



REPORT TO COUNCIL

STANDING COMMITTEE OF COUNCIL ON CITY FINANCE AND SERVICES

JULY 9, 2014

A Regular Meeting of the Standing Committee of Council on City Finance and Services was held on Wednesday, July 9, 2014, at 9:37 am, in the Council Chamber, Third Floor, City Hall.

PRESENT: Councillor Raymond Louie, Chair*
Mayor Gregor Robertson*
Councillor George Affleck*
Councillor Elizabeth Ball*
Councillor Adriane Carr
Councillor Heather Deal, Vice-Chair*
Councillor Kerry Jang
Councillor Geoff Meggs
Councillor Andrea Reimer*
Councillor Tim Stevenson*
Councillor Tony Tang

CITY MANAGER'S OFFICE: Penny Ballem, City Manager
Sadhu Johnston, Deputy City Manager
Mukhtar Latif, Chief Housing Officer

CITY CLERK'S OFFICE: Wendy Stewart, Deputy City Clerk
Lori Isfeld, Meeting Coordinator

*Denotes absence for a portion of the meeting

MATTERS ADOPTED ON CONSENT

MOVED by Councillor Carr

THAT items 2, 7 and 9 be adopted on consent.

CARRIED UNANIMOUSLY
(Councillors Ball, Deal and Mayor Robertson absent for the vote)

1. 2014 Greenest City Action Plan Progress Update

The Deputy City Manager provided a presentation and responded to questions.

The Committee heard from 14 speakers in support of the presentation.

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At 11:55 am, it was

MOVED by Councillor Deal

THAT the meeting be extended until 1 pm.

*CARRIED UNANIMOUSLY AND
BY THE REQUIRED MAJORITY
(Councillor Stevenson absent for the vote)*

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**2. Flood Construction Levels
May 30, 2014**

THAT the Committee recommend to Council

- A. THAT Council approve the amendments to Building By-law No. 10908 to raise flood construction levels to respond to the increased risk of flood damage due to climate change, generally in accordance with Appendix A of the Administrative Report dated May 30, 2014, entitled "Flood Construction Levels".
- B. THAT the Director of Legal Services be instructed to prepare the necessary amending by-law, generally in accordance with Appendix A of the Administrative Report dated May 30, 2014, entitled "Flood Construction Levels".
- C. THAT Council rescind the "Flood-Proofing Policies" and replace them with the "Designated Flood Plain Standards and Requirements", in accordance with Appendix B of the Administrative Report dated May 30, 2014, entitled "Flood Construction Levels", effective January 1, 2015.
- D. THAT the General Manager of Planning and Development Services be instructed to make application to amend the Zoning and Development By-law to respond to increased flood construction levels generally in accordance with Appendix C of the Administrative Report dated May 30, 2014, entitled "Flood Construction Levels", as follows:

THAT a clause is added in Section 10 so that the Director of Planning may exclude from the computation of floor area, floors located at or below finished grade with a ceiling height of less than 1.5.m;

FURTHER THAT the application be referred to a Public Hearing;

AND FURTHER THAT the Director of Legal Services be instructed to prepare the necessary amending by-law, to amend the Zoning and Development By-law, generally in accordance with Appendix C of the Administrative Report dated May 30, 2014, entitled "Flood Construction Levels", for consideration at the Public Hearing.

ADOPTED ON CONSENT

**3. Green and Digital Demonstration Program
May 26, 2014**

Ian MacKay, CEO, Vancouver Economic Commission, provided a presentation and, along with the Deputy City Manager, responded to questions

The Committee heard from five speakers in support of the recommendations.

MOVED by Mayor Robertson

THAT the Committee recommend to Council

- A. THAT Council approve the Green and Digital Demonstration Program (the “GDDP”) as described in the Policy Report dated May 26, 2014, entitled “Green and Digital Demonstration Program”, with the implementation requirements as stated in the Protocol for the Green and Digital Demonstration Program (attached as Appendix A to the above-noted report).
- B. THAT Council authorize the Director of Legal Services, together with the General Managers of, as applicable: Engineering Services, Real Estate and Facilities Management, Financial Services, Human Resources, or Vancouver Fire and Rescue Services, to, from time to time, execute on behalf of the City, contracts providing for the implementation of technology demonstrations or proof-of-concept initiatives using City assets or infrastructure under the Green and Digital Demonstration Program, provided that such contracts shall be in form satisfactory to the Director of Legal Services.

CARRIED UNANIMOUSLY

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The Committee recessed at 1 pm and reconvened at 2:05 pm.

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**4. Property Tax Policy Review Commission Report - Staff Analysis and Implementation
Strategies
July 2, 2014**

The Committee heard from four speakers in support of the recommendations.

Financial Services staff responded to questions.

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At 2:20 pm Councillor Louie left the meeting and Councillor Deal assumed the Chair.

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MOVED by Councillor Stevenson
THAT the Committee recommend to Council

- A. THAT Council instruct staff to:
- i) seek confirmation from the Province on the authority under section 374.4 of the *Vancouver Charter* to use the “threshold” value (e.g. 10 percent above class average change) to define eligibility for targeted averaging and, if necessary, request a change in regulation to effect such authority; and
 - ii) seek an amendment to the *Vancouver Charter* to allow the City to use the “threshold” value, in addition to the assessed value provided by BC Assessment Authority (BC Assessment) and the averaged value derived from the averaging formula, as the taxable value for the calculation of property taxes.
- B. THAT, if the amendments described in A above are approved and enacted by the Province in time for the 2015 tax year, Council instruct staff to implement targeted land assessment averaging for Classes 1, 5 and 6 in two phases:
- Phase I (2015) - targeted 3-year land assessment averaging
 - Phase II (2019) - targeted 5-year land assessment averaging
- C. THAT, if the amendments described in A above are not approved and enacted by the Province, in whole or in part, in time for the 2015 tax year, Council instruct staff to report back with an analysis on the implications of implementing targeted land assessment averaging, and make recommendations for Council’s consideration no later than March 2015.
- D. THAT Council instruct staff to invite major Metro Vancouver municipalities and the Union of British Columbia Municipalities (UBCM) to join the City in submitting a written request to the Chief Executive Officer of BC Assessment to prepare and distribute a report on the advantages and disadvantages of the “split class” assessment option and other mitigation options such as the application of Section 19(4) of the *Assessment Act* with regards to the “value-in-use as going concern” assessment option.
- E. THAT Council instruct staff to submit a written request to the Chief Executive Officer of BC Assessment to incorporate in the annual property assessment notice key drivers for significant year-over-year changes in assessed land and improvement values, and direct property owners to the City’s website for class average change information.
- F. THAT Council instruct staff to maintain the current tax distribution for the time being, and incorporate the eight metrics recommended by the Property Tax Policy Review Commission into the City’s economic performance evaluation framework to help guide future tax distribution decisions.

CARRIED UNANIMOUSLY
(Councillors Louie, Reimer and Mayor Robertson absent for the vote)

**5. Draft 2015-2018 Capital Plan
July 3, 2014**

The General Manager of Financial Services Group provided a presentation and, along with members of the Corporate Management Team, responded to questions.

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At 2:40 pm Councillor Louie returned to the meeting and assumed the Chair.

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The Committee heard from three speakers who spoke in support of aspects of the draft plan.

The Committee agreed to separate the vote on the components of the motion.

MOVED by Councillor Louie

THAT the Committee recommend to Council

- A. THAT Council receive the draft 2015-2018 Capital Plan for information, and direct staff to seek public input as outlined in the Public Engagement Plan section of the Administrative Report dated July 3, 2014, entitled "Draft 2015-2018 Capital Plan".
- B. THAT Council approve in principle the following financial limits on sources of funding that are supported by property tax and utility fees in the 2015-2018 Capital Plan:
 - General Borrowing Authority - \$235 million
 - Utility Borrowing Authority - \$165 million
 - Capital from Revenue - \$90 million

These financial limits will guide the next phase of capital planning work and are subject to approval by Council as part of the final Capital Plan in September 2014.

- C. THAT the Director of Finance be instructed to report back with the final 2015-2018 Capital Plan incorporating results of the public engagement and plebiscite borrowing questions for Council's consideration in September 2014.

CARRIED

(Councillor Affleck opposed to A, B and C and Councillor Ball opposed to B)
(Councillor Reimer absent for the vote)

**6. 2013 Annual Report on Development Cost Levies
June 16, 2014**

Financial Services, Housing Policy, and Planning and Development Services staff, along with the City Manager, responded to questions.

MOVED by Councillor Deal
THAT the Committee recommend to Council

THAT Council receive the 2013 Annual Report on Development Cost Levies for information.

CARRIED UNANIMOUSLY
(Councillors Affleck and Reimer absent for the vote)

**7. Contract Award for Phase 3 East Landfill Gas and Leachate System Upgrades at the Vancouver Landfill
June 17, 2014**

THAT the Committee recommend to Council

- A. THAT subject to the conditions set out in B, C, and D below, Council award a contract to BD Hall Constructors Corporation for construction services for the 2014 Phase 3 East Landfill Gas and Leachate System Upgrades Project at an estimated cost of \$3,476,705.60 (excluding GST) for the base bid work to a maximum of \$4,189,840 including provisional items, subject to a contract satisfactory to the General Manager of Engineering Services, Director of Legal Services, Director of Finance, and the Chief Purchasing Official; source of funds to be the previously approved capital project budget for 2012-2014 Landfill Closure and Gas Collection.
- B. THAT all legal documentation is to be in a form which is satisfactory to the General Manager of Engineering Services, Director of Legal Services, Director of Finance and Chief Purchasing Official.
- C. THAT upon approval of the legal documentation, the Director of Legal Services, the General Manager of Engineering Services, the Director of Finance and the Chief Purchasing Official be authorized to execute and deliver the necessary agreement on behalf of City Council.
- D. THAT no legal rights or obligations shall arise hereby and none shall arise or be granted hereafter unless and until all contemplated legal documentation has been executed and delivered by all parties.

ADOPTED ON CONSENT

**8. 2014 Cultural Infrastructure Grant Allocations
June 10, 2014**

The Committee heard from one speaker in support of the recommendations.

MOVED by Councillor Deal

THAT the Committee recommend to Council

THAT Council approve eighteen (18) Cultural Infrastructure Grants totalling \$384,440 as outlined in the Administrative Report dated June 10, 2014, entitled "2014 Cultural Infrastructure Grant Allocations", and noted in Table 1 and Appendix B of the same report; source of funds the 2014 Capital Budget - Cultural Infrastructure Grants.

CARRIED UNANIMOUSLY AND
BY THE REQUIRED MAJORITY

**9. 801 West Georgia Street - 801 West Georgia Ltd. (Hotel Georgia)
Increase in Person Capacity
June 5, 2014**

THAT the Committee recommend to Council

THAT Council, having considered the opinion of local area residents and business operators as determined by site sign, noise impacts and relevant Council policy as outlined in the Administrative Report dated June 5, 2014, entitled "801 West Georgia Street - 801 West Georgia Ltd. (Hotel Georgia) Increase in Person Capacity", endorse the request by 801 West Georgia Ltd. for an increase in person capacity for the Liquor Primary Licence (#171398) from 139 interior seats to 199 interior seats (Liquor Establishment Class 3-Lounge) at 801 West Georgia Street subject to:

- i. A maximum interior capacity of 199 persons;
- ii. A Time-limited Development Permit;
- iii. Acoustic report to be submitted certifying that the establishment meets Noise Control By-law requirements; and
- iv. Signing a Good Neighbour Agreement with the City prior to business licence issuance.

ADOPTED ON CONSENT

**10. Chinese Family Clan and Benevolent Societies in the Downtown Eastside:
A New Grant Program and Strategic Support for Buildings with Heritage,
Affordable Housing or Cultural Assets**

Councillors Jang and Louie declared a Conflict of Interest on this item as they are members of societies that are eligible for funding under this program. Both Councillors therefore left the meeting at 5:15 pm, and did not return until after the vote on the matter. Councillor Deal assumed the Chair.

At the Regular Council meeting on Tuesday, July 8, 2014, Vancouver City Council referred this matter to the Standing Committee on City Finance and Services meeting on Wednesday, July 9, 2014, to hear from speakers.

Planning and Development Services staff provided a presentation and, along with the Chief Housing Officer, responded to questions.

The Committee heard from four speakers in support of the recommendations, some of whom offered additional comments and suggestions.

MOVED by Councillor Tang

THAT the Committee recommend to Council

- A. THAT Council approve the Chinese Society Building Matching Grant Program as outlined in Appendix A of the Administrative Report dated June 30, 2014, entitled “Chinese Family Clan and Benevolent Societies in the Downtown Eastside: A New Grant Program and Strategic Support for Buildings with Heritage, Affordable Housing, or Cultural Assets”, to support critical upgrades to buildings owned by Chinese Family Clan and Benevolent Societies in the Downtown Eastside (DTES), in order to support and retain these organizations as key partners in the revitalization of Vancouver’s historic Chinatown.
- B. THAT Council approve funding for strategic support to implement the Chinese Society Building Matching Grant Program and to undertake a consultant study to develop a business case and partnership development package, under the direction of the Chief Housing Officer, to leverage City funds and develop a robust rehabilitation program for the society-owned heritage buildings in Chinatown as identified in Appendix B of the Administrative Report dated June 30, 2014, entitled “Chinese Family Clan and Benevolent Societies in the Downtown Eastside: A New Grant Program and Strategic Support for Buildings with Heritage, Affordable Housing, or Cultural Assets”.

FURTHER THAT Council direct staff to collaborate with the Chinatown Society Heritage Building Association in the scoping, consultant selection, and co-management of the consultancy for the creation of the strategic support study and business case.

- C. THAT Council approve a budget of \$2.5 million for the Grant Program and strategic support described in A and B above, using a combination of developer contributions designated for this purpose and City funds. Sources of funding are as follows:

- \$1,238,000 from the Community Amenity Contribution through the rezoning of 633 Main Street; and
- \$1,262,000 from the Capital Budget for DTES Revitalization.

amended

AMENDMENT MOVED by Councillor Carr

THAT A be amended by adding the words “and as key providers of SRO housing”, at the end.

LOST

(Councillors Affleck, Ball, Carr, Deal, Meggs, Reimer, Stevenson, Tang and Mayor Robertson opposed)
(Councillors Jang and Louie absent for the vote)

AMENDMENT MOVED by Councillor Reimer

THAT A be amended by adding the words “the affordable housing, heritage and cultural assets”, after the words “in the revitalization of”.

CARRIED UNANIMOUSLY

(Councillors Jang and Louie absent for the vote)

The amendment having carried, the motion as amended was put and CARRIED UNANIMOUSLY with Councillors Jang and Louie absent for the vote.

FINAL MOTION AS ADOPTED

THAT the Committee recommend to Council

- A. THAT Council approve the Chinese Society Building Matching Grant Program as outlined in Appendix A of the Administrative Report dated June 30, 2014, entitled “Chinese Family Clan and Benevolent Societies in the Downtown Eastside: A New Grant Program and Strategic Support for Buildings with Heritage, Affordable Housing, or Cultural Assets”, to support critical upgrades to buildings owned by Chinese Family Clan and Benevolent Societies in the Downtown Eastside (DTES), in order to support and retain these organizations as key partners in the revitalization of the affordable housing, heritage and cultural assets in Vancouver’s historic Chinatown.
- B. THAT Council approve funding for strategic support to implement the Grant Program and to undertake a consultant study to develop a business case and partnership development package, under the direction of the Chief Housing Officer, to leverage City funds and develop a robust rehabilitation program for the society-owned heritage buildings in Chinatown as identified in Appendix B of the Administrative Report dated June 30, 2014, entitled “Chinese Family Clan and Benevolent Societies in the Downtown Eastside: A New Grant Program and Strategic Support for Buildings with Heritage, Affordable Housing, or Cultural Assets”.

FURTHER THAT Council direct staff to collaborate with the Chinatown Society Heritage Building Association in the scoping, consultant selection, and co-management of the consultancy for the creation of the strategic support study and business case.

- C. THAT Council approve a budget of \$2.5 million for the Grant Program and strategic support described in A and B above, using a combination of developer contributions designated for this purpose and City funds. Sources of funding are as follows:

- \$1,238,000 from the Community Amenity Contribution through the rezoning of 633 Main Street; and
- \$1,262,000 from the Capital Budget for DTES Revitalization.

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At 6:40 pm it was

MOVED by Councillor Stevenson

THAT the meeting be extended in order to complete the agenda.

*CARRIED UNANIMOUSLY AND
BY THE REQUIRED MAJORITY
(Councillors Jang and Louie absent for the vote)*

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Councillor Jang returned to the meeting at 6:42 pm.

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11. Creation of Vancouver Affordable Housing Agency

At the Regular Council meeting on Tuesday, July 8, 2014, Vancouver City Council heard a presentation on this item. Subsequently, Council referred the matter to the Standing Committee on City Finance and Services meeting on Wednesday, July 9, 2014, to hear from speakers.

The Committee heard from eleven speakers; four who spoke in support of the recommendations, and seven who were opposed to the creation of an affordable housing agency as set out in the report.

*MOVED by Councillor Meggs
THAT the Committee recommend to Council*

THAT the Administrative Report dated July 3, 2014, entitled "Creation of Housing Authority" be received for information.

amended

AMENDMENT MOVED BY Councillor Affleck

THAT the following be added at the end of the motion:

- A. THAT the In Camera decision made by Council to create the Vancouver Affordable Housing Agency be ratified.
- B. THAT the In Camera decision and report on the Vancouver Affordable Housing Agency be made public immediately.
- C. THAT the Vancouver Affordable Housing Agency Board include one member of Council with full voting rights.

A and C not put

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The Committee recessed at 8:47 pm and reconvened at 9:06 pm.

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Following the recess, the Chair ruled parts A and C of Councillor Affleck's amendment out of order because a decision on the matter has already been made at a previous Council meeting.

Subsequently, part B of Councillor Affleck's amendment was put and CARRIED UNANIMOUSLY with Councillors Ball and Louie absent for the vote.

The amendment having carried, the motion as amended was put and CARRIED UNANIMOUSLY with Councillors Ball and Louie absent for the vote.

FINAL MOTION AS ADOPTED

THAT the Committee recommend to Council

- A. THAT the Administrative Report dated July 3, 2014, entitled "Creation of Housing Authority" be received for information.
- B. THAT the In Camera decision and report on the Vancouver Affordable Housing Agency be made public immediately.

The Committee adjourned at 9:14 pm.

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**REGULAR COUNCIL MEETING MINUTES
STANDING COMMITTEE OF COUNCIL ON
CITY FINANCE AND SERVICES**

JULY 9, 2014

A Regular Meeting of the Council of the City of Vancouver was held on Wednesday, July 9, 2014, at 9:14 pm, in the Council Chamber, Third Floor, City Hall, following the Standing Committee on City Finance and Services meeting, to consider the recommendations and actions of the Committee.

PRESENT: Mayor Gregor Robertson
Councillor George Affleck
Councillor Adriane Carr
Councillor Heather Deal
Councillor Kerry Jang
Councillor Geoff Meggs
Councillor Andrea Reimer
Councillor Tim Stevenson
Councillor Tony Tang

ABSENT: Councillor Elizabeth Ball
Councillor Raymond Louie

CITY MANAGER'S OFFICE: Penny Ballem, City Manager

CITY CLERK'S OFFICE: Wendy Stewart, Deputy City Clerk
Lori Isfeld, Meeting Coordinator

COMMITTEE REPORTS

Report of Standing Committee on City Finance and Services
July 9, 2014

Council considered the report containing the recommendations and actions taken by the Standing Committee on City Finance and Services. Its items of business included:

1. 2014 Greenest City Action Plan Progress Update
2. Flood Construction Levels
3. Green and Digital Demonstration Program
4. Property Tax Policy Review Commission Report - Staff Analysis and Implementation Strategies
5. Draft 2015-2018 Capital Plan
6. 2013 Annual Report on Development Cost Levies
7. Contract Award for Phase 3 East Landfill Gas and Leachate System Upgrades at the Vancouver Landfill

8. 2014 Cultural Infrastructure Grant Allocations
9. 801 West Georgia Street - 801 West Georgia Ltd. (Hotel Georgia) Increase in Person Capacity
10. Chinese Family Clan and Benevolent Societies in the Downtown Eastside: A New Grant Program and Strategic Support for Buildings with Heritage, Affordable Housing or Cultural Assets
11. Creation of Vancouver Affordable Housing Agency

Items 1 to 11

MOVED by Councillor Deal
SECONDED by Councillor Jang

THAT the recommendations and actions taken by the Standing Committee on City Finance and Services at its meeting of July 9, 2014, as contained in items 1 to 11, be approved.

CARRIED UNANIMOUSLY AND
ITEM 8 BY THE REQUIRED MAJORITY

ADJOURNMENT

MOVED by Councillor Stevenson
SECONDED by Councillor Carr

THAT the meeting be adjourned.

CARRIED UNANIMOUSLY

The Council adjourned at 9:15 pm.

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