

MINUTES OF THE
GOVERNANCE & PRIORITIES COMMITTEE MEETING
HELD THURSDAY, SEPTEMBER 11, 2014, 9:00 A.M.

1. THE CHAIR CALLED THE MEETING TO ORDER AT 9:00 A.M.

Committee Members Present: Mayor Fortin in the Chair; Councillors Alto, Coleman, Gudgeon, Helps, Madoff, Thornton-Joe and Young.

Absent for a Portion of the Meeting: Councillor Isitt

Staff Present: J. Johnson – City Manager; R. Woodland – Director of Legislative & Regulatory Services; C. Havelka – Recording Secretary.

Staff Present for a Portion of the Meeting: Chief Bruce – Victoria Fire Department; Chief Elsner – Victoria Police Department; D. Day – Director of Sustainable Planning & Community Development; J. Jenkyns – Acting Director of Parks, Recreation & Culture; K. Hamilton – Director of Citizen Engagement & Strategic Planning; J. Huggett – Acting Senior Project Manager – Johnson Street Bridge Replacement Project; D. Kalynchuk – Director of Engineering & Public Works; S. Thompson – Director of Finance; T. Zworski – City Solicitor; M. Hayden – Manager of Bylaw & Licensing; I. Husu – Manager of Parking Services; M. Miller – Senior Heritage Planner; C. Paine – Manager of Revenue; M. Harris – Strategic Planning & Communications Advisor;

Guests: C. Cook – BC Municipal Safety Association; Dr. Baspaly – BC Common Ground Alliance

Mayor Fortin advised Committee that Councillor Isitt will be absent at the beginning of the meeting as he is attending a dedication ceremony with First Nations.

2. APPROVAL OF THE AGENDA

Committee discussed the agenda and considered the following amendments:

Open Meeting:

- Item # 1 – Minutes from the August 28, 2014 meeting for adoption
- Item # 6 – Withdrawn
- Item # 8 – VCC Food and Beverage Agreement - Addition of Agreement

- Item # 12A – Correspondence regarding CREST Technology Plan
- Item # 12B - Councillor Sharing – Councillor Thornton-Joe
- Item # 12C – Councillor Sharing – Councillor Madoff
- Item # 12D – Councillor Sharing – Councillor Alto

Closed Meeting:

- Item # 13 – Minutes from the Closed Meeting held August 28, 2014
- Item # 16 – Closed Inquiry on a Personnel matter – Mayor Fortin

Action: It was moved by Councillor Coleman, seconded by Councillor Helps, that the Agenda of the September 11, 2014, Governance and Priorities Committee meeting be approved as amended.

CARRIED UNANIMOUSLY 14/GPC499

3. CONSENT AGENDA

Mayor Fortin canvassed members of Council, who approved bringing forward the following item for approval:

- Item # 10 – Motion – Fortis BC – Contribution Agreement CNG Vehicle Incentive Offer

3.1 Fortis BC – Contribution Agreement CNG Vehicle Incentive Offer

Committee received a report dated September 2, 2014 from Engineering with respect to an agreement with Fortis BC Energy Vancouver Island to enable the City to access available incentives for its 2014 acquisition of medium and heavy duty trucks utilizing compressed natural gas.

Action: It was moved by Councillor Helps, seconded by Councillor Alto, that Committee recommends:

1. That Council authorize the Mayor and Corporate Administrator to execute a Contribution Agreement with Fortis BC, on terms and conditions satisfactory to the Director of Engineering and Public Works, and in a form satisfactory to the City Solicitor.
2. That Council ratify the motion to execute these agreements at the meeting of City Council on September 11, 2014.

CARRIED UNANIMOUSLY 14/GPC500

4. ADOPTION OF MINUTES

4.1 Adoption of the Minutes from the Regular Meeting held August 28, 2014

Action: It was moved by Councillor Alto, seconded by Councillor Helps, that the Minutes from the Governance and Priorities Committee meeting held August 28, 2014 be adopted.

CARRIED UNANIMOUSLY 14/GPC501

5. PRESENTATIONS

5.1 City of Excellence Award

Dr. Baspaly, Executive Director of the BC Common Ground Alliance and Cathy Cook, Executive Director of the BC Municipal Safety Association, presented Mayor Fortin with a City of Excellence Award that recognizes local governments for activities that improve ground disturbance, safe excavation techniques and best practices at or around underground infrastructure. The Gold Standard is awarded to the local government that shows exemplary practices in all aspects of ground disturbance practices.

Mayor Fortin thanked the staff for their work that resulted in the City receiving the City of Excellence Award.

5.2 Quarterly Update / Victoria Police Department

Chief Elsner, Victoria Police, provided Committee with an update on VicPD's organizational and operational improvements and the projected expenditures for 2014.

Committee noted recent improvements in the service provided by VicPD and discussed the following:

- Providing crime statistics for each neighbourhood.
- More information regarding the numbers and demographics of homeless people taking shelter in parks;
 - Noting the number of available shelter beds.
 - Exploring options for other types of shelter.

Councillor Isitt joined the meeting at 9:23 a.m.

- Addressing downtown residents' concerns regarding night time nuisance issues in parks.
- The 700 MHz spectrum now available for CREST radios and the positive impact this will have on the radio system.

Mayor Fortin advised Committee that Joan Kotarski, City Representative on the Police Board, is retiring and the City will be advertising for her position next week.

6. DECISION REQUESTS

6.1 Johnson Street Bridge Replacement Project Quarterly Update

Committee received a report dated September 4, 2014 from Engineering and Public Works that provided an update on the Johnson Street Bridge Replacement Project. Staff led Committee through a PowerPoint Presentation that provided a progress update, the latest schedule from PCL, a financial update, steel

fabrication, change order request, construction update, work on Harbour and Esquimalt Roads and the retaining wall at 203 Harbour Road.

Committee discussed the following:

- The cost of the retaining wall at 203 Harbour Road with respect to the approved budget and additional costs.
- The recommended funding for the retaining wall and the suggestion that funds be allocated from other capital reserves;
 - Details regarding the funds available in the Tax Sale Land Reserve versus the Building and Infrastructure Reserve Fund;
 - Staff recommended funding from the Tax Sale Land Resource as the wall is an improvement to the former City property at 203 Harbour Road.
- Changing the funding source to the Building and Infrastructure Reserve Fund.

Action: It was moved by Councillor Isitt, seconded by Councillor Helps, that Committee recommends that Council amend the 2014 – 2018 Financial Plan by allocating an additional amount of \$521,100 for the completion of the construction of the 203 Harbour Road retaining wall. Funds for this capital expenditure will be allocated from the Building and Infrastructure Reserve Fund.

Committee discussed the motion as follows:

- Concerns that the City is paying for a retaining wall that benefits the current owner;
 - This decision was made when the City owned 203 Harbour Road.
 - Construction of the retaining wall would maximize the land area available for lease and productive use.
- Concerns whether the retaining wall budget is accurate.
- The audit process for the bridge project.

CARRIED 14/GPC502

For: Mayor Fortin, Councillors Alto, Coleman, Gudgeon, Helps, Isitt, Thornton-Joe and Young

Against: Councillor Madoff

Councillor Coleman withdrew from the meeting at 10:44 a.m. and returned at 10:46 a.m.

Committee discussed the update as follows:

- The project schedule that is currently being used whether an updated schedule has been agreed upon.
- Information regarding MMM's claim and the complexities of analysing the claim as it relates to their contract with Hardesty & Hanover (H & H).
- The issue of MMM's scope of work and their collaboration with PCL; design changes and concerns regarding the cost savings of these changes.
- Information related to the quality of steel used for the fabrication in China and the possibility of delays;
 - Two specialists have been hired for quality assurance.
 - Noting that PCL is responsible for the quality of the steel fabrication.
 - There is a risk of delay until the quality assurance issues have been resolved.

- The work on site is progressing well and PCL is responsible for the work on site until the bridge is complete.
- Responsibility for the concrete blocks that are stored at 203 Harbour Road.
- The importance of the public realm improvements and ensuring that adequate funds are in place for those plans.
- Details regarding maintenance work required on the current bridge while the project proceeds.

Action: It was moved by Councillor Alto, seconded by Councillor Helps, that Committee receive for information the Johnson Street Bridge Replacement Project Quarterly Update.

CARRIED UNANIMOUSLY 14/GPC503

Councillors Gudgeon and Helps withdrew from the meeting at 11:43 a.m.

Councillor Coleman excused himself from the meeting at 11:44 a.m. due to a non-pecuniary conflict of interest as his wife works for the Anglican Diocese which is the applicant for the following item.

6.2 520 Niagara Street – Building Permit Application # 050924

Councillors Gudgeon and Helps returned to the meeting at 11:45 a.m.

Committee received a report dated August 28, 2014 from Sustainable Planning and Community Development that provided information regarding the heritage value of the St. James Mission of Christ Church Cathedral School located at 520 Niagara Street and to present analysis and recommendations regarding options for next steps.

Action: It was moved by Councillor Madoff, seconded by Councillor Thornton-Joe, that Committee recommends:

- A. If the owner is amenable to exploring development alternatives:
 1. That Council consider Option 2 – Request an Agreement to Extend the Temporary Protection Order (TPO) for 520 Niagara Street for a specified period from the date that the TPO expires, to explore development options.
 2. That Council direct staff to report back to Council with a progress report regarding any assessment of development options for 520 Niagara Street with recommendations.
 3. That the Draft Statement of Significance for St. James Mission of Christ Church Cathedral School located at 520 Niagara Street be reviewed by the Heritage Advisory Panel prior to being considered by Council for adoption.

Committee discussed the motion as follows:

- The option outlined in the alternate motion should the owner not be amenable to proceeding with the TPO;

- The time-sensitivity and possible outcome with respect to the current TPO expiring September 22, 2014.

Amendment: It was moved by Councillor Isitt, seconded by Councillor Alto, that Committee amend the motion:

- A. If the owner is amenable to exploring development alternatives:
 - 1. That Council consider Option 2 – Request an Agreement to Extend the Temporary Protection Order (TPO) for 520 Niagara Street for a specified period from the date that the TPO expires, to explore development options.
 - 2. That Council direct staff to report back to Council with a progress report regarding any assessment of development options for 520 Niagara Street with recommendations.
 - 3. That the Draft Statement of Significance for St. James Mission of Christ Church Cathedral School located at 520 Niagara Street be reviewed by the Heritage Advisory Panel prior to being considered by Council for adoption.
- B. **If the owner is not amenable to exploring alternatives:**
 - 1. **That Council consider convening a Special Council Meeting on September 18, 2014, to consider Option 3 and directing staff to prepare a Heritage Designation Bylaw for the purpose of designating the Cathedral School located at 520 Niagara Street, a Municipal Heritage property.**
 - 2. **That the Draft Statement of Significance for St. James Mission of Christ Church Cathedral School located at 520 Niagara Street be reviewed by the Heritage Advisory Design Panel prior to being considered by Council for adoption.**
 - 3. **That Council consider giving first and second reading to the heritage designation bylaw on September 18, 2014.**
 - 4. **That Council direct staff to report back to Council before the November 13, 2014 Council Meeting, with a progress report regarding any assessment of options for 520 Niagara Street with recommendations.**

Committee discussed the amendment as follows:

- Concerns that the property owner could disregard the request to extend the TPO. The amendment provides a time-sensitive option for moving forward.
- Concerns regarding the possible claim that may arise if the property is designated a municipal heritage site and the suggestion that legal advice is needed.
- Would there be time for staff to return with further recommendations should the applicant not be amenable to the TPO?
 - The concern that a building permit could be issued if the TPO lapses.
- Continuing the discussions with the applicant to reiterate the heritage value of the building.

On the amendment:
CARRIED 14/GPC504

For: Councillors Alto, Coleman, Gudgeon, Helps, Isitt, Thornton-Joe, Madoff and Young

Against: Mayor Fortin

On the main motion as amended:

CARRIED 14/GPC504

For: Councillors Alto, Coleman, Gudgeon, Helps, Isitt, Thornton-Joe, Madoff
and Young

Against: Mayor Fortin

Action: It was moved by Councillor Isitt, seconded by Councillor Helps that Committee forward the motion to the Council Meeting of September 11, 2014.

CARRIED UNANIMOUSLY 14/GPC505

Mayor Fortin requested that legal advice on this matter be provided during the closed meeting.

Councillor Coleman returned to the meeting at 12:01 p.m.

Committee recessed at 12:04 p.m.

Committee reconvened at 12:39 p.m.

Mayor Fortin was not present when the meeting reconvened. Acting Mayor Isitt assumed the Chair.

6.3 11 Chown Place – Permissive Tax Exemption

Committee received a report dated September 2, 2014 from Finance that outlined options to phase in the tax burden for the Gorge View Society on 11 Chown Place over five years. The *Community Charter* permits Council to approve a permissive exemption in any proportion for up to 10 years to any portion of this property.

Committee discussed the option of providing a 100% exemption to the applicant and staff advised that this doesn't fit with the City's policy.

Councillor Coleman noted that the discussion was no longer restricted to a Permissive Tax Exemption for 11 Chown Place and excused himself from the meeting at 12:43 p.m. due to a non-pecuniary conflict of interest as his wife works for the Anglican Diocese which has applied for permissive tax exemptions.

Mayor Fortin joined the meeting at 12:43 p.m. and assumed the Chair.

- Action:** It was moved by Councillor Gudgeon, seconded by Councillor Helps, that Committee recommends that Council:
1. Direct staff to prepare a 2015 – 2019 five year declining permissive tax exemption bylaw for 11 Chown Place that begins with an 80% exemption in 2015.

2. Direct staff to not include the permissive exemption value on this property when calculating the permissive tax exemption cap from the consolidated permissive tax exemption group.
3. Forward these recommendations to Council for approval at the September 11, 2014 Council Meeting.

A Committee member noted that this direction deals with a unique situation and a future discussion on tax exemptions for this type of property would be helpful.

CARRIED 14/GPC506

For: Mayor Fortin, Councillors Alto, Coleman, Gudgeon, Helps, Madoff, Thornton-Joe and Young
Against: Councillor Isitt

Councillor Coleman returned to the meeting at 12:47 p.m.

6.4 Victoria Conference Centre Food and Beverage Agreement

Committee received a report dated September 1, 2014 from the General Manager of the Victoria Conference Centre (VCC) regarding food and beverage services at the VCC. The Province has amended various liquor regulations which required amended language with the food and beverage agreement the City holds with Fairmont Empress. The City has reached an agreement with the lawyers for the Fairmont Empress and a draft agreement was provided for Committee for their approval.

Action: It was moved by Councillor Helps, seconded by Councillor Madoff, that Committee recommends that Council authorize the Mayor and Corporate Administrator to execute the Victoria Conference Centre Food & Beverage Amendment Agreement, and other documents necessary for the third party liquor operations, in the form of agreement attached to the report dated September 1, 2014, to the satisfaction of the City Solicitor.

Committee discussed the following:

- The exclusive agreement with the Empress and concerns regarding the high cost;
 - Staff will return to Committee with a report on the Crystal Garden with details on the commission structure of the contract.
 - The desire to be in compliance with liquor laws as soon as possible.
- The notion of a fair wage policy as it relates to the provision of food and beverage services.

Councillor Gudgeon withdrew from the meeting at 12:54 p.m. and returned at 12:55 p.m.

CARRIED 14/GPC507

For: Mayor Fortin, Councillors Alto, Coleman, Gudgeon, Helps, Madoff, Thornton-Joe and Young
Against: Councillor Isitt

6.5 Tally Ho Motor Inn Liquor Licence Application

Committee received a report dated August 29, 2014 from Legislative & Regulatory Services regarding an application for a permanent change to hours of sale in relation to two Liquor Primary Liquor Licenses, for the Tally Ho Motor Inn located at 3020 Douglas Street.

Action: It was moved by Councillor Thornton-Joe, seconded by Councillor Helps, that Committee recommends that Council, after conducting a review with respect to noise and community impacts regarding the application to amend the hours of liquor service for two Liquor Primary Liquor Licenses of the Tally Ho Motor Inn, Liquor Licenses No. 010134 and 111522, located at 3020 Douglas Street, supports:

1. The application of the Tally Ho Motor Inn to amend its Liquor Primary Liquor Licence for their Lounge (Licence No. 010134) to allow a change in operating hours to include 9:00 a.m. to 11:00 p.m. from Monday to Saturday and 9:00 a.m. to 10:00 p.m. on Sunday.
2. The application of the Tally Ho Motor Inn to amend its Liquor Primary Liquor Licence for their Pub (Licence No. 111522) to allow a change in operating hours to include 11:00 a.m. to 1:00 a.m. Monday to Thursday, 11:00 a.m. to 1:30 a.m. on Friday, 9:00 a.m. to 1:30 a.m. on Saturday and 9:00 a.m. to 10:00 p.m. on Sunday.
3. The Council provides the following comments on the prescribed considerations (for both licence applications):

- a. The location is within a mixed commercial /residential light industrial area which authorizes offices, retail, hotels, restaurants and associated uses. There is a small amount of residential use in the immediate vicinity. The two Liquor Primary Liquor Licensed operations within the hotel (lounge and pub) are compatible with the neighbouring land uses. The business is located within the Transient Accommodation District and is within the Intermediate Noise District which allows for a higher noise threshold.

- b. With respect to the Lounge (Licence No. 010134) this request represents a change in operating hours to enable liquor service 2 to 2.5 hours earlier each day but close 2 to 2.5 hours earlier each evening resulting in no net increase in the liquor service hours for the premises.

With respect to the Pub (Licence No. 111522) this request represents a change in operating hours to enable liquor service 0.5 hour earlier on Friday, 2.5 hours earlier on Saturday and 2 hours earlier on Sunday with a 2 hour earlier closing time on Sunday, resulting in a net increase of 3 hours of liquor service weekly for the premises.

These changes are expected to have minimal impact on the neighbourhood due to the configuration and use of the licensed premises within the hotel. The hotel has had no complaints of noise or nuisance in the past five years. There is no concern that this change would result in the business being operated contrary to its primary purpose.

- c. The views of residents were solicited via a mail out to neighbouring property owners and occupiers within 50 metres of the hotel and a

notice posted at the property. No responses were received by the City.

CARRIED UNANIMOUSLY 14/GPC508

7. REPORT FOR INFORMATION

7.1 Update on Parking Improvements

The Director of Civic Engagement presented Committee with information regarding the implementation of the Parking Improvement Project which has come about through aligning public consultation with direction from Council to deliver this project. Staff led Committee through a PowerPoint Presentation that highlighted parking improvements to parkades and on-street parking downtown.

Committee discussed the following:

- Hosting an event to draw people to park in parkades.
- Encouraging elected officials to use the upper floors of the parkade.
- Providing more information on parking incentives for people wishing to leave their cars downtown after consuming alcohol.
- Parking meter rates across the various parking zones.
- Improving the street frontage along the Johnson Street Parkade.
- Projected revenues as these parking improvements are implemented.

Councillor Coleman withdrew from the meeting at 1:45 p.m. and returned at 1:46 p.m.

- The changing technology for paying at meters and “pay by cell” technology.
- The parking data available on Vic Map.

Action: It was moved by Councillor Coleman, seconded by Councillor Helps, that Committee receive for information the update on Parking Improvements.

CARRIED UNANIMOUSLY 14/GPC509

7.2 Fire Hall Update

Committee received a report from the Fire Chief dated September 5, 2014 that updated Committee on the status of the No. 1 Fire Station Replacement Project. Consultants working on the project were directed at the last meeting to take a more creative approach to this project.

Action: It was moved by Councillor Alto, seconded by Councillor Helps, that Committee receive for information the update on the No. 1 Fire Hall.

CARRIED UNANIMOUSLY 14/GPC510

7.3 CREST Technology Plan

Committee received correspondence dated August 27, 2014 from CREST Emergency Service Tele Communications which updated Committee on the Technology Plan CREST is working on for review and approval.

Committee discussed the following:

- Concerns regarding the cost of this equipment and if it addresses the issues CREST has had in the past;
 - The new technology will address many of the issues, such as signal penetration in buildings downtown;
 - When approving new buildings ensuring the radio technology works in those buildings.

Action: It was moved by Councillor Young, seconded by Councillor Coleman, that Committee receive for information the CREST Technology Plan.

CARRIED UNANIMOUSLY 14/GPC511

8. NEW BUSINESS

8.1 Councillor Sharing – Canadian Capital Cities Conference

Councillor Thornton-Joe provided Committee with a summary of her trip to the Canadian Capital Cities Conference which was held this year in Charlottetown, PEI.

8.2 Councillor Sharing – Royal Theatre

Councillor Madoff advised Committee that the Royal Theatre is featured in Boulevard Magazine.

8.3 Councillor Sharing – PEERS Public Forum

Councillor Alto shared information with Committee regarding an event on September 19, 2014. It is a public forum hosted by PEERS to advocate in opposition of Bill C36.

8.4 Councillor Sharing – First Nations Re-Burial Ground

Councillor Isitt shared information with Committee regarding the ceremony he attended to mark the perimeter of the re-burial ground for First Nations people in Beacon Hill Park.

Action: It was moved by Councillor Coleman, seconded by Councillor Helps, that Governance & Priorities Committee convene a Closed meeting that excludes

the public under Section 12(6) of the *Council Bylaw* for the reason that the following agenda items deal with matters specified in the *Council Bylaw*, namely:

Section 12(3) (c) - *Labour Relations or employee relations*

Section 12 (3) (e) - *The acquisition, disposition or expropriation of land or improvements, if the Council considers that disclosure might reasonably be expected to harm the interests of the City*

Section 12 (3) (i) - *The receipt of advice that is subject to solicitor-client privilege including communications necessary for that purpose.*

CARRIED UNANIMOUSLY 14/GPC512

9. CLOSED MEETING AT 2:16 P.M.

Committee Members Present: Mayor Fortin in the Chair; Councillors Alto, Coleman, Gudgeon, Helps, Isitt, Madoff, Thornton-Joe and Young

Staff Present: J. Johnson – City Manager; P. Bruce – Fire Chief; D. Day – Director of Sustainable Planning & Community Development; J. Jenkyns – General Manager of the Victoria Conference Centre; D. Kalynchuk – Director of Engineering & Public Works; S. Thompson – Director of Finance; R. Woodland – Director of Legislative & Regulatory Services; T. Zworski – City Solicitor; M. MacLeod-Shaw – Assistant City Solicitor; A. Hudson – Assistant Director of Community Planning; M. Miller – Senior Heritage Planner; C. Havelka – Recording Secretary.

10. APPROVAL OF THE AGENDA

Committee discussed the closed agenda and considered the following amendment:

Item # 16 – Closed Inquiry – Legal Advice

Action: It was moved by Councillor Helps, seconded by Councillor Alto, that the closed agenda be approved as amended.

CARRIED UNANIMOUSLY 14/GPC513

11. ADOPTION OF CLOSED MINUTES

11.1 Adoption of the Minutes from the Regular Closed Meeting held August 28, 2014

Action: It was moved by Councillor Alto, seconded by Councillor Helps, that the Minutes from the Regular Closed Governance and Priorities Committee meeting held August 28, 2014 be adopted.

CARRIED UNANIMOUSLY 14/GPC514

12. DECISION REQUESTS

12.1 Lease Renewal / 703 Douglas Street

Committee received a report dated September 4, 2014 from Legislative and Regulatory Services regarding a lease renewal.

The discussion and motion were recorded and kept confidential.

12.2 Labour Relations

Committee received a report dated August 11, 2014 regarding labour relations.

The discussion and motion were recorded and kept confidential.

12.3 Closed Inquiry – Mayor Fortin – Legal Advice

Mayor Fortin outlined an inquiry for Committee that required legal advice.

The discussion and motion were recorded and kept confidential.

All staff, except the City Manager, were excused from the meeting at 3:15 p.m.

12.4 Closed Inquiry – Mayor Fortin - Personnel

13. ADJOURNMENT

Action: It was moved by Councillor Helps, seconded by Councillor Alto, that Committee adjourn the meeting of September 11, 2014, at 3:22 p.m.

CARRIED UNANIMOUSLY 14/GPC518

Mayor Fortin, Chair