

**Minutes of Meeting
Finance Committee, Vancouver Park Board
2099 Beach Avenue, Vancouver**

DATE OF MEETING: February 21, 2005

ATTENDEES: Park Board Commissioners
Commissioner Anita Romaniuk, Committee Chair
Commissioner Loretta Woodcock
Commissioner Suzanne Anton

Park Board Staff

Susan Mundick	General Manager
Anita Ho	Director of Corporate Services
Jim Lowden	Director of Stanley District
Terry Walton	Manager of Recreation Services
Philip Joseph	Manager of Revenue Services
Megan Stuart-Stubbs	Community Arts Program Assistant
Barbara Joughin	Recorder of Minutes

The meeting was called to order at 6:45 pm. The Agenda for the meeting was as follows:

1. Review of meeting minutes of February 9, 2005
2. Move to In-Camera Meeting
3. Stanley Park Event – June 18, 2005
4. Food Plan
5. Stanley Park Dining Pavilion – Award of Contract

1. Review of the Minutes of the February 9, 2005 Meeting:

The minutes of the Finance Committee of February 9, 2005 were adopted as presented (moved by C. Woodcock, seconded by C. Romaniuk, all in favour).

2. Move to In-Camera Meeting:

Moved by Commissioner Deal,

THAT the Board go into a meeting which is closed to the public pursuant to Section 165.2 of the *Vancouver Charter*, to discuss matters related to paragraph:

(c) labour relations or employee negotiations.

- Carried Unanimously.

The in-camera portion of the meeting ended at 7:45 pm.

3. Stanley Park Event – June 18, 2005

The Culture and Recreation Committee asked staff to prepare an event concept and budget for a special event in Stanley Park, intended to showcase Park Board and community partners' activities while providing the public with an opportunity to celebrate Stanley Park. Terry Walton and Megan Stuart-Stubbs gave an overview of the development of the event to date, and provided the Committee with a proposed budget.

When: Saturday, June 18, 2005, from noon – 6 pm
Where: Ceperley Park
Theme: umbrellas – title tba
What: 3 festival tents
Interpretive activities provided by Stanley Park organizations
Food tent - "Taste of Stanley Park", with park restaurants
Open houses at adjacent facilities – lawn bowling, tennis
Road closure between Lagoon Drive and Park Drive

Staff presented the Committee with an event budget and noted that it projects maximum expenditures for the event, including a large contingency fund. The proposed budget does not include revenues, but actual revenues may come from food and beverage sales, as well as any sponsorships that may be secured. Primary event funding will come from the Corporate Sponsorship fund.

Staff asked the Committee to recommend that the Board approve a budget of up to \$92,000 for this event.

Discussion:

- The group discussed funding for the event. Staff said that it is difficult to find sponsorships for first year events, and that Corporate Sponsorship is the only funding source at this time. The intention is to fund the first year of the event, and build on its success with more diverse funding in future years.
- A Committee member expressed concern about scheduling conflicts with other events in the community. Staff explained that there are major events in the city on every weekend, and that they tried to find a quiet day in the park for the event.
- Staff emphasized that the event will provide an opportunity for the Park Board and our community partners to celebrate and share what we do with the larger community.
- Staff are estimating attendance of between 5000-10,000, and noted that turn-out will be dependent on the weather. The event will be designed to attract people regardless of the weather.

Recommendation:

The Finance Committee recommended that the Board approve up to \$92,000 from the Corporate Sponsorship Fund for a Park Board wide special event in Ceperley Meadow on June 18, 2005.

4. Food Plan

Jim Lowden gave a report on food services in Vancouver parks and described the current situation. He noted that food has historically generated profits for the Board which have supported parks and recreation programs, and told the Committee that while restaurant business is satisfactory, concession business is shrinking and is subject to criticism. In 2003, concession food operations returned 12% on operating investment, which is insufficient to support the kind of capital investment required to upgrade the facilities.

Staff identified the goals that need to be achieved to ensure revenue contributions:

- A satisfactory range of choice and quality of food services in parks
- A financial strategy to reverse the decline in food service revenue
- A financially sustainable delivery system

Staff told the Committee that there are significant differences among the 15 concession outlets, and that a series of food strategies will be required to address the issues, provide a better food product and increase revenues. In addition, there is an opportunity to partner with the Aquarium to operate the trailer concession on the Aquarium Plaza and test new food products and delivery models. Staff asked the Committee to recommend that the Board approve:

- Hiring a consultant to review concession food services and develop a food plan strategy for up to \$30,000
- A partnership with the Aquarium to the operate a pilot concession on the Plaza to test new menus

Discussion:

- Results of developing a concession services strategy will include the design and progressive implementation of an operating plan, a food plan, and a capital plan that will be stretched over several Capital Plans.
- The group discussed the market demand for new and unique menus. Healthy food options will be expanded this year and the new ethical purchasing policy will be implemented.
- A member of the Committee requested that concession operators be part of the process. The group discussed the current relationship of concession operators with the Park Board, and staff noted that the only variable currently under operator discretion is concession operating hours.
- A member of the Committee asked about the timeframe of the consultancy, and staff said they hope to have strategies developed by September 2005.
- The role of a centralized distribution system in the delivery of concession food services will be defined by the operational models that are recommended as a result of the consultant's review. No changes will be made until this process is complete.

Recommendation:

The Finance Committee recommended that the Board approve:

- Hiring a consultant to review concession food services and develop a food plan strategy for an amount not to exceed \$30,000
- A partnership with the Aquarium in the operation of a pilot concession to test new menus

5. Stanley Park Dining Pavilion – Award of Contract

Jim Lowden told the Committee that there were two responses to the Request for Proposals for the Stanley Park Dining Pavilion, and described the terms of the proposed agreement, including:

- A 10 year term, with one 5 year renewal
- 6.25% rent, including built-in guaranteed floor rent
- \$2.75/ft tax rate, linked to City rate increases
- improvements to the building of \$1,364,000 that will be carried out in two phases over the first year of occupancy, with \$200,000 of this amount to be funded by the Board for replacement of the sprinkler system and the boiler.
- The tenant will provide a \$50,000 letter of credit to the Park Board, payable if improvements are not completed by March 1, 2006.
- In addition, as an incentive to the tenant to complete all the improvements during the first year, staff recommend that no rent or taxes be payable for the first six months of the lease.

Staff asked the Committee to recommend that the Board approve the financial agreement as presented.

The group discussed the concept that has been proposed for the Pavilion in Stanley Park, described by staff as including a tea room and gallery (dining room, bar, and retail space), a banquet hall (for private parties), and a family restaurant serving food at reasonable prices.

Recommendation:

The Finance Committee recommended that the Board approve a lease agreement between the Vancouver Park Board and Point Group Holdings Ltd. for operation of the Stanley Park Pavilion, under the terms described above.

6. Next Meeting:

The meeting was adjourned at 9:30 pm. The next Finance Committee meeting is scheduled for March 21, 2005 at 7:00 pm. Possible agenda items include:

- Ocean Sports – RFP – Kayak Rental
- VanDusen – Naming Opportunities
- 2005 Operating Budget
- Capital Budget 2004 Update / Plan 2005