of new hire and auxiliary staff time used to book school groups)
 - Marketing budget: Increased from \$5,952 per year to \$50,000 per year
- Fixed expenses
 - Public works, supplies (less school tour direct material costs), and other expenses (representing a total of \$60K per year) were assumed to remain constant

9. Appendix 4 – List of Interviewees

In addition to focus group and validation session attendees, below is a list of all of the stakeholders who were engaged for interviews.

Table 13: Interviewees

Name	Title and Organization
Ann Phelps	Chair, Britannia Heritage Shipyard Society
Bill McNulty	Councillor, City of Richmond
Brooke Lees	Acting Site Supervisor/Heritage Coordinator, Britannia Shipyards National Historic Site
Bruce Okabe	Chief Executive Officer, Tourism Richmond
Cathy Carlile-Volkering	General Manager, Community Services, City of Richmond
Dee Bowley	Former Supervisor Britannia Shipyards National Historic Site
Harold Steves	Councillor, City of Richmond
Jane Fernyhough	Director, Arts, Culture & Heritage, City of Richmond
Kimberly Baker	Acting Community Facilities Programmer / Program Facilitator, Britannia Shipyards National Historic Site
Linda Barnes	Chair of Steveston 20/20 and Steveston Historical Society.
Loren Slye	Director, Britannia Heritage Shipyard Society
Marie Fenwick	Manager, Museum and Heritage Services
Mike Redpath	Former Senior Manager Parks & Site, City of Richmond
Rebecca Clarke	Executive Director, Gulf of Georgia Cannery
Terry McPhail	Director, Britannia Heritage Shipyard Society



City of Richmond

Report to Committee

To: General Purposes Committee **Date:** July 9, 2018
From: Serena Lusk **File:** 06-2345-20-GCIT1/Vol
General Manager, Community Services 01
Re: Garden City Lands Soils Deposit Fees Bylaw No.9900 and Consolidated Fees
Bylaw No.8636, Amendment Bylaw No.9903

Staff Recommendation

That Garden City Lands Soils Deposit Fees Bylaw No. 9900 and Consolidated Fees Bylaw 8636, Amendment Bylaw No. 9903 be introduced and given first, second and third readings.

Serena Lusk
General Manager, Community Services
(604-233-3344)

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

Staff Report

Origin

At the May 14, 2018, Council meeting, the following recommendations were endorsed by Council as part of their consideration of the staff report titled “Garden City Lands Project Importation Fees Revenues – Update”:

1. *That the Chief Administrative Officer and General Manager, Community Services be authorized to enter into soil deposit agreements with private contractors for placement of soil required for the development and completion of the area currently licensed to Kwantlen Polytechnic University on the Garden City Lands (the “Lands”) as detailed in the staff report titled “Garden City Lands Project Importation Fees Revenues - Update,” dated April 20, 2018 from the General Manager, Community Services and provided the following:*
 - a. *That the protocols and quality control measures developed by the City and approved by the Agricultural Land Commission be implemented including testing at the source site, placement of top soil over subsoil and screening before placement on the lands to ensure that only the highest quality, uncontaminated material suitable for soil-based agricultural production be placed on the Lands;*
 - b. *That the soil is sourced, to the greatest extent possible, from Richmond, Delta and Surrey; and*
 - c. *That importation fees charged to suppliers closely reflect current market values and are regularly updated.*
2. *That all net revenues generated through tipping fees on the Lands be reinvested into the Lands for future project costs that are not eligible for Development Cost Charge funding, as detailed in the staff report titled “Garden City Lands Project Importation Fees Revenues - Update,” dated April 20, 2018 from the General Manager, Community Services.*
3. *That staff work with Kwantlen Polytechnic University and others to explore alternate farming methods such as paludiculture and windrows for future farming on the Garden City Lands.*

Following the decision by Council on May 14, 2018 to authorize the Chief Administrative Officer and General Manager, Community Services to enter into soil deposit agreements with private contractors for placement of soil, the appropriate Bylaws are required to meet the legislative requirements of the *Community Charter*.

The purpose of this report is to present Council with the Garden City Lands Soils Deposit Fees Bylaw No. 9900 and Consolidated Fees Bylaw 8636, Amendment By No. 9903 (collectively, the “Bylaws”). The Bylaws are intended to provide the means by which the City can accept soil and charge a soil deposit fee to qualified soil providers supplying soil to the Garden City Lands (the “Lands”) as outlined in this report. Under sections 8(3)(m) and 195(1)(b) of the *Community Charter*, Council may, by bylaw, impose rates or level of fees for soil deposits. The language

used in this section requires that a bylaw be enacted for the deposit of soil and for charging fees for the deposit of soil. Further, 195(1)(b) is generally interpreted as calling for a level of specificity in setting rates. Accordingly, the Bylaws define fixed soil deposit rates for 2018.

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

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

7.4. *Strategic financial opportunities are optimized.*

Analysis

With the adoption of the Bylaws, the City will be able to accept soil and charge soil deposit fees pursuant to agreements with qualified soil providers to supply soil to the Lands. The soil deposit fees have been determined based on 2018 market rates as per a survey of industry providers. City staff will consult with industry representatives throughout the Lower Mainland and Fraser Valley to ensure the fees are set to reflect current market rates. Provisions have been made in the fee bylaw to follow established City protocols for the review and approval of uncontaminated soils prior to importation to the Lands.

Financial Impact

Net revenue generated at the Lands will be used to support future Lands capital projects which will be included in the annual budget process.

Conclusion

The Bylaws presented with this report require Council's approval to impose a deposit fee for the soil imported to the Lands. With the adoption of the Bylaws, staff will contract suppliers in 2018 to facilitate the supply of soil to establish areas on the Garden City Lands for future agriculture production.

The Consolidated Fee Bylaw will be amended annually to reflect fluctuating market rates for soil. The rate of change will not follow the Consumer Price Index (CPI). With the importation of soil, the Lands will generate significant alternative revenues for the City. Revenues will be utilized to offset non-Development Cost Charge eligible works at the Lands.



Alexander Kurnicki
Research Planner 2
(604-276-4099)



Jamie Esko
Manager, Parks Planning, Design & Construction
(604-233-3341)



GARDEN CITY LANDS SOILS DEPOSIT FEES BYLAW NO. 9900

WHEREAS Council resolution dated May 14, 2018 (the “Council Resolution”) granted the authority upon the Chief Administrative Officer and the General Manager, Community Services to enter into Soil Deposit Agreements with private contractors for the placement of soil on the Garden City Lands required for the development of the Garden City Lands;

AND WHEREAS the Council Resolution stipulated that all net revenues generated through tipping fees on the Lands be reinvested into the Lands to offset any future project costs that are not eligible for Development Cost Charge funding;

AND WHEREAS Part 7, Division 2, Section 195 of the *Community Charter* confers upon the City authority to, by bylaw, impose fees for the deposit of soil on the Garden City Lands;

NOW THEREFORE, the Council enacts as follows:

PART ONE: SOIL DEPOSIT AGREEMENTS

- 1.1** The Chief Administrative Officer and the General Manager, Community Services may enter into Soil Deposit Agreements with private contractors for the placement of soil on the Garden City Lands provided such Soil Deposit Agreements contain provisions substantially similar to those set out in Schedule A, which is attached and forms part of this Bylaw.

PART TWO: TIPPING FEES FOR SOIL DEPOSITS ON THE LANDS

- 2.1** Every person who enters into a Soil Deposit Agreement with the City must pay to the City the applicable fees as specified in the *Consolidated Fees Bylaw No. 8636*.

PART THREE INTERPRETATION

- 3.1** In this bylaw, unless the context requires otherwise:

CITY means the City of Richmond.

COMMUNITY CHARTER means *Community Charter*, SBC 2003, c. 26, as amended or replaced from time to time.

GARDEN CITY LANDS

means the property located in the City between Westminster Highway, Alderbridge Way, Garden City Road and No.4 Road and commonly referred to as the Garden City Lands.

SOIL

means topsoil, sand, gravel, rock, silt, clay, peat or any other substance of which land is composed, or any combination thereof.

SOIL DEPOSIT AGREEMENT

means an agreement entered into between private contractor and the City for the supply and placement of soil on the Garden City Lands.

PART FOUR: SEVERABILITY AND CITATION

- 4.1** If any section, section, paragraph, clause or phrase of this bylaw is for any reason held to be invalid by the decision of a court of competent jurisdiction, such decision does not affect the validity of the remaining portions of this bylaw.
- 4.2** This Bylaw is cited as “Garden City Lands Soil Deposit Fees Bylaw No. 9900”

PART FIVE: FEES BYLAW

- 5.1** The *Consolidated Fees Bylaw No. 8636*, as may be amended from time to time, applies to this Bylaw.

FIRST READING

SECOND READING

THIRD READING

ADOPTED

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

MAYOR

CORPORATE OFFICER

SCHEDULE A TO BYLAW 9900

SOIL DEPOSIT AGREEMENTS

Each Soil Deposit Agreement will contain provisions to address the following:

- Environmental provision – each private contractor will deliver to the City all reports as determined appropriate by the City verifying that the soil being deposited meets BC Contaminated Sites Regulation (BC CSR) – Schedule 3.1, Column 4 standards for Agricultural Lands and is suitable for use on landscape and agricultural sites, a Phase 1 Environmental Site Assessment and additional relevant reports verifying that soil adheres to the ALC guidelines for soil quality.
- Inspection – the soil will be subject to inspection by the City and a Qualified Environmental Professional (QEP) designated by the City and in the case that the deposited soil is not in keeping with the terms of the Soil Deposit Agreement the private contract shall be responsible, at its own cost, for removing the soil and remediating any portions of land and/or groundwater affected as a result these actions.
- Insurance –the private contractor will be required to provide proof of general liability insurance coverage in an amount and on terms satisfactory to the City.
- Indemnity and Release – each private contractor will be required to indemnify and release the City from all claims, losses, damages, costs, actions and other proceedings occasioned by damage arising from any act or omission of the private contractor.
- Other provisions deemed necessary – the Soil Deposit Agreements will contain such other provisions as the Chief Administrative Officer and General Manager, Community Services deems appropriate.



City of Richmond

Bylaw 9903

CONSOLIDATED FEES BYLAW NO. 8636, AMENDMENT BYLAW NO. 9903

The Council of the City of Richmond enacts as follows:

1. The **Consolidated Fees Bylaw No. 8636**, as amended, is further amended by adding Schedule A attached to and forming part of this bylaw as a schedule to Consolidated Fees Bylaw No. 8636, in alphabetical order.
2. This Bylaw is cited as “**Consolidated Fees Bylaw No. 8636, Amendment Bylaw No. 9903.**”

FIRST READING

SECOND READING

THIRD READING

ADOPTED

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

MAYOR

CORPORATE OFFICER

SCHEDULE – Garden City Lands Soils Deposit Fees**Garden City Lands Soils Deposits Fees Bylaw No. 9900
Sections 2.1**

	Dump Truck Type	Approximate Volume per Load	2018 Fee
1	Tandem	7m ³	\$150
2	Tri-Tandem	9m ³	\$175
3	Truck + Transfer	12m ³	\$200



City of Richmond

Report to Committee

To: General Purposes Committee

Date: July 4, 2018

From: Elizabeth Ayers
Director, Recreation Services

File: 06-2052-25-
SCCR1/Vol 01

Jim V. Young, P.Eng.
Senior Manager, Capital Buildings Project
Development

Re: Steveston Community Centre and Branch Library Program

Staff Recommendation

That the staff report titled, "Steveston Community Centre and Branch Library Program," dated July 4, 2018, from the Director, Recreation Services and the Senior Manager, Capital Buildings Project Development, be received for information.

Elizabeth Ayers
Director, Recreation Services
(604-247-4669)

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

Att. 2

REPORT CONCURRENCE		
ROUTED TO: Finance Department RCMP	CONCURRENCE <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

On December 12, 2016, Council approved the Advanced Planning and Design for Major Facilities Projects, including the Steveston Community Centre and Branch Library, subject to funding being approved as part of the 2017 Capital Budget. The budget request for the advanced planning and design was subsequently approved on December 12, 2016.

On January 15, 2018, Council received the Public Engagement Plan for the Steveston Community Centre Concept Design for information and approved the Steveston Community Centre Concept Design Guiding Principles (Attachment 1).

The purpose of this report is to update Council regarding the progress of the Steveston Community Centre and Branch Library concept design process, including the results of the public engagement to date, and development of a Proposed Program, which is the first step of the concept design phase.

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.

2.1. Strong neighbourhoods.

2.3. Outstanding places, programs and services that support active living, wellness and a sense of belonging.

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.

6.1. Safe and sustainable infrastructure.

6.2. Infrastructure is reflective of and keeping pace with community need.

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

Continue to develop and provide programs and services that ensure the Richmond community is well-informed and engaged on City business and decision making.

9.1. Understandable, timely, easily accessible public communication.

9.2. Effective engagement strategies and tools.

Analysis

Background

The Steveston Community Centre and Branch Library have served the community well. However, a replacement facility is required due to the facility being undersized, outdated and not meeting modern user expectations.

The Steveston Community Centre and Branch Library Concept Design project scope is for the replacement of the community centre and library. Concept design development is an iterative and involved process to bring the design to a point where program, location, preliminary floor plans, form/character, site orientation, and costing are established. Fundamental to the concept design process is an extensive public engagement program to ensure the building program and facility plan best meets the current and future needs of the community.

The Public Engagement Plan received for information by Council on January 15, 2018, identifies a number of opportunities to engage the community using a wide variety of methods to ensure the program and facility plan best meets the current and future needs of the community. The community has been engaged at several junctures throughout the program planning process using a wide variety of methods.

Public Engagement: Community Needs and Program Input

The first phase of the Public Engagement Plan took place between November 2017 and April 2018, with the objective of informing the development of a Draft Program. This phase included:

- 41 individual interviews – Steveston Community Society and Richmond Public Library Board members;
- 15 stakeholder and user group interviews;
- Two focus groups with over 50 children from Tomekichi Homma Elementary School;
- A focus group with over 20 youth from R. A. McMath Secondary School;
- 22 ethnographic interviews – in-depth interviews with residents in their homes to get a deeper understanding of people's needs;
- Two open houses attended by over 300 members of the public; and
- A survey on LetsTalkRichmond.ca completed by 376 respondents.

The Project Team and Steveston Community Centre Concept Design Building Committee, consisting of Steveston Community Society and Richmond Public Library Board members, met several times through this process to review results, discuss findings and develop the Draft Program.

Through the engagement, staff gained an understanding of the needs, values and priorities for the community as outlined on the following page.

Value Statements

Participants at stakeholder interviews and open houses were asked to rank 15 value statements regarding what a community centre and branch library should represent. The five most important values, in priority order, are:

- Community heart;
- Reflects Steveston's unique heritage and spirit;
- Connects and appeals to all generations;
- Promotes healthy living, fitness, and wellness; and
- Universally inclusive and accessible.

Program Spaces

Survey respondents were asked to rank different program spaces for both themselves and their families. The following emerged as the most important spaces in a community centre:

- Space for group fitness and wellness (tai chi, yoga, etc.);
- Space for community events (fairs, markets, etc.);
- Space for individual fitness (weights, cardio, etc.); and
- Space for sports and physical activity (volleyball, etc.).

The following emerged as the most important spaces in a library:

- Space for browsing books that can be borrowed;
- Space for quiet reading, studying, etc;
- Family-friendly spaces to read and engage together; and
- Library-led programs and activities.

Throughout the engagement process, the community also expressed a strong desire for multipurpose rooms.

Program Types

Public open house attendees and ethnographic interview participants were invited to rank a selection of program elements, from those which currently exist on the Steveston Park site or at other similar facilities, to give a clear understanding of what the Steveston community desires from their community centre and library.

Top priorities included:

- Library;
- Wellness clinics;
- Preschool, children, and seniors programs;
- Group fitness programs;
- Indoor tennis programs,
- Outdoor washrooms;

- Licensed preschool; and
- Community police station.

Low program priorities included:

- Restaurant /café /vending;
- Sauna; and
- Media room.

These key insights and findings formed the foundation of the Draft Program to ensure the facility will accommodate programs and services that meet community needs, and reflects the values identified as most important for a community centre and branch library.

In addition to the public engagement results outlined above, development of the Draft Program also included:

- Review of best practices and future trends for recreation, sports, fitness and library services service-delivery and facilities; and
- Meetings with staff to provide input on program needs based on current and projected facility use.

Public Engagement: Draft Program Consultation

During the second phase of the Public Engagement Plan, staff elicited feedback on a Draft Program that was developed to meet the community needs identified through the first phase of engagement. This engagement included:

- A Town Hall attended by over 170 members of the public, including a presentation by the project architect to over 50 members of the public; and
- A survey on LetsTalkRichmond.ca completed by 180 respondents.

Input confirmed there is overwhelming support for the Draft Program as presented, with 71% of survey respondents stating that they either strongly agree or agree that the Draft Program will meet the current and future needs of the Steveston community.

Subsequently the Project Team met with the Steveston Community Centre Concept Design Building Committee to review feedback and results. While the public strongly supported the Draft Program, there were a few individuals who expressed concern that a squash court was not included in it. Upon further review and discussion, it was agreed that, due to low use of the current court, other options in the community, and the strong desire for increased fitness space, a squash court was not a recommended part of the program.

Additionally, the Steveston Community Society's Building Committee expressed a desire for a larger gymnasium (14,000 sq. ft.), larger full-service kitchen, food server, additional storage space, and an outdoor space adjacent to the large multi-purpose room.

Proposed Program

The Proposed Program outlined in Table 1 below expands on the Draft Program that was brought forward for public input, and responds to the Steveston Community Society's desire for a larger gymnasium, kitchen, and storage areas, as well as the addition of a food servery. It meets both current and future population growth, and accommodates programs and services for the local community, as well as large-scale regional special events and tournaments.

The Proposed Program also aligns with:

- The Steveston Community Centre Concept Design Guiding Principles;
- Community needs, values and priorities identified through the public engagement process;
- Feedback from stakeholders and subject matter experts;
- Best practices and trends for recreation, sports fitness and library facilities; and
- Input and advice from the Steveston Community Centre Concept Design Building Committee.

The Proposed Program is provided for Council's information in Table 1, along with a comparison to the existing Steveston Community Centre and Branch Library.

Table 1: Proposed Program for Steveston Community Centre and Branch Library

Program Area		Existing Facility	Proposed Program
		Sq. ft. (# of areas)	Sq. ft. (# of areas)
COMMUNITY CENTRE			
1.	Gymnasium	5,300 (1 gym)	14,000 (2 high school basketball courts with extra clearance and spectator space)
2.	Fitness Room	2,700 (1 room)	4,000 (1 room + specialized training space)
3.	Multipurpose Rooms – includes Active Studio	7,100 (4 rooms)	9,800 (6 rooms)
4.	Meeting Rooms – includes Society Meeting Room	700 (2 rooms)	1,000 (3 rooms)
5.	Social / Games Room	900 (1 room)	1,000 (1 room)
6.	Kitchen	300 (1 kitchen)	700 (1 kitchen + food servery)

Program Area		Existing Facility	Proposed Program
		Sq. ft. (# of areas)	Sq. ft. (# of areas)
COMMUNITY CENTRE			
7.	Administration and Reception – offices, staff room, reception	1,500	2,000
8.	Foyer and Gathering	1,800	1,500
9.	Circulation and Support Spaces – corridors, service areas, washrooms, change rooms, storage	11,400	13,900
10.	Other – stage, squash	1,700	0
Sub-total – Community Centre		33,400	47,900
CO-LOCATED BRANCH LIBRARY			
11.	Collections Space	2,600	3,100
12.	Children's and Youth Resources / Reading Space	0	2,700
13.	Digital Services and Computers	0	1,000
14.	Silent Study / Reading Areas	0	1,300
15.	Educational Program Rooms	0	800
16.	Administration and Control – offices, info desk, self check- out, etc.	1,250	1,400
17.	Circulation and Support Areas – corridors, service areas	150	2,100
Sub-total – Library		4,000	12,400
Total Floor Area – Community Centre and Library		37,400	60,300

The proposed 14,000 sq. ft. double gymnasium provides the space required for karate, judo and kendo tournament participants, including spectator viewing areas encompassed within the gymnasium. The gymnasium is dividable into four program spaces, allowing for multiple activities or sports to take place simultaneously. While large-scale special events and tournaments would require the cancellation of regular programs in the gymnasium, the impact on programs in the multipurpose rooms and Net Shed will be reduced, and tennis players will no longer be displaced for martial arts tournaments.

The proposed kitchen will provide adequate space for the types of events hosted by the Steveston Community Society, including the large number of volunteers that work to support food services at events. A second food servery has also been included in anticipation of the facility being on

two floors. The desire for an outdoor space adjacent to the large multi-purpose room can easily be accommodated during the concept and detailed design phases.

The Proposed Program meets the identified community needs, best practices and trends, and accommodates both current and future population growth. The double gymnasium and varied multipurpose spaces will allow for extensive community programming, meeting the needs of the diverse and growing population. The Steveston Community Centre Concept Design Building Committee supports the Proposed Program outlined in this report.

A detailed program chart for the Proposed Program, outlining program room uses, is provided in Attachment 2.

Community Police Station

The Steveston Community Police Station is located on the southeast quadrant of the Steveston Park site. Although the proposed Steveston Community Centre and Branch Library site is not expected to impact the police station, Council has the option to rebuild and integrate it with the new facility, to act as a hub for community services in the Steveston area. Through consultation with staff, community police station representatives and RCMP, it was determined that an additional 1,500 – 2,000 sq. ft. of ground level, storefront space would be required. This would provide the same level of service currently provided while ensuring the community police station meets modern safety expectations.

Staff do not recommend rebuilding this facility unless the existing Steveston Community Police Station is impacted by the site chosen for the new community centre and library, as the existing station sufficiently achieves a strong community presence and serves community needs through crime prevention programs and services.

Financial Considerations

The building cost for the proposed program outlined in this report is consistent with the estimate provided in 2016 when the advanced planning was approved. Analysis of site options, servicing, parking, demolition requirements and other enabling works is ongoing and costs for these items will be additional to the building cost. Cost estimates and recommendations on these items, including financial implementation and funding options, will be brought forward for Council's consideration in the fall.

Next Steps

Based on the Proposed Program outlined in this report, staff will continue with the concept design process by identifying and evaluating site options for the facility.

The site evaluation process will include the development of criteria for the ranking of site options, a comprehensive analysis of options within Steveston Park, as well as an opportunity for the public to provide feedback on the recommended site. Site evaluation criteria will be established from the community needs, values and priorities identified through the public engagement process, the Steveston Community Centre Concept Design Guiding Principles, as well as the principles of urban and facility design. Site evaluation criteria will include

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considerations such as synergies with existing site amenities, access to transportation, impacts to green space and established trees, proximity to residents, sustainable siting, and pedestrian access.

Following site evaluation, preliminary costing including program, parking, replacement/ repairs to impacted amenities, and enabling works will be confirmed and brought to Council with a funding plan in the Fall.

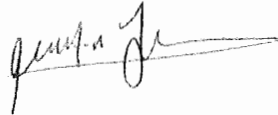
Conclusion

The Steveston Community Centre and Branch Library concept design process is well underway, with development of the Proposed Program complete. Next steps include site review and selection, continued public consultation, and the development of costing and a funding strategy for the Proposed Program for the Steveston Community Centre and Branch Library which will be brought forward to Council for consideration this Fall.

A new Steveston Community Centre and Library will serve the community into the future and contribute to the City of Richmond becoming the most appealing, livable and well-managed community in Canada.



Elizabeth Ayers
Director, Recreation Services
(604-247-4669)



Martin Younis
Senior Project Manager,
Capital Buildings Project Development
(604-204-8501)

- Att. 1: Steveston Community Centre Concept Design Project Guiding Principles
2: Recommended Program Details

Steveston Community Centre Concept Design

Project Guiding Principles

These Guiding Principles are intended to provide overall direction in the development of the concept design. They have been endorsed by Richmond City Council.



1. BE INNOVATIVE

Demonstrate creativity and innovation when developing a facility that fully meets the current and future needs of the Steveston community.



2. BE SUSTAINABLE

Reflect sustainability principles through all stages of the project:

- i. **Financial** – deliver the project on time and budget, as well as plan for financial sustainability of the entire facility during its operation.
- ii. **Social** – ensure decisions are transparent, responsive to community input and contribute to community development through public engagement.
- iii. **Adaptable** – develop processes and structures which not only meet the needs of current users, but also support the ability of future generations to maintain a healthy community.
- iv. **Environmental** – consider options for construction and operations that deliver exceptional energy management and respect the natural environment.



3. BE INCLUSIVE

Ensure all aspects of accessibility are considered and that the project reflects the community as a whole.



4. BE A MODEL OF WELLNESS

Demonstrate that Richmond is a place where individuals feel supported and included and residents raise families to live happy, healthy, connected and active lives.



5. BE SYNERGISTIC

Create synergy among users and uses, and indoor and outdoor spaces, while being sensitive to unique needs.



6. BE CONNECTED

Encourage and develop community connectedness so that users feel a sense of belonging, and that they are in the heart of the community.



7. BE REFLECTIVE

Recognize the unique cultural and historical identity of Steveston and ensure this spirit is reflected throughout the project to inspire current and future generations.

Proposed Program Details for Steveston Community Centre and Branch Library

Room Type	Key Ideas / Uses	Approximate Area (sf)
COMMUNITY CENTRE		
Gymnasium	Dividable; sports programs (two 84' high school basketball courts, eight badminton / pickleball courts, two volleyball courts), martial arts tournaments, special events.	14,000
Fitness Room	Cardio and strength equipment, free weights and stretching areas; include an alcove for spin, TRX or other specialized training.	4,000
Multipurpose Rooms	Flexible, adaptable and dividable; preschool, children's and youth programs; group fitness, martial arts, music, dance, and creative movement classes; community functions; special events.	9,800
Meeting Rooms	Group meetings, book clubs, educational workshops, smaller group activities; Society meeting space.	1,000
Social / Games Room	Inclusive, active space to play games, watch movies, and socialize.	1,000
Kitchen and Food Servery	Support space for multiple rooms; space for cooking classes, food preparation for activities and events.	700
Administration and Reception	Offices, staff room, and reception desk.	2,000
Foyer and Gathering	Accessible, safe, welcoming and inclusive spaces to read and relax, meet new neighbours, and engage with friends and family.	1,500
Circulation and Support Areas	Corridors; mechanical, electrical and communications rooms; janitors closets; washrooms and change rooms; and storage.	13,900
Sub-total Community Centre Area		47,900

Proposed Program Details continued...

Room Type	Key Ideas / Uses	Approximate Area (sf)
LIBRARY		
Collections Space	Accessible book stacks, periodicals, and reading area to support the library's diverse and evolving collection.	3,100
Children's and Youth Resources / Reading Spaces	Comfortable spaces to study and read with age-appropriate resources; includes storytime / program room.	2,700
Digital Services and Computers	Computer workstations, computer lab, and space for scanning, printing and copying.	1,000
Silent Study / Reading Areas	Quiet, comfortable place for individual reading, studying and relaxing.	1,300
Educational Program Rooms	Group activities, studying, reading circles, meeting, and classes.	800
Administration and Control	Offices, circulation workroom, info desk, and self check-out.	1,400
Circulation and Support Areas	Corridors, and mechanical, electrical and communications rooms.	2,100
Sub-total – Library		12,400
Total Area – Community Centre & Library		60,300