

**Minutes of Meeting of the Board of Parks and Recreation
Services & Budgets Committee Meeting
Held at the Vancouver Park Board Office on
Tuesday, May 18, 2010**

ATTENDEES:

Park Board Commissioners

Loretta Woodcock, Chair
Constance Barnes
Ian Robertson
Aaron Jasper

Park Board Staff

Meg Elliott	Senior Business Analyst
Peter Kuran	Acting General Manager
Philip Josephs	Co-Acting Director of Stanley District
Octavio Silva	Manager of Business Development
Hart Nijjar	Recorder

Delegations:

- Herb Challier
- Gerry O'Neil, Stanley Park Horse Drawn Tours

The meeting was called to order at 6:30 pm, with the following agenda:

1. Approval of Minutes of April 20th, 2010
2. Stanley Park Information Kiosk
3. Marketing Committee Terms of Reference
4. April 2010 Operating Statement

1. Approval of Minutes

The minutes of the meeting of the Services and Budgets Committee held on Tuesday, April 20, 2010 were adopted as circulated.

2. Stanley Park Information Kiosk

Staff presented information on the Stanley Park Information Kiosk. The primary purpose of the kiosk is to provide information to park visitors, with a secondary function of offering refreshments and snacks for sale. Public washrooms and outdoor seating are also provided. Information is given by staff at the kiosk, supplemented by brochure racks that provide information from across Vancouver.

The kiosk opened in 2001, costing \$300,000 to construct. The 595 sq ft building is in a prime location at the entrance to Stanley Park and is highly visible from Park Drive. The minimum hours of operation during summer are from 9 am to 6 pm and from 10 am to 3 pm during the winter.

In 2009, gross sales totalled \$229,000 while net sales totalled \$69,700, resulting in a return rate of 30%. Most revenue is brought in over the summer months. In the peak summer months, July and August, most visitors come to the kiosk to purchase beverages or snacks, while approximately 30% come for information. For the rest of the year, this trend is reversed and 65% to 70% of visitors come to the kiosk for information, while 30% to 35% come to purchase food.

The 2006 Concession Strategy Report did not identify the kiosk as an item requiring action, instead noting that it serves an important role as an information provider and should be retained by the Park Board as such. However, if a Request for Proposals (RFP) was put out for the site, many issues would have to be considered. The main concern would be to define the scope of the RFP. Any proposal would have to show a business case as to why their new operation would be financially viable.

Importantly, history has shown there are public concerns regarding new commercial space in Stanley Park as demonstrated by past attempts to move or add concession stands. In 2005, staff conducted a public consultation regarding the possibility of moving Third Beach concession to a seawall location, but the idea did not go forward as 70% of individuals polled opposed the move. In 2006, staff conducted a public consultation regarding the addition of a concession to Brockton Lighthouse, but 59% of those polled opposed the idea.

Other concerns regarding any proposal would be the process associated with development permit and building permit requirements, removal of parking spaces which are valued at \$2,000 per space in the lot near the kiosk, and the independence of a Park Board information service that benefits all stakeholders.

Discussion:

A member of the Committee asked Staff how public consultations regarding concession changes were conducted in 2005 and 2006. Staff responded that consultations were done in person on-site and a series of questions were asked to determine how the public felt. The majority of those opposed to the changes cited encroaching commercialism as their main concern.

A member of the Committee asked what type of public consultation process would need to be conducted regarding any proposed expansion. Staff noted that the consultation process would have to be more extensive than those conducted in 2005 and 2006 and would likely require the services of an outside consultant.

A member of the Committee inquired how many staff are employed at the kiosk and whether we have received any feedback from the public regarding the kiosk. Staff replied that there are two staff employed at the kiosk and that the operator has indicated the most frequent questions asked of her are directions to the Aquarium and other facilities. Patrons tend to get frustrated when they encounter long line-up at the kiosk, but staff are working to mitigate the problem by potentially hiring another employee to help with information related queries directly outside of the kiosk. This was tried last summer with success.

A member of the Committee asked how many individuals visit the kiosk and whether the number of people using services provided by the kiosk was considered by the architect. Staff noted that the popularity of food and beverages for purchase was not anticipated in 2001 when the kiosk was constructed; however demand mainly occurs during the summer months.

A member of the Committee inquired how much it would cost to develop a 600 sq ft booth in today's dollars. Staff replied they would likely build a 1400 sq ft facility if they were to construct the kiosk again at an estimated cost of \$1.4 million.

A member of the Committee asked if consideration had been given to expanding the operator's hours and what training the operator has gone through regarding sales and highlighting Park Board attractions. Staff replied that the operator is asked to keep the kiosk open until at least 7:30 pm during good weather in the summer, and has received training regarding the history of the Park Board and is updated on Park Board activities. If staff cannot answer specific questions regarding tourist attractions they can access the computer in the booth which has internet access. A member of the Committee suggested staff should explore the possibility of engaging more with Tourism Vancouver and potentially requesting volunteers from their organization to help provide information services during the summer.

The following delegations requested to speak to the Committee:

- Herb Challier
- Gerry O'Neil, Stanley Park Horse Drawn Tours

The following is a summary of comments provided by the foregoing delegations:

- Looked at how could fit horse operation to tie in with existing kiosk building
- Opportunity to do story telling in park using kiosk
- Kiosk does not have to change operationally
- The kiosk is the entrance to SP and should have wow factor
- The building should have more of a park feel to it and integrate naturally into its surroundings
- There are not enough bathrooms
- Outdoor seating area should be improved
- Think horses belong in park and would do better if they were located by the kiosk
- Kiosk should be open earlier
- Would like horse drawn facility attached to info booth

A member of the Committee asked the delegation how large their proposed facility would be. The delegation responded it would be a little more than double the current size. Staff noted a development permit would still have to be obtained, which is a timely process.

Commissioner Robertson left the meeting at this time.

A member of the Committee asked how the operator is held accountable and whether regular follow-ups are scheduled with the operator to determine how well the kiosk is doing in meeting its objectives. Staff replied hours of operation can be verified by the first and last sales recorded in the cash register and the operator and Supervisor of Food Services have regular meetings to discuss the kiosk.

A member of the Committee noted that if the Board put out a RFP, there would be no way to guarantee the proposals received would fit with the Park Board's vision for the kiosk. Further, the Board's ability to oversee the content in the kiosk is valued and would be at stake should another operator become a part of the kiosk.

A member of the Committee asked staff for details regarding the Park Board's obligation to the Horse Drawn Tours. Staff replied that as part of the five year contract between the two parties, the operator must contribute \$100,000 towards capital improvements. A member of the Committee inquired whether the Horse Drawn Tour operation can be moved to its previous location as the ground was more even there. Staff noted that the horses were located at the current location of the kiosk, but the funding dedicated to the operation by the operator can cover the amount required to level the ground where the horses are located now. It is estimated the leveling operation would cost \$70,000, leaving \$30,000 for other improvements.

The Committee noted that two separate issues were being discussed – one relating to the expansion of the kiosk and how well it is serving its role, and the other regarding the appropriateness of the Horse Drawn Tours location. In regards to the first, although the Park Board is interested in increasing its revenue, expanded commercial activity at the kiosk may not be the right avenue. However, the guest experience at the kiosk can be improved and should be examined by staff. In regards to the second, it is not feasible to move the horses to the kiosk location, as due process would require the Board to put out RFP's which it is not willing to do at this time. The Committee acknowledged the challenge with the current location for the horses and stated a solution should be found.

3. Marketing Committee Terms of Reference

Staff presented information on the Marketing & Business Development Advisory Committee Terms of Reference. The Board approved the establishment of the Committee during the March 1,2010 Board Meeting.

The primary function of the Committee will be to provide the Board with advice, recommendations, and direction regarding new revenue-generating opportunities and

services. Matters will be referred to the Committee by the Board, its Committees, or Park Board staff. The Committee will have a strictly advisory role without any executive powers or authority to implement actions and/or initiatives. The objectives of the Committee will be to provide the Board with expert advice and direction on key initiatives or issues related to marketing, business development, and customer service. The Committee will also serve as a formal resource to exchange ideas, and foster community links. Special sub-committees may also be established as required.

The Committee will have eight voting members, appointed by the Board from a range of industry sectors including tourism, attractions, restaurant/food services, meetings/events, retail/leasing/advertising, sales/marketing, customer service, and planning/real estate. The criteria for membership will include knowledge, experience, personal attributes, and leadership. Although members will be selected from particular sectors, they will not be advocates for their particular organization, instead acting solely in the best interests of the Park Board without regard to their personal interest or benefit. The Committee will be supported by three non-voting members from the Park Board including one Park Board Commissioner, one senior staff member, and one additional staff member.

Committee membership will be staggered to ensure long-term stability and continuity. In 2010, four members will be appointed for a one year term and four members will be appointed for a two year term. Thereafter, all members will be appointed for a two year term. Members can serve a maximum of three consecutive terms, and after at least one year off the Committee, can be considered for reappointment.

Membership on the Committee will be voluntary and no remuneration will be provided. However, members may be reimbursed for expenses incurred as a result of carrying out duties related to the Committee. All such expenditures must be pre-approved by the Committee Chair.

The Committee will meet six times annually, with additional meetings at the call of the Chair. Members will be expected to attend all meetings, however, should a member be unable to attend, an alternate will not be required. If a member fails to attend three consecutive meetings, the Board can revoke the appointment, unless the absence is authorized by the Committee. Meetings can only take place if quorum is met. Quorum is defined as a majority of the appointed members. If quorum is not met within 30 minutes of the scheduled start time of a meeting, the meeting will be adjourned to a day and time determined by the chair.

With respect to Committee process, copies of meeting agendas and minutes will be circulated to Committee members in advance of meetings. The Chair is to preside over all Advisory Committee meetings, provide instructions to all sub-committee Chairs, and set meeting agendas in consultation with the Board liaison.

Committee members will be expected to declare any real, apparent, or perceived conflict of interest which may result in financial gain or personal benefit. Committee members will be expected to maintain confidentiality in circumstances where confidential matters

are subject to deliberation. The Committee will report through the Chair to the Services and Budgets Committee and then to the Board.

In terms of the decision making process, the Committee will strive for consensus when possible. If consensus is not reached, members of the Committee will verify their positions through a voting process. Should the vote result in a tie, the motion or initiative will be defeated.

Committee members may resign at any time provided they give one month's written notice to the Chair. The Board may at any time, by a majority of its members, revoke the appointment of a Committee member.

If the Committee deems that the Terms of Reference outlined are not appropriate, it will have the authority to recommend amendments to the Board. Further, the General Manager and Chair of the Board will review the Committee's mandate, activities, terms of reference, and relevance as required to ensure that it continues to meet ongoing needs. Recommendations for improvement will be considered on an ongoing basis and the Board retains the right to dissolve the Committee following any such review.

Staff recommend that the Services and Budgets Committee endorse these Terms of Reference and forward it to the Board for their review and consideration at the June 7, 2010 Board Meeting.

Discussion

A member of the Committee inquired how members for the Committee will be chosen. Staff advised that the appropriate industries have been identified and discussions have commenced regarding potential members.

A member of the Committee requested that the word 'direction' be removed from the stated purpose of the Committee to prevent confusion regarding its advisory role.

A member of the Committee asked why the term for the Committee itself is not defined. Staff replied that this allows the Advisory Committee to function for as long as is necessary and the review process will allow the General Manager and Park Board Chair to determine the relevance and necessity of the Committee.

A member of the Committee requested that a condition be added to the Terms of Reference that requires all media inquiries to be directed to the Advisory Committee Chair or the Committee's Commissioner liaison.

The Committee thanked staff for developing the Terms of Reference and supported staff's recommendation to endorse and forward the Terms of Reference for Board review at the June 7, 2010 Board meeting.

4. April 2010 Operating Statement

Staff presented information on the 2010 Operating Statement. Generally, things have improved compared to April 2009 as actual revenue has increased by \$1,400,000, actual expenses have decreased by \$300,000 and net expenses have decreased by \$1,700,000.

In terms of revenue, some programs did not bring in as much actual revenue compared to April 2009, but the changes are not significant and do not present cause for concern. Revenue sources showing a significant increase between April 2009 and April 2010 included golf and pitch & putts, reserve funds and support services, and recreation. The increase in actual revenue from golf and pitch & putts can be attributed to the fact that the Fraserview golf course was closed last year, the increase in reserve funds and supported services is due to a change in accounting, and the increase in recreation services is due to the opening of rinks that were closed for renovation last year.

In terms of gross expense comparisons by program, numbers were up for most programs compared to April 2009 but overall gross expenses were down due to fewer expenses in golf and pitch & putts and infrastructure maintenance. In April 2009, the Board had to make a large loan payment for the golf courses but not in April 2010, resulting in fewer expenses in that area.

Gross expenses also increased in payroll and supplies, services, and transfers compared to April 2009. Gross expenses decreased for utilities and city equipment, but the savings realized cannot be used to offset other increased expenditures as per the Global Budget Agreement.

Lastly, in terms of net expense comparisons, net expenses were up in destination parks, neighbourhood parks and beaches, and street trees and nursery. This increase was expected due to the warmer weather in April 2010 as compared to April 2009.

Commissioner Jasper left the meeting at this time.

In conclusion, actual revenues were up in April 2010 compared to April 2009, while actual gross expenses and actual net expenses were down. In 2009, snow and repair issues caused a deviation in the normal pattern of revenue and expenses, but 2010 has seen a return to the usual pattern. Issues which may impact the budget during 2010 include the HST (which will be implemented on July 1), the start-up of Hillcrest Pool and Southeast False Creek Community Centre, plans for Bloedel Conservatory and the Stanley Park Farmyard, impacts from the rollout of city-wide shared services, and facility closures for renovations at Renfrew and Trout Lake.

The Committee thanked staff for the information provided.

The meeting adjourned at 8:42pm.

Meg Elliott
Senior Business Analyst

Commissioner Loretta Woodcock
Chair