

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

DATE OF MEETING: September 6, 2006

ATTENDEES: Park Board Commissioners
Commissioner Marty Zlotnik, Committee Chair
Commissioner Ian Robertson
Commissioner Loretta Woodcock
Commissioner Allan De Genova
Commissioner Spencer Herbert
Commissioner Korina Houghton

Park Board Staff

Susan Mundick	General Manager
Anita Ho	Director, Corporate Services
Jim Lowden	Director, Stanley District
Piet Rutgers	Director, Planning and Operations
Josie Riebe	Manager of Fundraising and Development
Rudy Roelofsen	Manager of Facility Development
Mark Vulliamy	Manager of Research and Planning
Terry Walton	Manager of Recreation Services, Stanley District
Barbara Joughin	Committee Secretary

The meeting was called to order at 5:00 pm. The Agenda for the meeting was as follows:

1. Approval of June 19, 2006 Meeting Minutes
2. Arbutus Right-of-Way Delegation
3. Business Plan for Harbour Green Restaurant
4. Fundraising Report
5. In Camera Meeting:
That the Committee go into a meeting that is closed to the public, pursuant to Section 165.2 of the Vancouver Charter, to discuss matters related to paragraph :
(k) negotiations and related discussions respecting the proposed revision of an activity, work or facility that are at their preliminary stages and that, in the view of the Board, could reasonably be expected to harm the interests of the city if they were held in public.
6. Approval of March 13, 2006 In-Camera Meeting Minutes

1. Approval of June 19, 2006 Meeting Minutes:
The minutes of the June 19, 2006 meeting were approved as presented.

2. Delegation: Arbutus Right-of-Way

Representing the Canadian Pacific Railway (CPR), Howie Charters and Mark Holland provided an overview of the results of a recent CPR/community visioning process on the future use of the CPR's Arbutus right-of-way lands. They described three options for further exploration that emerged from the consultation: a greenway; a combination of light rail and greenway; and a combination of light rail, greenway and development. They identified the third option as the most financially balanced because it includes about 1 million sq ft of development potential on approximately 44 acres of total land.

The proponent told the Committee that all the potential uses that have been identified in the consultation process cannot be accommodated by the CPR lands alone but could be achieved through a merger of City and CPR lands. In this vision, benefits to the Park Board include the transfer of title for CPR lands that are currently leased to the Park Board and the removal of restrictive covenants on lands used in Kitsilano and Queen Elizabeth Park. A funding model was proposed that describes the acquisition of CPR lands by the City of Vancouver through a combination of land exchange, cash, CPR financed loans, and CPR donations.

Discussion

- A member of the Committee asked how much of the 44 acres could potentially be designated park land and the proponent estimated that at least half could become park.
- A Commissioner inquired why the item was before the Finance Committee and the Committee Chair replied that it was an opportunity to examine the potential benefits to the Park Board of adding to its linear park system.
- A Commissioner asked if the presentation had been reviewed by City Council and the proponent said it had been provided to senior staff but had not been presented to Council.

Recommendation

The Finance Committee recommended that the presentation on a vision for the Arbutus Lands be scheduled at the next available regular Board meeting for review and discussion.

3. Business Plan for Harbour Green Restaurant

In response to a request from the Board for more information on the proposed restaurant at Harbour Green Park, Jim Lowden provided an update on projected revenues from a restaurant at this site. He said that it is realistic to project gross revenues of \$5 million/year in today's dollars based on current revenues from the Watermark Restaurant at Kits Beach, but the business plan applies a more conservative estimate of \$4.5 million/year, with an expectation of 6% profit and \$700,000/year in debt servicing. Higher off season sales are expected from the proposed site than the Watermark Restaurant due to its proximity to the Convention Centre and the seaplane base and its location on the seawall.

Vancouver restaurateurs are already expressing interest in the opportunity based on these projections. Private operation of the facility would involve no capital outlay by the Board beyond the development permit fees. Requests for Proposals will be sent out after the Park Board completes the application process for the Development Permit, proposed for early 2007. Through the agreement with the Convention Centre, the site will be turned over to the Park Board in 2009.

Discussion

- A member of the Committee asked staff about seating capacity at the Harbour Green facility compared to other restaurants. The Watermark Restaurant has 80 inside and 120 outside seats compared to 100 inside and 200 outside seats in the proposed restaurant at Harbour Green.
- Staff told the Committee that Profit from rent paid to the Park Board from a privately operated bistro at English Bay would be about \$138,000. If the Park Board operated the bistro, the annual loss would be about \$83,000. The difference in revenues is from the difference between private and union staff wages (\$635,000 and \$108384 respectively).
- Commissioner Woodcock requested that a table of the projected revenues and expenses be prepared to summarize the information provided in this update.

Summary

The Finance Committee received the update on the business plan for Harbour Green Restaurant for information.

4. Fundraising Report

Josie Riebe summarized the 2006 year-to-date accomplishments from fundraising efforts in the last seven months. Donations to established programs (Park Amenity Program, Special Project Funding) raised \$387,500. New fundraising initiatives (Amenities in Perpetuity, Named Endowments) resulted in \$150,000 in donations.

Additional fundraising opportunities exist for the Board but resources and support are needed to move forward with fundraising. Staff recommend that \$30,000 be allocated annually from the Park Amenity Reserve for part-time support staff to assist with administrative, research and coordination activities.

Currently the Park Amenity Reserve holds about \$1,300,000, but these funds do not accrue interest for the Park Board. Staff recommend that an annual 'working allowance' of \$200,000 be maintained in the Park Amenity Reserve to provide adequate working funds, and that surplus funds be transferred to an interest bearing account.

Discussion

A Commissioner noted that the GVRD promotes its foundation through advertising and asked how the Park Board's promotional activities compared with those of the GVRD. Staff explained that additional resources are needed in order to respond to the many opportunities for enhanced fundraising and development that exist, including fundraising software packages, research, and promotion.

Recommendation

The Finance Committee recommended that the Board review and approve the recommendations put forward by staff in the Fundraising and Development report.

5. Next Meeting

The regular Finance Committee meeting ended at 6:00 pm. The next Finance Committee meeting is scheduled for September 25, 2006 at 4:00 pm.

6. In Camera Meeting

Moved by Commissioner Robertson,

That the Committee go into a meeting that is closed to the public, pursuant to Section 165.2 of the Vancouver Charter, to discuss matters related to paragraph:

(k) negotiations and related discussions respecting the proposed revision of an activity, work or facility that are at their preliminary stages and that, in the view of the Board, could reasonably be expected to harm the interests of the city if they were held in public.

Carried Unanimously