



MINUTES

Granville Island Council – Regular Meeting

November 25, 2020, 9:00am

Video-Conference Call

Attending

Council Members: Andeen Pitt; Dale McClanaghan; Domenic Caminiti; Gracen Chungath; Heather Deal; Johanna Lauyanto; Paul Larocque

CMHC staff: Tom Lancaster (General Manager); Sebastian Lippa (Secretariat and Manager of Planning & Development); Sabrina Lakos (Manager of Leasing); Lisa Ono (Manager of Public Affairs and Programming) ; Chad Washington (Manager of Operations); Eugene Cruz (Manager of Business Controls)

Guests: Angela Danyluk, Senior Sustainability Specialist with the City of Vancouver

1. Call to Order and Land Acknowledgment

Chair Deal called meeting to order and offered acknowledgment of Granville Island's presence on the traditional and unceded territories of the Musqueam, Squamish and Tsleil-Waututh Nations.

2. Adoption of Minutes

MOVED by Council Member Lauyanto

SECONDED by Council Member McClanaghan

THAT the Minutes from Council meeting held October 2, 2020 be approved.

CARRIED UNANIMOUSLY

3. Adoption of Agenda

MOVED by Council Member Caminiti

SECONDED by Council Member Lauyanto

THAT the Agenda for the November 25, 2020 Council meeting be approved.

CARRIED UNANIMOUSLY



4. Schedule 2021 Council Meetings

The Council set its regular meeting schedule for 2020. The next Council meeting has been scheduled for Wednesday January 20, 2021. Subsequent meetings will occur bi-monthly, on the third Wednesday of each month.

5. City of Vancouver Sea Level Rise Design Competition Information

Angela Danyluk, Senior Sustainability Specialist with the City of Vancouver, joined the meeting and provided information to Council on the City's Sea to City sea level rise design competition. The detailed scope of work of this project is currently being finalized. CMHC-Granville Island staff will stay connected with the City on this and will report to Council on the City's progress and with more information on potential collaboration opportunities.

6. General Manager's Update

Tom Lancaster, GM, provided an update on recent and upcoming Island activities. These included:

- Ongoing onboarding as recently appointed GM
- Reviewing and refining procedures for reporting to Council
- Ongoing engagement of Island community members and stakeholders
- Outreach to City of Vancouver management and staff on projects impacting the Island, such as maintenance work to the Granville Bridge
- Planning for 2021 work plan with management. This will serve as basis for strategic planning with Council.

Council member Larocque joins at 10:13

7. Year-in-Review Council Message

Council discussed next steps in preparing an update to the community on the Council's first year. The Council wishes for this to be finalized and circulated as soon as possible.

8. Island-wide Development Strategy

Sebastian Lippa, Manager of Planning and Development presented a report on the restart of Island-Wide Development Strategy.

MOVED by Council Member Pitt

SECONDED by Council Member Lauyanto

THAT the report entitled "Island-Wide Development Strategy – Update" be received for information.

CARRIED UNANIMOUSLY

For Council Report, see Appendix A

9. Parking Policy

Sebastian Lippa, Manager of Planning and Development presented a report on current parking policy, and requested input from Council on a proposed continuation of current parking policy.

Input received: The Council expressed support for the continuation of current demand-based approach to parking pricing. Under current policy, parking should remain free until at least the end of March 2021, given that current and projected parking usage for this period fall far below 85% occupancy threshold.

MOVED by Council Member Pitt

SECONDED by Council Member Lauyanto

THAT the report entitled "Parking Policy During and Post-Pandemic" be received for information.

CARRIED UNANIMOUSLY

For Council Report, see Appendix B

10. Payment in Lieu of Taxes Update

Eugene Cruz, Manager of Business Controls presented a report and received input on CMHC-Granville Island approach to Payment in Lieu of Taxes (PILT).

MOVED by Council Member Larocque

SECONDED by Council Member Pitt

THAT the report entitled "Payment in Lieu of Taxes (PILT)" be received for information.

CARRIED UNANIMOUSLY

11. Three-to-Five Year Planning Initiative

Tom Lancaster, GM, presented a report and received Council input on considerations and potential approaches to a future 3-to-5 year plan, which would include capital and operating plans.

MOVED by Council Member Pitt

SECONDED by Council Member Larocque

THAT the report entitled "3-5 Year Planning Initiatives" be received for information.

CARRIED UNANIMOUSLY

For Council Report, see Appendix C

12. Leasing Strategy Update

Sabrina Lakos, Manager of Leasing provided a report on the development of a new Leasing Strategy for Granville Island.

MOVED by Council Member Larocque

SECONDED by Council Member McClanaghan

THAT the report entitled “Draft Leasing Strategy – For Input” be received for information.

CARRIED UNANIMOUSLY

For Council Report, see Appendix D

13. New Brand Identity

Lisa Ono, Manager of Public Affairs and Programing presented the new brand identity, including new logo, colours and fonts.

MOVED by Council Member McClanaghan

SECONDED by Council Member Caminiti

THAT the report entitled “New Brand Identity” be received for information.

CARRIED UNANIMOUSLY

For Council Report, see Appendix E

14. Equity Integration

Tom Lancaster, GM, presented a report on CMHC’s and Granville Island’s current work in advancing equity in the workplace.

MOVED by Council Member McClanaghan

SECONDED by Council Member Pitt

THAT the report entitled “Equity Integration Update” be received for information.

CARRIED UNANIMOUSLY

For Council Report, see Appendix F

15. Granville Island 2040 Implementation Update

Sebastian Lippa, Manager of Planning and Development presented a report outlining how the Granville Island 2040 report actions have been implemented to date.

MOVED by Council Member Larocque

SECONDED by Council Member McClanaghan

THAT the report entitled “Granville Island 2040 Implementation Tracking” be received for information.

CARRIED UNANIMOUSLY

For Council Report, see Appendix G

16. 2020-2021 Emergency Funding Update

Eugene Cruz, Manager of Business Controls presented a report on 2021-2022 Emergency Funding.

MOVED by Council Member McClanaghan

SECONDED by Council Member Larocque

THAT the report entitled “2020-2021 Emergency Funding Update” be received for information.

CARRIED UNANIMOUSLY

For Council Report, see Appendix H

17. 2019-2020 Audited Financial Statements

Eugene Cruz, Manager of Business Controls provided an update on the 2019-20 audit.

MOVED by Council Member McClanaghan

SECONDED by Council Member Larocque

THAT the report entitled “2019-2020 Audited Financial Statements” be received for information.

CARRIED UNANIMOUSLY

For Council Report, see Appendix I

18. Spectra Replacement

Eugene Cruz, Manager of Business Controls presented information on the replacement of Granville Island’s property management information system from Spectra to Yardi.

MOVED by Council Member McClanaghan

SECONDED by Council Member Lauyanto

THAT the report entitled “Spectra Replacement” be received for information.

CARRIED UNANIMOUSLY

For Council Report, see Appendix J

19. Rent Relief Update

Eugene Cruz, Manager of Business Controls presented information on the take-up of the Island’s rent relief program.

MOVED by Council Member McClanaghan

SECONDED by Council Member Caminiti

THAT the report entitled “Granville Island Rent Relief Program” be received for information.

CARRIED UNANIMOUSLY

For Council Report, see Appendix K

20. Council Meetings – Input on Format

Council asked that for future meetings, reports *for information only*, along with any associated supporting materials, be provided to Council Members in advance, so that these could be formally received by consent, as a way for save time at meetings.

21. In-Camera Meeting

22. Next Meeting

Next meeting: Wednesday January 20, 8:00am

Note that the regular meeting time has moved to 8:00am from 9:00am.

ADJOURN

November 17, 2020

COUNCIL REPORT

To: Granville Island Council

From: Manager, Planning and Development

Re: **Island-Wide Development Strategy – Update**

Recommendation

That the re-start of the Island-Wide Development Strategy (IWDS) allow for a review of the *Granville Island 2040* vision (GI 2040) in order to support the development of clearer and more robust direction for the kinds of uses and activities that are needed on the Island to ensure its sustainability.

Summary and context

In late 2019, CMHC-Granville Island initiated the IWDS. The original purpose of this project was to translate the high-level, aspirational GI 2040 vision into a more detailed and financially viable implementation strategy that would define the priority and sequencing for new development projects and provide a capital revenue and expenditures plan for development projects, infrastructure upgrades, and public realm improvements.

Initial work on the project included a kick-off workshop with the Granville Island Council (November 2019), a workshop with the IWDS project team (Granville Island staff and consultants), review of previous reports, and assembling background information.

During December 2019 through March 2020, three significant factors altered the course of the IWDS project:

1. Based on the initial workshops, it became apparent that there are questions about the basic directions that underpin the GI 2040 vision. In particular, there are concerns that GI 2040 concentrates on “more of the same” (i.e. continued emphasis on space for arts, craft, food) rather than finding ways to diversity and renew the Island.
2. The timing of recruiting the new General Manager for Granville Island affected the timing of the work, as it was regarded as important that the new GM be involved in key decisions at project milestones.
3. In March and April 2020, covid-19 began to rapidly and severely impact businesses on Granville Island, as shopping, recreation, and entertainment patterns were disrupted. Granville Island staff shifted to crisis management, focusing on immediate steps to help tenants including seeking financial assistance from the federal government. Covid-19 has hit some Granville Island sectors particularly hard, including food/beverage, live entertainment, tourism-oriented retail, and discretionary/impulse retail. It is not clear how deep and long these impacts will be.

APPENDIX A

Because of these factors, two key decisions were made by the IWDS project team:

1. The IWDS was put on hold indefinitely, pending the outcome of the request for financial assistance, the on-boarding of the new GM, and some understanding of the nature and extent of covid-19 impacts on the Island.
2. The scope of the IWDS was altered, to include allowing for a review of the GI 2040 vision, in order to develop clearer and more robust direction for the kinds of uses and activities that are needed on the Island to ensure its sustainability.

Granville Island 2040

This project is a direct implementation action in support of Granville Island 2040.

External stakeholder implications

As the project proceeds, engagement with the Island community as well as external stakeholders such as the nearby neighbourhood and the City of Vancouver, will be required.

Financial Implications

The proposed revised approach to the IWSD is not anticipated to increase project cost, previously budgeted at \$100,000.

Concurrence

All CMHC-Granville Island departments (Finance, Leasing, Operations, Public Affairs and Programming) have been engaged in the project, including having received an update on the proposed revised approach to the project upon restart.

Council Action Requested

That Council endorse the approach to the re-start of the IWDS, including a review of the GI 2040 vision.

November 20, 2020

COUNCIL REPORT

To: Granville Island Council

From: Manager, Planning and Development

Re: **For Input: Parking Policy During and Post-Pandemic**

Recommendation

That Council provide input on Granville Island staff's approach to Granville Island parking policy.

Summary and context

In 2019, CMHC-Granville Island instituted a new parking policy, which made all visitor parking paid parking between 11:00am and 6:00pm, using a seasonal rate of \$3/hr between May and September, and \$2/hr between October and April.

The purpose of the policy is to help improve parking availability. Before the new parking system was initiated, weekly average peak parking occupancy was typically above 85%, a level at which finding an available parking stall becomes difficult.

The onset of the covid-19 pandemic and government-imposed shutdown in March 2020, most businesses at Granville Island temporarily closed, with the exception of essential services, notably the Public Market. In response to the associated significant decrease in parking demand, CMHC-Granville Island stopped charging for parking. Parking currently remains free. Parking occupancy has incrementally and gradually increased, but is still far below an 85% average weekly occupancy rate.

During this same period, from March to November, sales at the Public Market, Net Loft and Railspur Alley have been down significantly compared to 2019.

While the covid-19 situation continues to evolve, CMHC-Granville Island is looking ahead to when it may be appropriate to reinstate paid parking. Using the current policy, paid parking would return when occupancy rates rise above a weekly peak average of 85%.

Granville Island 2040

Granville Island 2040 calls for the implementation of demand-based parking through the use of pricing, targeting a parking occupancy of 85%.

External stakeholder implications

N/A

APPENDIX B

Financial Implications

Currently, revenues from parking are limited to violations, which are estimated at \$30,000 for 2020-21. As a comparison, parking revenue for 2019-20 was just over \$3.0M.

If paid parking were reinstated for 2021-22, annual revenues would likely be between \$1M and \$2M. However, staff believes that a return to normal paid parking while demand remains at current levels would have a negative impact on Island businesses' sales, with an associated negative impact on Island revenues. Further investigation would be required to quantify these estimates.

Concurrence

All CMHC-Granville Island departments (Finance, Leasing, Operations, Public Affairs and Programming) have been engaged in the development of this policy.

Council Action Requested

That Council provide input on the continuation of the current demand-based approach to parking policy.

ATTACHMENTS

Figure 1: Public Market Sales Data, 2015-2020

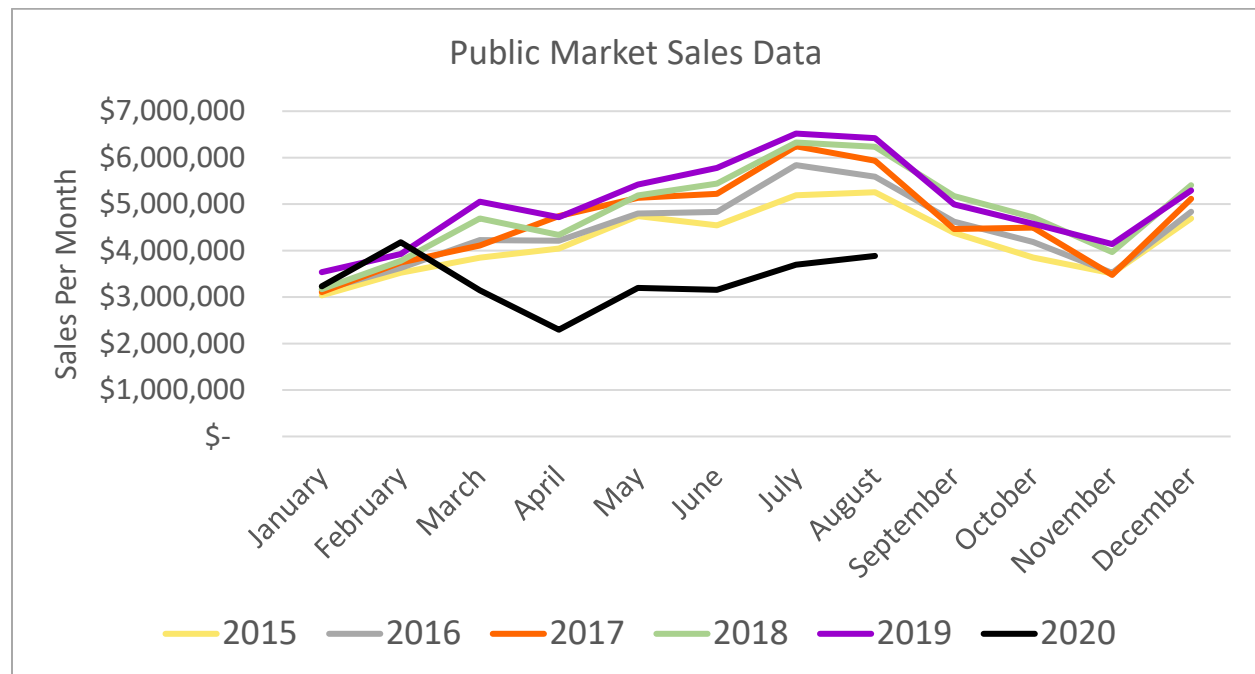


Figure 2: Net Loft Sales Data, 2015-2020

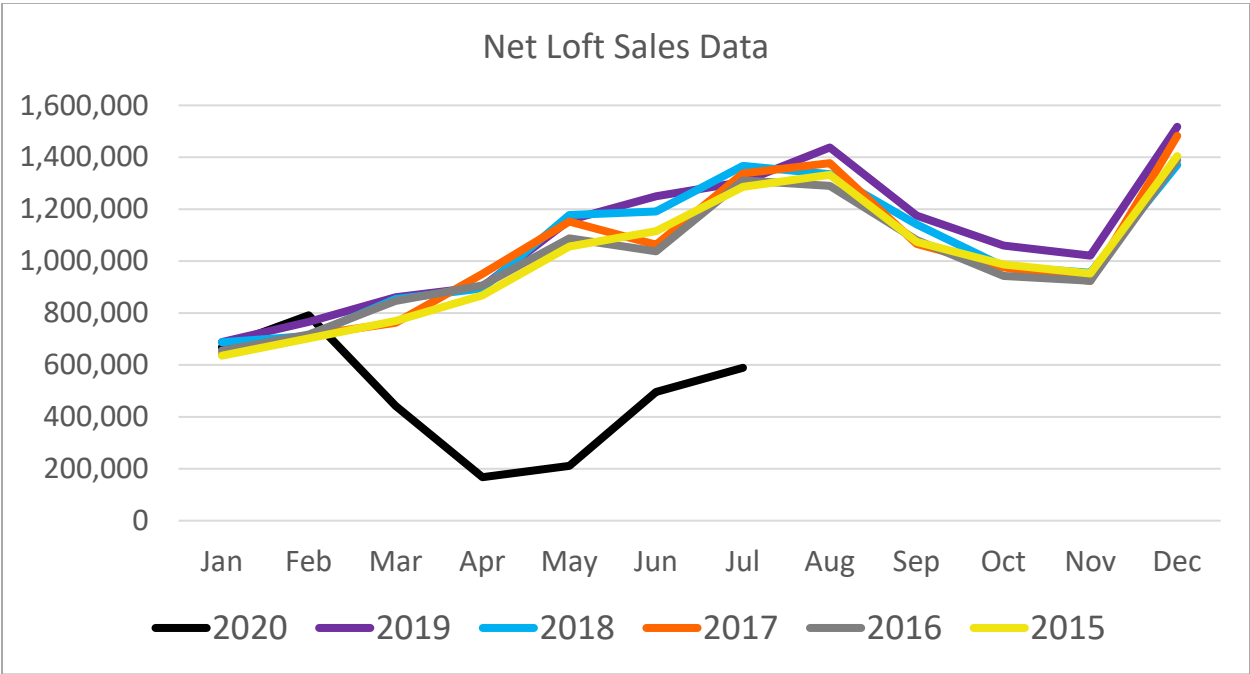


Figure 3: Railspur Alley Artisan District Sales Data, 2016-2020

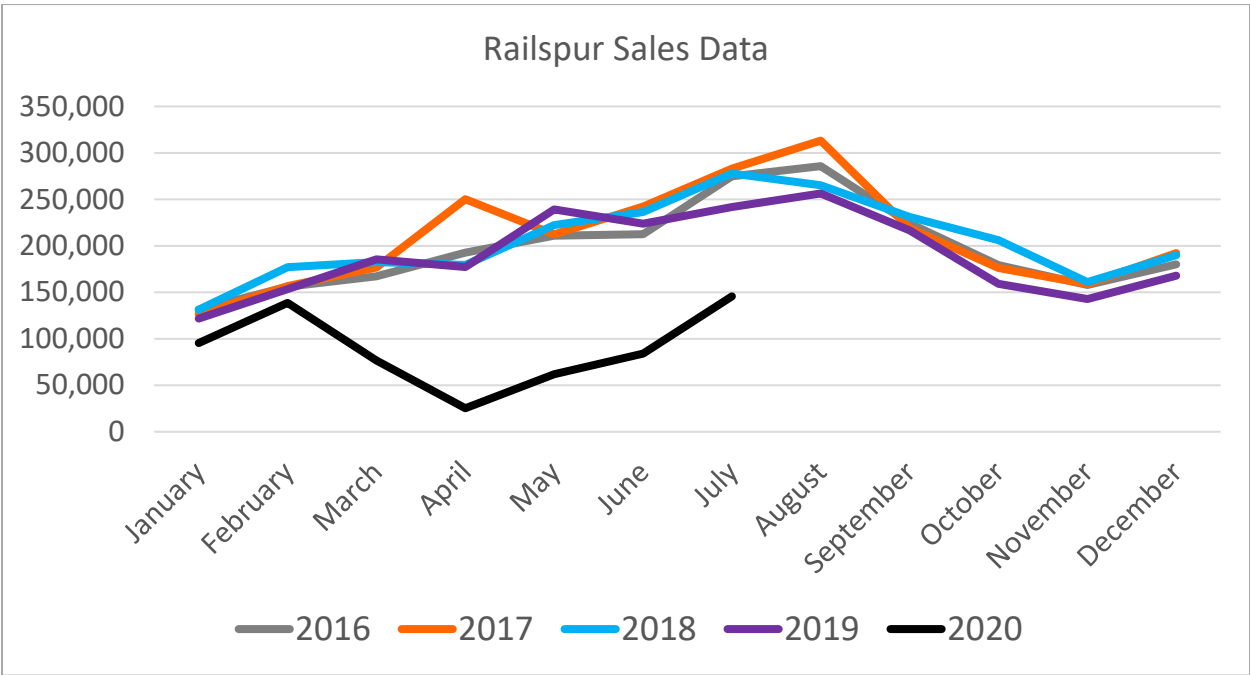


Figure 4: Parking Occupancy, June – Dec. 2019 – Paid parking in effect

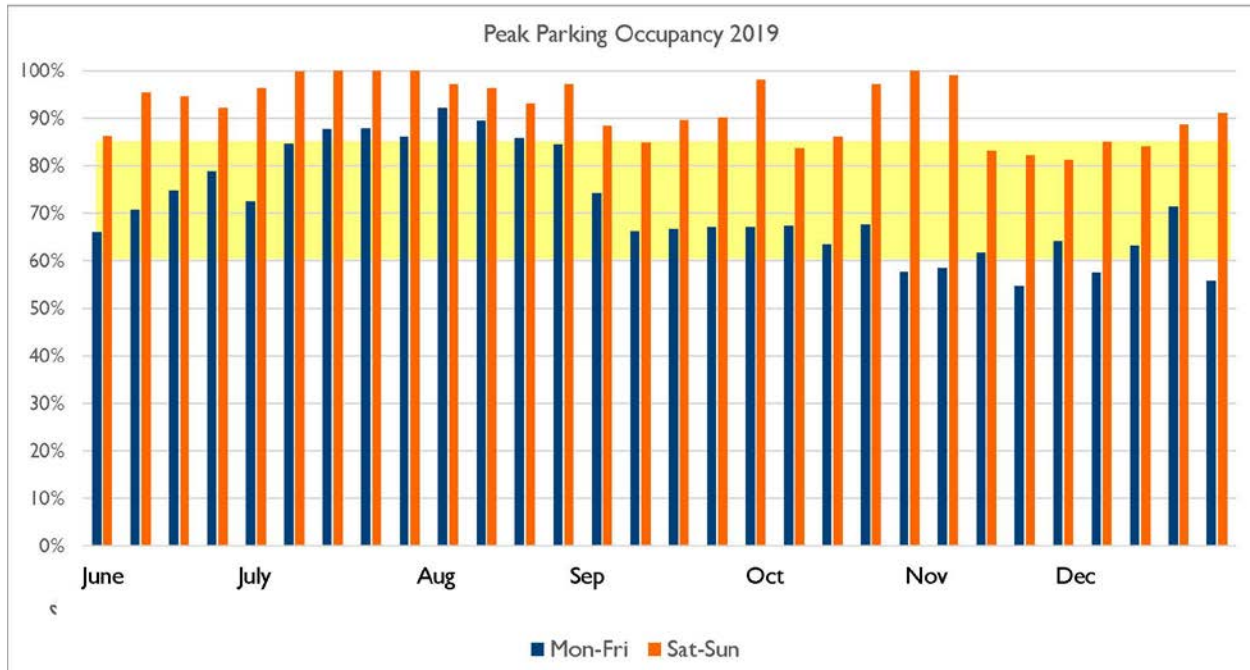
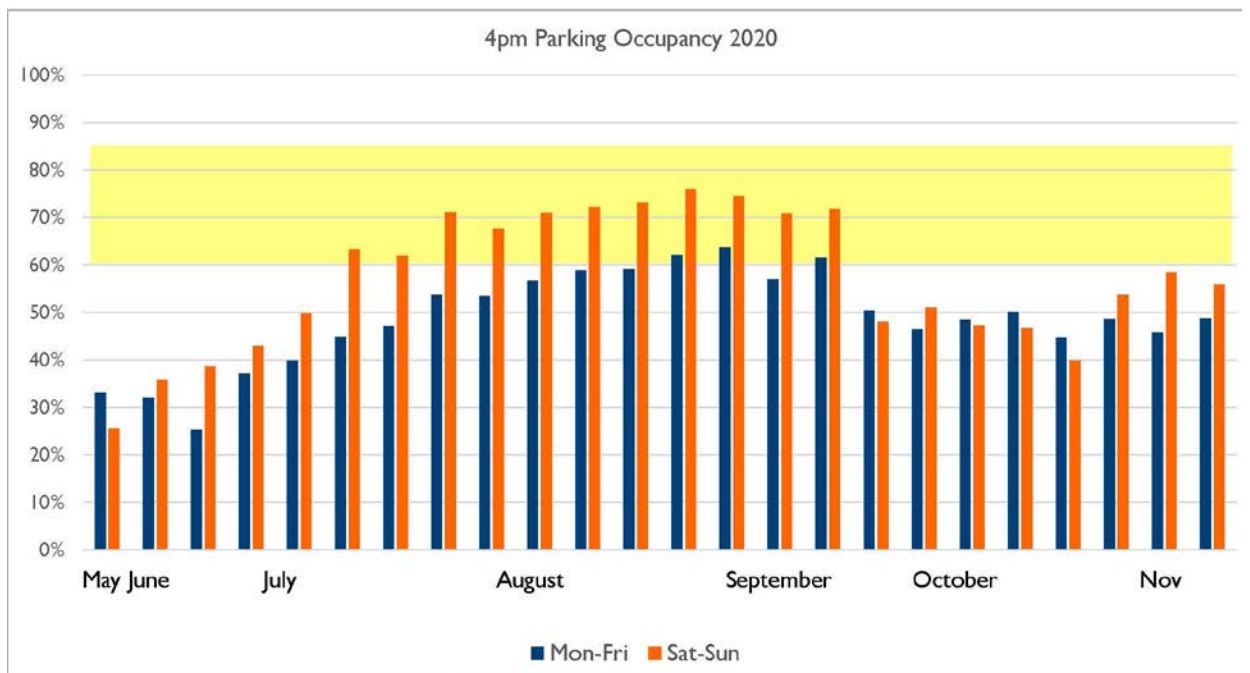


Figure 5: Parking Occupancy, May – Nov. 2020 – Free parking in effect



November 20, 2020

COUNCIL REPORT

To: Granville Island Council

From: General Manager

Re: **3-5 Year Planning Initiatives**

Recommendation

That the November 20, 2020 report from the General Manager, entitled 3-5 Year Planning Initiatives is received for information.

Summary and context

Midrange planning initiatives on Granville Island fall under several categories; Financial Planning, Island-Wide Development Planning, Capital Maintenance Planning, Leasing Strategy, Diversity and Inclusion, and Strategic Initiatives.

Planning in each of these areas is currently in various stages of development, dependent on funding and staff resources. Integrating these areas of mid range planning is a priority for staff moving into Q1-Q2 2021 and will be included in the strategic workplans for the Management team that will be developed throughout December of this year. Management's strategic workplans will include a twelve month outlook.

Financial Planning is being undertaken in line with directives from the CMHC National Office (CMHC NO), with a particular focus on long term Island fiscal sustainability. Annual financial budgeting is conducted by the CMHC - Granville Island staff team, and will be including a mid range outlook, ideally looking out 5-10 years. A number of factors will influence mid-range financial planning, including COVID-19 and long range capital renewal. Staff will be looking at the viability of preparing an Asset Management Strategy, though this will be dependent on available financial and staff resources, as well as the availability of technical information on age of infrastructure and buildings.

Island – Wide Development planning was slowed down at the onset of the COVID-19 pandemic, and in anticipation of the hiring of the permanent GM, and is being reinitiated at present. An update on the Island-Wide Development Strategy is included in this Council package.

Capital Maintenance Planning will align with long term Island goals, as well as the vision in Granville Island 2040. A number of capital maintenance initiatives are being undertaken, a list of which will be provided on-table for Council during the staff presentations at the Council meeting. The mid range objective of capital maintenance planning is to pursue options for aligning financial planning with annual capital projects, with a long term view through an asset management lens. Staff will be exploring these options and will report back to Council at an upcoming Regular Meeting.

Leasing strategy. Currently under development, the leasing strategy will require input from Council, and should be guided by the mid to long term goals in Granville Island 2040. An update on the Leasing Strategy is included in this Council package.

Diversity, Inclusion, Equity, Antiracism, and Reconciliation initiatives for Granville Island are contained in the separate Council report, entitled Equity Integration Update.

Three – five year Strategic Initiatives are in process of being coordinated with the City of Vancouver, a more thorough discussion of which is included via this Agenda's in-camera reports.

Granville Island 2040

All 3-5 year planning is being done in accordance with Granville Island 2040 (GI2040). Current mid range planning will be used in the ongoing refinement and updating of GI2040.

External stakeholder implications

There will be implications to stakeholders throughout Vancouver, within senior levels of Government, potential businesses/tenants, and across NGO sectors within BC.

Financial Implications

One year budgeting, as well as Five year financial planning are impacted by all aspects of 3-5 year planning. Long range financial planning will be influenced, and potentially directed by the outcomes of the 3-5 year capital planning and 3-5 year financial outlook.

Concurrence

All departments on CMHC-Granville Island are involved in 3-5 year planning.

Council Action Requested

Staff is seeking Council feedback and suggestions on future actions related to the initiatives discussed in this report, as well as other topics of 3-5 year planning initiatives about which Council seeks information. Future staff reporting will respond to Council feedback.

Staff is seeking direction on how Council would like to receive updates on 3-5 year planning, including the areas in which Council wants to see further staff reporting, i.e. a framework for reporting on mid range planning.

November 23, 2020

COUNCIL REPORT

To: Granville Island Council

From: Manager, Leasing

Re: **Draft Leasing Strategy – For Input**

Recommendation

That the November 23 report from the Manager, Leasing, entitled Draft Leasing Strategy – For Input is received for information, and

That Council provide feedback to staff on the draft strategy.

Summary and context

The purpose of the Granville Island Leasing Strategy is to align leasing practices and decisions with the Mission & Vision statements of Granville Island 2040, while respecting and balancing CMHC's obligation to meeting its financial, social, and environmental objectives on behalf of the Government of Canada.

In late 2018, Leasing Department staff presented a draft leasing strategy for review and input from the General Manager and the Granville Island 2040 Implementation Committee. The purpose of presenting the draft leasing strategy was to identify key objectives and outline recommended projects to address each objective. The objectives developed align with the existing Granville Island Leasing Guidelines, which are publicly available on the Granville Island website, and also take into consideration more current work completed by the Leasing Department to identify areas of improvement in strategic and operational processes, policies, and future planning. The identified objectives also align with recommendations identified by the 3rd party work detailed in the Granville Island 2040 report, which was conducted in isolation from the Leasing Department.

Initial work on the project has included a review of the tenant mix, revenues, operational practices, and existing lease agreements with the leasing, finance, operations, and leasing departments, and additionally directly with tenants. This work was meant to identify any gaps between lease agreements and operational practices by both the Landlord and Tenant which impact operational, financial and reputational risks. Hundreds of hours of one on one tenant meetings are ongoing to continually assess concerns around expectations and feasibility related to tenant costs and responsibilities. This information has been regularly communicated back to the General Manager and the Leasing, Finance and Operations Managers for input and discussion in order to inform short and long term operational practices and to develop recommended changes to leasing policies and long term leasing strategy.

From late 2018 to current day, three significant factors altered the course of the Leasing Strategy work:

1. Delays at the Ministerial level resulted in the selection and appointment of Granville Island Council members at a far later date than originally anticipated.

2. The timing of recruiting the new General Manager for Granville Island, related first to the delay in the appointment of the Council and secondly to delays related to the Covid-19 pandemic in March 2020. It was deemed important that GI Council and the new GM be involved in key decisions at project milestones.
3. Beginning in March 2020, the Covid-19 pandemic began to rapidly and severely impact businesses on Granville Island, and in turn, both tenant and CMHC-Granville Island's revenues and operational resources. The Acting General Manager directed any non-critical projects be put on pause, while the management team worked to prioritize support of Granville Island's tenant community, protect its reputation as a safe local destination, and secure emergency operational funding, and rent relief to ensure Granville Island's CMHC operations would remain solvent during the financial impacts of Covid-19.

Because of these factors, three key decisions were made in relation to the draft Leasing Strategy:

1. In March 2020, an immediate decision was made to prioritize developing and advocating for emergency operational funding. This would allow the Leasing Department to mitigate mass vacancies by developing a critical rent relief program, beyond rent deferral, to incentivize tenants to remain safely operational, and help reduce overhead costs while they sustain significant revenues losses due to Covid-19 impacts on retail and tourism. Providing rent relief encourages tenant retention, and mitigates short and long-term impacts on Granville Island's leasing revenues, which largely support its annual operational and capital budgets.
2. Short term workplans related to ongoing leasing activities were altered, such as implementing any new and significant charges under tenant lease agreements. Some key activities such as securing commercial broker representation, a service critical to providing informed decision making around rent relief, tenant rates and strategy, remained ongoing.
3. Implementation of any major recommendations outlined in the draft Leasing Strategy was put on hold indefinitely, pending review by Council and the new GM.

Granville Island 2040

This project is aligned with the Granville Island Mission and Vision statements, and some of the leasing objectives are further supported in the Granville Island 2040 report.

External stakeholder implications

Tenants are directly impacted by any changes to short, mid or long-term leasing policies and procedures. Though key areas of the strategy will need to remain confidential between Granville Island Management and Council, careful engagement and ongoing communication with the tenant community, in relation to any potential future changes to the Granville Island Leasing Guidelines, and leasing policies and procedures, will be required.

Financial Implications

At this time there are no negative financial implications related to the ongoing draft Lease Strategy work as it is mostly preformed by in-house staff. Any expenses incurred by 3rd party consultants in the current budget year are expected to be minimal and are covered under the existing approved operational budget. In the event CMHC-Granville Island is unable to secure emergency funding beyond March 31st 2021, there may be a need to reduce the scope of work 3rd party consultants beyond that date.

APPENDIX D

Concurrence

The GM and all CMHC-Granville Island departments (Finance, Leasing, Operations, Planning, Public Affairs and Programming) have been engaged in the leasing strategy work as and when objectives and projects are reviewed and implemented.

Council Action Requested

That Council review and provide feedback on the draft Leasing Strategy, for discussion at the next Council meeting.

November 18, 2020

COUNCIL REPORT

To: Granville Island Council

From: Lisa Ono, Manager, Public Affairs & Programming

Re: **New Brand Identity**

Recommendation

To receive for information new branding identity.

Summary and context

Following the recommendations of the brand strategy, new graphic standards including an updated logo, typography, colour palette and graphic devices have been completed.

Rather than continuing with the practice of branding districts and buildings independently, the Granville Island brand will become the anchor for all sub-brands. Additionally, descriptive words (as opposed to geographical locations) will be used to identify various locations, events, and experiences on the island.

This will create more consistency, drive brand recognition and improve wayfinding.

Granville Island 2040

The new graphic standards will be incorporated in all communications and eventually, signage and pageantry on the island (banners, décor, etc.) This will help support the goal to restore and sustain the public realm.

External stakeholder implications

Tenants have access to graphic standards to incorporate the new identity into their own promotional efforts.

Financial Implications

The cost of updating materials with the new brand identity will be spread over an estimated 12 – 18 months, in order of priority, and as cost-efficient opportunities (for example, using the logo on staff uniforms as they are replaced) present themselves. Digital advertising, websites new ad campaigns, and social media platforms are being updated immediately.

Concurrence

All CMHC-Granville Island departments have been engaged through the development of the branding strategy.

Council Action Requested

No Council action required.

November 21, 2020

COUNCIL REPORT

To: Granville Island Council

From: General Manager

Re: **Equity Integration Update**

Recommendation

That the November 21 report from the General Manager entitled **Equity Integration Update** is received for information.

Summary and context

Diversity, Inclusion, Equity, Antiracism, and Reconciliation initiatives for Granville Island are being largely directed by CMHC National Office (CMHC NO) Corporate leadership. While Granville Island staff recognizes that work is just beginning, CMHC NO has taken quick action where possible, such as engaging with the [Network of Black Leaders](#) (NoBLE) and [Indigenous Employee Circle](#) (IEC) employee resource groups and increasing our diversity in hiring. Most other initiatives in CMHC's corporate action plans are still in planning mode. Currently CMHC staff is consulting and strategizing in order to establish the right governance structure. CMHC is working with consulting firms Monumental and Graybridge Malkam in order to ensure the strategies are appropriate and effective in meeting the organization's goals. CMHC's Anti-Racism and Equity Task Force has been established and is working on a number of initiatives.

Diversity hiring training is being offered to Granville Island staff by CMHC National Office, and guidance on inclusive hiring practices is being provided throughout the organization, including to Granville Island Management staff. Establishing these directions has been at the behest of CMHC NO, and Granville Island Management will be moving these initiatives forward through a variety of existing mechanisms and future initiatives.

A more complete description of CMHC's current work on Anti-Racism, and Equity can be found in Attachment 1).

Granville Island 2040

The Vision for Granville Island is based on increasing partnerships, and relationships with First Nations' peoples. The current directives for Diversity, Inclusion, Equity, Antiracism, and Reconciliation from CMHC NO ensure that there is a framework in place for learning, and personal/professional growth of employees. Initiatives on Granville Island must be in line with these directives, and must move the Island towards and beyond the vision of inclusivity contained in Granville Island 2040.

APPENDIX F

External stakeholder implications

While internally within Granville Island there are implications to hiring practices, employee relations, and tenant relations, the expectation is that Granville Island staff will be developing partnerships with external community groups, NGOs, charitable organizations, social movements, and individuals in pursuit of a more inclusive future on the Island. This will include formalizing relationships and partnerships, as well as pursuing informal relationships. These initiatives may be slowed as a result of COVID-19, and the inability for event-hosting, and in-person relationship building.

Financial Implications

Potential allocation of resources to partnership and relationship building.

Concurrence

Directives for these initiatives comes from CMHC National Office and will be integrated throughout CMHC-Granville Island's operations.

Council Action Requested

Council feedback and direction is being requested.

November 19, 2020

COUNCIL REPORT

To: Granville Island Council

From: Manager, Planning and Development

Re: **For Information – Granville Island 2040 implementation tracking**

Recommendation

That the report entitled **Granville Island 2040 implementation tracking** be received for information.

Summary and context

The Granville Island 2040 report was released in May 2017. The table below summarizes the status of each of the report's recommended actions.

STRATEGY 1: IMPROVE ACCESS	
Granville Street Bridge Elevator (Planning and Feasibility)	Feasibility study complete. CoV has put the Granville Street Bridge upgrade project on hold pending budget availability. GI-CMHC staff are working with CoV staff on long-range Planning and Engineering projects.
Granville Street Bridge Elevator (Engineering and Construction)	Further study required; pending funding
Alder Bay Bridge (Planning and Feasibility)	Not started. GI-CMHC staff has met with senior CoV staff on long range strategic planning.
Alder Bay Bridge (Engineering and Construction)	Further study required; Pending funding
Arbutus Greenway Connections	COV discussions – ongoing
Vancouver Streetcar	COV discussions – ongoing. CI-CMHC staff has met with senior CoV staff to discuss. Project feasibility is in discussion with relevant stakeholders.
Ferry Access	CMHC-GI staff have met with ferry operators – ongoing
Anderson Street 'Complete Street' – trial	Conducted spring 2019
Anderson Street 'Complete Street'	Pending design and funding
Parking Space Repurposing	Stalls repurposed for: Popina next to Market; pedestrian access along west side of Market; Bike racks on east side of Market; Chain & Forge
Parking Pricing	Completed June 2019
Off-Island Parking	Not started

APPENDIX G

STRATEGY 2: EXPAND THE MARKET / MARKET DISTRICT	
Public Market Building Expansion (Planning)	PPS study complete
Public Market Building Expansion (Architectural and Construction)	Further planning required; pending funding
Repurpose Building 36 (trial – food festivals / special events)	Several events trialed
Repurpose Building 36 (permanent)	Further planning required; pending funding
Building 35 (trial – food festivals / special events)	Not started, GI-CMHC Outdoor Spaces Planning Committee is in process of discussing Island-wide opportunities in light of Covid restrictions.
Repurpose Building 35 (permanent)	Further planning required; pending funding
Redevelopment of Building 55 (short-term)	Planned for 2021
Redevelopment of Building 55 (long-term)	Further planning required; pending funding
Food festivals / Special events	Various staged
Market and Food Innovation Advisory Committee	Not started

STRATEGY 3: EMBRACE ARTS AND INNOVATION	
Granville Island Arts and Innovation Hub (planning – short-term repurposing concept)	Underway
Granville Island Arts and Innovation Hub (renovations and tenancing – short-term repurposing concept)	Further planning required; pending funding
Granville Island Arts and Innovation Hub (planning – long-term repurposing concept)	Ongoing; preliminary financial analysis conducted
Granville Island Arts and Innovation Hub (renovations and tenancing – long-term repurposing concept)	Further planning required; pending funding
Multipurpose Performance Space (planning)	Not started
Multipurpose Performance Space (architectural and construction)	Not started
Focus on Festivals	Continued support for Cultural Partners program; new festivals: International Flamenco Fest; Art Smash; Indian Summer Fest and Vancouver Street Dance Fest – delayed by covid-19
Equipment and Utilization Audit of Existing Performance Venues	Complete, as part of change in theatre management
Focus on Short and Limited-Term Experimental Programming	Created pop-up spaces; Activation grants, under discussion by GI-CMHC staff
Focus on Public Art	Commissioned new public art (Mural fest)
Artist-in-Residence Program	Not started
First Nations Cultural Centre (planning)	Pending engagement with local FNs
First Nations Cultural Centre (architectural and construction)	Pending engagement with local FNs
Arts and Cultural Stewardship and Shared Services	Not started

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Arts and Innovation Advisory Committee	Not started
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STRATEGY 4: RESTORE AND SUSTAIN THE PUBLIC REALM	
Central Plaza (short-term, trial)	Complete – Created Chain & Forge with associated activation grants program
Central Plaza (permanent, with elevator)	Further planning required; pending funding
Public Places Surrounding the Public Market	Planning underway
Public Places at the East End of the Island	Kids market plaza redevelopment
Floating Structures	Not started
Habitat Restoration	Not started
Perimeter Walkway Improvements	Improvements along south edge
Public Realm Design Guidelines	Planning underway
Living Labs	Not started
Innovation in Environmental Sustainability	Sea level rise collaboration with COV

Granville Island 2040

This relates directly to the implementation of Granville Island 2040.

External stakeholder implications

Wide-ranging implications for various external stakeholders, depending on project.

Financial Implications

N/A

Concurrence

All CMHC-Granville Island departments (Finance, Leasing, Operations, Public Affairs and Programming) have been engaged in Granville Island 2040 implementation.

Council Action Requested

That Council receive this Information Report on Granville Island 2040 implementation tracking.

November 18, 2020

COUNCIL REPORT

To: Granville Island Council

From: Manager, Business Controls

Re: **2020-2021 Emergency Funding Update**

Recommendation

That the November 18, 2020 report from the Manager, Business Controls entitled **2020-2021 Emergency Funding Update** is received for information.

Summary and context

The COVID-19 crisis has directly impacted the visitation and sales activity normally generated by both local and international visitors to Granville Island. Since early March, the majority of tenants have experienced revenue losses of 60-80%, which has resulted in the majority of businesses instituting temporary or permanent closures and layoffs. Staff anticipates this trend is likely to continue as cases have continued to rise in BC, which has resulted in increasing precautionary measures from the Province.

In response to this, Granville Island applied to the Federal Government for emergency funding in the amount of \$16.7M to cover one fiscal year's worth of operating costs. The application of this funding has allowed Granville Island to provide a rent relief program that mirrors the CECRA program administered by CMHC providing 75% rent relief to eligible tenants (100% for eligible non-profit tenants). Since rents and parking revenues normally fund operating and maintenance costs for the Island, the absence of these revenue streams means that the emergency funding was necessary to ensure the Island can continue to operate. In July 2020, Granville Island was successful in its application for the \$16.7M funding, and in August 2020 a rent relief program was rolled out to all direct tenants on the Island.

This \$16.7M covers operating costs from April 2020 to the end of March 2021. As a condition of the funding, Granville Island is reimbursed for operating costs incurred monthly (and initially funded by the existing cash reserves of Granville Island). In addition, any revenues collected (i.e. 25% of rents owed under the rent relief program) is to be offset against any funds received. This will result in the Island operationally breaking even by year-end.

Granville Island 2040

N/A

External Stakeholder Implications

Major impacts on the short, and long-term viability of all tenants of Granville Island. If Granville Island is not able to operate, the tenants will not be able to operate. The operating funding also allows for the rent relief program, which relieves tenants of the rental cost burden while they work through the impacts of the pandemic.

Financial Implications

Of the \$16.7M available for funding, \$8.0M has been incurred. Staff has applied for funding (for expenses incurred from April to October 2020) to make up for the \$8M of expenses. It is expected that expenses are to ramp up in the subsequent months as major operating costs are incurred during the traditional low season (from September to March). Note that any capital expenditures do not count towards funding because only operating expenses are covered by this funding.

Concurrence

Granville Island Finance staff, and CMHC National Office Finance staff meet monthly to review expenses incurred. National Office staff then report to the Treasury Board as required.

The \$16.7M amount was determined in consultation with all Granville Island departments (planning, leasing, operations, public affairs & programming, and finance & administration). This amount represents the approved 2020-2021 budget amount that was also signed off by National Office, plus extra operational expenditures estimated to cover additional COVID related costs.

Council Action Requested

N/A – For Information

November 18, 2020

COUNCIL REPORT

To: Granville Island Council

From: Manager, Business Controls

Re: **2019-2020 Audited Financial Statements**

Recommendation

That the report from the Manager, Business Controls entitled **2019-2020 Audited Financial Statements** is received for information.

Summary and context

Granville Island financial statements have, since at least since 2015-2016, included a cash section specifying the cash reserves available that are typically deployed for capital expenditures, such as maintenance and asset renewal. As Granville Island is not a separate legal entity from CMHC, there is no separate bank account dedicated to Granville Island. As a result, the cash reserves of Granville Island sits within the main operating cash account that is managed by CMHC National Office.

Each month, the Granville Island Accounting Staff team reconciles the GI cash balance. Since Granville Island's cash sits within CMHC's main operating account there is no separately verifiable bank statement that the auditors can rely on to validate the GI cash balance. Granville Island's funds are comingled with CMHC's funds and are swept daily via treasury and thus it is not possible to disaggregate the funds between the two via the bank statement. Though an internal reconciliation is available, the auditors did not deem this to be appropriate audit evidence, and thus concluded that the cash reserves represent an on-demand receivable whereby CMHC owes Granville Island its cash reserve funds, vs. presenting them as cash in the bank.

Granville Island 2040

N/A – Does not impact 2040 at this time.

External stakeholder implications

N/A - Impacts financial statement presentation of Cash, now classified as an on-demand receivable. If any external financial statement users, this may impact them, but no external users are currently identified.

Financial Implications

Presentation issue on the financial statements. Granville Island financial statements will no longer reference "cash", but rather an on-demand receivable owed by CMHC which represents the capital funds that are on-hand and available for Granville Island to utilize.

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Concurrence

CMHC National Office has been in communications with the Granville Island auditors (Ernst & Young) and confirmation was obtained that this treatment (as an on-demand receivable) is necessary to avoid an audit qualification on the Granville Island audited financial statements.

Council Action Requested

N/A – For Information

November 19, 2020

COUNCIL REPORT

To: Granville Island Council

From: Manager, Business Controls

Re: **Spectra Replacement**

Recommendation

That the November 19, 2020 report from the Manager, Business Controls entitled **Spectra Replacement** is received for information.

Summary and context

For over 22 years, Granville Island (GI) has been using Spectra Property Management software by Real Page Inc., which is a Microsoft Access based software. This is an “on premises” solution, rather than something that is integrated within CMHC National Office (CMHC NO). CMHC NO attempted to move the software to the Azure cloud in early 2018, but the software was deemed inappropriate to perform necessary Granville Island functions.

The Spectra software is GI’s main software, used to record and monitor all leasing and property management activities. It also serves as GI’s Financial accounting and reporting system.

GI considers the functionality and features of Spectra outdated and insufficient for its business needs. The reporting features are limited, and are also restricted with regards to customization and conversion into other formats such as Excel. The use of Spectra requires a significant amount of manual effort in order to operate the financial and accounting functions. CMHC NO staff must repeat similar manual manipulation of information/data on the receiving end of the Spectra reports.

The replacement of Spectra is required to allow for a complete review and redesign of GI’s Chart of Accounts, establishment of “cost centre” methodology, improved reporting, and analytical functionality and integration of departmental functions to eliminate and reduce manual processes and provide improved service levels to clients (tenants). In 2018, GI staff explored the possibility of contracting with Accenture to support its needs, but found the costs to be prohibitive (in the millions of dollars to develop). GI staff thus looked into procuring a SAAS (Software as a Service) with an external provider, who would be able to provide a complete cloud-based solution that is compliant with CMHC’s security and technological requirements.

On January 14, 2020, the RFP for the replacement of Spectra was published and sent for tender. On February 4, 2020, the RFP was closed with only one interested supplier, Yardi Systems, providing a

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proposal for consideration. Other proponents that considered bidding eventually withdrew their applications, citing that they would not be able to satisfy all of the requirements of the bid due to resourcing or complexities involved in fulfilling the federal government requirements of the bid. To a great extent this is related to the requirements from CMHC NO.

The RFP for the replacement of Spectra was written with the intention of 'integration' with the ERP being used by CMHC NO (currently Microsoft D365). It was thus understood that the requirements for integrating were met and would be incorporated into the replacement project with the primary focus being the elimination of manual processes. Though it was understood that the replacement of Spectra would involve integration with the ERP used by CMHC NO, concerns have recently arisen from CMHC NO staff as to whether to move forward with integration for this project. It was cited by CMHC NO staff that integration would be "onerous" to carry out.

It was also noted that if the Federal Government ever decided to remove CMHC as the overseer of GI it would be difficult and costly to cut the ties between the systems. This is cited as a primary reason for not moving forward with integration. Note that from GI staff's perspective, this is a fairly low risk, and not grounds for delaying the move away from Spectra. A change in responsibility for GI would create First Nations' land claim issues that would risk ownership of the lands by the Federal Government. Also of note is that this line of reasoning has an impact on GI staff morale, as it is somewhat contrary to the idea of GI and CMHC NO being part of one company.

From GI's perspective, systems integration was preferred as it eliminates manual processes currently required to fulfill reporting and payment requirements. The RFP for the replacement of the Spectra system was originally written with this in mind. Without integration, it will be challenging for GI staff to manage on its own given the limited staff resources available in GI Finance and Accounting. As per the issues noted above, a number of CMHC NO staff do not wish to move forward with integration, though this is being discussed between GI GM and the VP Finance.

GI is currently reviewing an option tabled by CMHC NO whereby the Yardi system does not integrate with Microsoft D365 and that CMHC NO would provide the same level of accounting support that it currently provides under Spectra. However, it was revealed to GI staff that following this option means that any CMHC NO IT staff support for Yardi would not be provided, as Yardi would then be considered a "standalone" system not eligible for further IT support from CMHC NO.

A follow up decision has not yet been reached on whether Granville Island will pursue integration or the standalone option. Both options provide challenges in terms of support from CMHC NO.

GI staff is currently working with the corporate development arm of CMHC NO to determine if a project manager can be sourced internally from the Project Management group to assist with this project. The corporate development arm has also indicated that it can source a project manager if funding is available (but quoted at \$700 to \$1,000 per day depending on the seniority of the project manager desired). GI staff is also working with IT procurement to determine if project management support can be provided by Yardi and tacked on to the current RFP as an additional scope should a project manager not be available through the corporate development group. Before moving forward on this project, a dedicated project manager is required to assist with implementation.

Granville Island 2040

Updated systems will be needed to track and account for major projects to be completed under Granville Island 2040.

External stakeholder implications

Primarily internal stakeholders in the immediate term, but future plans include use of a tenant portal and work order system available through Yardi, which would be available for tenant use for rent payments, facilities and maintenance requests, etc.

Financial Implications

The current capital budget for the Yardi system is \$400k. An additional \$261k may be incurred as operating related to this if it is decided to work with corporate development in funding a project manager.

Concurrence

Granville Island and CMHC NO staff continue to have discussions on how to move forward with this project.

Council Action Requested

N/A – For Information

November 19, 2020

COUNCIL REPORT

To: Granville Island Council

From: Senior Analyst, Finance

Re: **Granville Island Rent Relief Program**

Recommendation

That the November 19, 2020 report from the Senior Analyst, Finance entitled **Granville Island Rent Relief Program** be received for information.

Summary and context

As part of the March 2020 Emergency Funding request, Granville Island staff developed an on-island rent relief program to provide financial support to its tenants, who in early March began experiencing financial hardship as a result of COVID-19. This support also mitigates large-scale permanent business closures. Granville Island tenants having direct lease agreements with CMHC are not eligible for the Canada Emergency Commercial Rent Assistance (CECRA).

The Granville Island rent relief program extends from April 1st, 2020 – March 31st, 2021 and contains two tiers of rent relief reductions for eligible tenants; 75% gross rent reduction for most tenants, which aligns with CECRA rent reduction rates, and a second for non-profit organizations at 100% gross rent reduction. There are approximately 20 non-profit organizations as direct tenants to CMHC-Granville Island. Granville Island rent relief requires tenants to show a loss of revenue greater than 30%.

To date, 120 tenants have applied for the program. The COVID-19 Rent Relief Finance team is also in the process of following up with tenants to ensure they are made aware of the program.

Granville Island 2040

N/A – Funding for 2020-2021 fiscal year.

External Stakeholder Implications

Major impacts on the short-term and long-term viability of all tenants of Granville Island. The rent relief program has provided support to tenants for the rental cost burden as they work through the impacts of the pandemic. The rent relief program also provides indirect value by way of improved tenant relations, as this program is a direct response to tenant concerns on navigating and operating through the economic downturn.

Existing rent relief program does not extend to Head Lease subtenants, resulting in issues of parity amongst tenants on Granville Island.

Other jurisdictions have pointed towards the Granville Island rent relief program to justify requests to senior levels of government.

Financial Implications

To date, CMHC - Granville Island has approved \$3.9M in fixed rent relief to tenants. This figure is projected to increase as more tenants apply, and variable rents are incurred in the upcoming months.

Concurrence

To date GI staff consider the rent relief program to be a success. It is a vital resource for tenants on Granville Island, especially direct tenants. While tenants are still experiencing dramatic losses in sales, with respect to gross rents, CMHC- Granville Island has provided cost certainty to tenants for the remainder of the fiscal year. The program was developed jointly between Leasing, Finance, and Accounting, with input from Public Affairs and Programming (for website development) and in consultation with CMHC National Office to align with CECRA where possible.

Council Action Requested

N/A – For Information