

**PROVINCIAL CAPITAL COMMISSION
BOARD OF DIRECTORS MEETING
DRAFT MINUTES
TUESDAY, 22nd JULY 2003**

There being due notice given and a quorum present, the July 2003 monthly meeting of the Provincial Capital Commission Board of Directors was called to order at 8:34 a.m. on Tuesday, the 21st July 2003 at 613 Pandora Avenue, Victoria, British Columbia

DIRECTORS PRESENT

*Bill Wellburn, Chair
Barbara Brink
Beth Campbell
Jane Durante
Chris Fairbank
Rob Hunter
Russell Irvine
Pamela Madoff
Jackie Ngai
Darwin Robinson
Christa Williams*

RESOURCES

*Larry Beres, Executive Director
Brian Rowbottom, Director, Programs and
Projects;
Acting PCC Secretary*

REGRETS

*Deborah Eddy, Director, Financial
Services, Property and Planning;
PCC Secretary*

REGRETS

*Rob Fleming
Leif Wergeland*

CALL TO ORDER

The meeting was called to order at 8:34 a.m. by the Chair, Bill Wellburn

PRESENTATION – CITY OF VICTORIA: HARBOUR PLAN

The Chair introduced Doug Koch and Dennis Carlsen, from the City of Victoria, who gave Directors an overview of the Victoria Harbour Plan, which included a history of the harbour and the processes and principles of planning for the harbour. Mr. Koch noted the principles:

- Jurisdiction
- Harbour Divestiture
- Noise (a new City by-law is being developed)
- Site Contamination
- Natural Environment
- Water and Sediment Quality
- Working Harbour
- Seismic Conditions
- Public Path System
- Heritage Sites

Mr. Koch then spoke about the important Provincial Capital Commission stake in the Inner Harbour:

- Belleville International Terminal Site
 - The Harbour Plan supports the project and City involvement would include the enhancement of Belleville Street.
- Ship Point
 - Due to the ownership of connecting properties, this area has the potential for a Commission/City/Harbour Authority partnership – there are opportunities for a special building, views and vistas, pathways and public festivals.
- Bastion (Reid) Site
 - Currently there are height restrictions on Wharf Street to protect the view-lines of the harbour and surrounding heritage buildings. Improved waterfront pathways would be encouraged to help take the Greenway on the harbour from the current basic status to something special as part of an active plan.

Directors' questions to and discussions with the City representatives brought-out the following points:

- In the City there is a passion about the history of Victoria Harbour as a working harbour and there is a desire to keep it as mixed-use harbour.
- Zoning of the Belleville Terminal covers terminal-related uses, with changes in density possible if such undertakings as public access and environmental remedial actions are included in a development – the best uses presently contemplated are transportation and public access.
- Uses in the Harbour Plan for the Bastion (Reid) Site include festivals, retailing, restaurants, markets, artisans, etc. There is a 25 foot development set-back from the waterfront. Negotiations are possible with the City for design and possible height variance on Wharf Street, especially if the development was to enhance old town, views and public access. The continuation of the use of the site as a parking lot is not acceptable in the long-term.
- Downtown Parking – buses, parkades and street parking are the preferred City options. The City does not support parking for commuters due to resulting low use of land and constrained street use.
- Housing – the City has great interest in harbour residential housing: houseboat community at Fisherman's Wharf and the development of housing units on former industrial sites.
- Victorians, due to some examples of poor planning and development in the past, are hesitant to embrace change.
- Water Lots have a varying and unique history, primarily to do with shipping in the Inner Harbour. The Undersea Gardens is a non-conforming use to the zoning for the site – if it were to be moved off its present site, the zoning would not allow the use to return.

- Ship Point has a special occasion and parking use now; but there is potential to build into the site, with parking needs being met by parkades, street parking and the transit system
- Environment – the run-off from parking lots into the harbour is a concern; thus the City is looking for permeable surfaces and fewer lots.
- Access – public pathways for walking, bicycles and wheelchairs.

The Chair thanked Messrs. Koch and Carlsen for their informative presentation to Directors.

APPROVAL OF AGENDA

The Agenda was approved without change or additions

VERIFICATION OF MINUTES OF PREVIOUS MEETING

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| <ul style="list-style-type: none"> • It was moved and seconded that the Minutes of the PCC regular meeting held the 24th June 2003 be adopted. | CARRIED |
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MANAGEMENT REPORTING

FINANCIAL REPORT

The Executive Director reported that the operating results for June 2003 do not reveal any areas of concern or anomalies and that performance is up to standard. He advised that items carried-over from the previous fiscal year will likely be capitalized. Directors requested that information indicating the numerical month of the fiscal year (i.e. three months ending June 30, 2003) be indicated on the monthly operating statement.

MOU – HARBOUR AUTHORITY

The Executive Director advised Directors that the MOU document was being provided to indicate to them what the intension of the relationship was between the PCC and the partners involved in developing the Greater Victoria Harbour Authority. The MOU ended with the establishment of the Harbour Authority, but its spirit carries-on in the working relationship with them.

Directors and the Executive Director discussed various financial scenarios that have been considered for the proposed Belleville International Terminal and what financial contributions the Harbour Authority might be expecting from the Commission and/or its properties should the Authority lead the development of the new terminal. The Executive Director advised that any future agreement between the parties would be a new one based on terms and conditions negotiated at that time.

In response to a Director's question, the Chair advised that the matter of the PCC representative to the Board of the Greater Victoria Harbour Authority will be dealt with at the September Board Meeting as part of determining the policy approach for all Commission memberships and/or Board participation with other organizations.

IMPROVING ROADSIDE MAINTENANCE INTO THE CAPITAL

The Executive Director advised that the PCC has been receiving comments from the

public about the poor condition of the highway medians and roadsides entering the Capital following the suspension of highway maintenance by the Province. Because of this, an information package was provided for Directors outlining the Ministry of Transportation's public involvement in roadside maintenance and highlights of a sample naturalization/nature-scaping program that was instituted by the City of Edmonton.

Directors, in the discussion that followed, spoke of other ways to look at a landscape – for example: colours of grass amongst the roses along the Pat Bay Highway and the use of native plants for lower maintenance costs – the need for a communications strategy, and the PCC providing a leadership role on how roadside maintenance can be changed in the future (shows a continued concern with Greenways and has a Province-wide application). It was suggested that the PCC might fund a study to show others what can be done and how it can be done.

Given that the Board is concerned about the look of the Capital and its main entries, it was suggested that PCC representatives should meet with the Minister of Transportation and/or highways officials to determine a way to work with the Highways Department on this matter and to obtain information that will allow the PCC to establish a policy to do so. It was also suggested that a meeting with Mayor Frank Leonard of Saanich, who is also Vice President of the Union of British Columbia Municipalities, might be useful, given Saanich's refusal to take-over such maintenance and the Mayor's position on the Province-wide organization, whose members are impacted by this policy. This could be a matter that the PCC and UBCM might be able to work on jointly. A Director noted that this is a contentious matter with regard to who should pay for such maintenance and a further issue could arise if the PCC uses Greenways money for highways at the expense of using it for pedestrians.

- **It was moved and seconded** that the PCC request a meeting with the Minister of Transportation and/or Highway Department officials to gain an understanding of the Province's current highways maintenance policies and procedures and to determine their future objectives; then formulate a PCC policy on the maintenance of highway medians and roadsides. **CARRIED**

COMMITTEE REPORTING

EXECUTIVE COMMITTEE

Communications Consultant

The Chair advised that the Committee would be interviewing representatives from three communications firms later in the day and asked for Board authority for the Committee to select a communications consultant.

- **It was moved and seconded** that the Executive Committee be given authority to select a Communications Consultant for the Provincial Capital Commission. **CARRIED**

RFP – CPR Terminal Upper Floors

The Executive Director advised that four commercial leasing firms had been contacted and two had responded advising that office space was the best use, likely in the \$12 to \$14 per sq.ft. range. However, he has been approached by potential higher use tenants and wishes to have an opportunity to put-out a RFP to them and generally for similar prospective tenants before committing to a leasing agent, as has been recommended by the Executive Committee.

- **It was moved and seconded** that consideration of the selection of a leasing agent be deferred until the end of the year to allow staff to pursue other rental possibilities with interested parties and/or other tourist-related or restaurant uses.

CARRIED

CEO Recruitment

The Chair advised that he has met with the Ministry's Strategic Human Resource Advisor and with a representative (Judith Frost) of the Province's Leadership Centre, which has been established to recruit senior executives for Ministries and Crown agencies. Ms Frost attended the July 2003 Executive Committee meeting and assisted in short-listing three recruitment firms, from their pre-approved list, to be interviewed. The interviews with representatives of the three companies took place the evening (21st July 2003) before the Board Meeting. The Executive Committee is recommending Western Management Consultants be retained. The cost of hiring the firm would normally be a percentage of the position's base salary; but the Leadership Centre has negotiated a \$20,000 flat fee, plus expenses.

The Centre will arrange to have a Job Description written by another contractor, Lorie Hunchak, who was recommended by Ms Frost; then the Centre will classify the position to determine the salary range. The Leadership Centre has developed a series of competencies for executive positions. The Job Description will be circulated to Directors for comment before the Executive Committee gives final approval to it. When this process is done, the successful executive search firm will develop a candidate profile, with input from Directors and other stakeholder groups, as well as developing a Corporate Profile of the Provincial Capital Commission.

- **It was moved and seconded** that the Board approve the Executive Committee's recommendation to engage Western Management Consultants as the executive search firm to lead the search for a CEO for the Provincial Capital Commission.

CARRIED

The Chair indicated that the expectation is to have the CEO in place by late October/early November 2003. A Director suggested the inclusion of local real estate prices in any information package that is given to candidates. Another Director asked what about the consequences of the CEO not fulfilling expectations after being hired – the Chair suggested he would seek follow-through commitments from the Leadership Centre and the executive search firm.

- **It was moved and seconded** that Directors authorize the Executive Committee to approve the CEO Job Description, once it has obtained input from all Directors.

CARRIED

- **It was moved and seconded** that Directors authorize the Executive Committee to approve the CEO Candidate Profile, once it has obtained input from all Directors.

CARRIED

The Corporate Profile will be a technical document that outlines the operations of the PCC and reflects the Board's decisions and directions to date.

FINANCE & AUDIT COMMITTEE

The Committee Chair advised Directors that Staff will be providing the Financial Statements in a new format, but that there will be a one month time-lag in providing the information due to the earlier monthly meeting dates commencing in September. Tenant financial information will be lumped together into one sum for Board reporting purposes to protect the confidentiality of third party information under the provisions of the Freedom of Information & Protection of Privacy Act. The Committee has reviewed the operating costs, including rents and taxes, of the CPR Terminal Building.

Looking at the vacant water lot off the Reid (Bastion) Site, the Committee Chair suggested that no long-term commitments should be made regarding it; but it might be appropriate to speak to the Harbour Authority regarding short-term possibilities.

This quarter, the Committee is looking at revenue-producing properties. It will have Staff arrange for Measure Masters to measure the four revenue-producing buildings, plus the Headquarters building, under the most recent BOMA criteria, to determine rental and common-use space pursuant to current measurement standards. Staff will then use the Headquarters information to have a real estate appraisal done of the building. During the next quarter, the Committee will review the expense-producing properties. Comments from Directors resulted in assurances that documents from previous consultants would be made available to Measure Masters, that CAD drawings done by Measure Masters would be on a recognized exchange program and that there would be Board discussion on process and outputs.

The Committee Chair indicated that the Committee is presently reviewing the 812 Wharf Street property (Tourism Victoria/Milestones, etc). Members of the Committee are looking at the costs of running and maintaining the public facilities there. They are also looking at possible ways to create more revenue from the property to pay for these facilities – creating more lease space on the ground floor and potential rental opportunities on the open deck area overlooking the Inner Harbour, while, at the same time, ensuring the area is kept open to the public. The Committee will be reviewing the Tourism Victoria lease subsidy (paying \$12 sq.ft. rather than market rates estimated at up to \$80). This amount, plus the income to Tourism Victoria from the ATM machine on the building, is a substantial rent subsidy that the PCC is not reflecting in its operating statements. The Committee will have to consider the government's policy of not

providing subsidies to the private sector, the definition of tourism and Tourism Victoria as business and Tourism Victoria's role as a PCC strategic partner.

The Committee Chair advised that the Committee will be reviewing the Crystal Garden Conservation Centre in August 2003 and St. Ann's Academy in September 2003.

GOVERNANCE COMMITTEE

The Board Chair noted that the Minutes of the June 2003 Committee Meeting were presented verbally at the June 2003 Board Meeting and acted upon at that time. A Director raised the matter of some Board Directors consistently being absent from meetings. The Committee Chair advised Directors that this matter would be revisited by the Committee within a year.

PLANNING TASK FORCE

The Task Force Chair noted that the Minutes of the June 2003 Task Force Meeting were presented verbally at the June 2003 Board Meeting and acted upon at that time.

INNER HARBOUR VISIONING TASK FORCE

The Task Force Chair indicated that the Minutes of the June 2003 Task Force Meeting reflected the outcomes of that meeting. A discussion on the theme for and on other aspects of the Visioning Session with the City of Victoria and the Greater Victoria Harbour Authority took place.

- **It was moved and seconded** that "Amazing Possibilities for the Inner Harbour" be the Theme for the November 22003 Visioning Session.

CARRIED

- **It was moved and seconded** that the membership on the Inner Harbour Visioning Task Force be expanded to include two City of Victoria and two Greater Victoria Harbour Authority representatives.

CARRIED

- **It was moved and seconded** that the maximum number of attendees at the Visioning Session be limited to 50 individuals, not including guest speakers.

CARRIED

Other Task Force suggestions were noted:

- Potential Guest Speakers will be discussed further at the next Task Force meeting with City and Harbour Authority representatives; and following input from Directors.
- The current base Agenda will change following input from partners and the yet-to-be-chosen facilitator.
- The Visioning Session will be one day long, with the November PCC Board Meeting being the day prior.

- Those attending the Seminar will be expected to provide a full disclosure of their obligations to other parties to ensure all attendees can speak freely during discussions.

Directors felt that it will be imperative to choose the right facilitator for the Session – this person will set the tone for the success of the day’s activities. Directors are looking for excitement in the room, no limits on thought processes, different ideas and approaches, and for the important follow-up. The facilitator should be removed from the current issues of the Harbour, know about harbours and be good at extracting ideas out of participants as well as knowing what information to provide them with. A Director commented that the speakers need to be able to create a vibrancy that will make participants dream.

The Task Force Chair indicated that the next Task Force meeting will be held on Monday, the 11th August at 12:00 noon.

MISCELLANEOUS CORRESPONDENCE & INFORMATION

The following items were received and filed:

- Planning 21st Century Capitals – a paper presented at the 2003 Canadian Capital Cities Organization Conference in Yellowknife, NWT
- Past PCC Minutes – provided to give Directors background information as to the Commission’s past practices, processes and activities with respect to planning for the Inner Harbour.

Information was provided to Directors about the Neptune Project, a U.S.A./Canada enterprise, with the University of Victoria being the local partner. This is potentially an exciting project that possibly could be located on a PCC property on the Inner Harbour. A Director noted that this has the potential to be a tourist attraction as well as being a scientific undertaking. Directors felt that it is important to keep in touch with the local contact, Mr. Ian Stewart, to monitor the progress and needs of the project.

OTHER BUSINESS – EASEMENT – GREASE TRAP

The Executive Director advised the Board that new Capital Regional District health regulation require the installation of a grease trap for the Crystal Garden building, more particularly for the Old Spaghetti Factory restaurant. Consultants have recommended one to service the whole building, which, due to its size, must be located outside – thus the requirement for the easement. The PCC will contribute one-third of the cost of the grease trap and its installation, up to a maximum of \$5,000.

- **It was moved and seconded** that the easement to facilitate the location of a grease trap adjacent to the Crystal Garden building be approved as drafted.

CARRIED

With no further business, the meeting was declared concluded at 11:14 a.m.

Board Chair

Acting Secretary