

ANNUAL REPORT 2019



INDIGENOUS ACKNOWLEDGEMENT



The Greater Victoria Harbour Authority acknowledges with respect the Lekwungen peoples on whose Traditional Territory we operate and the Songhees Nation and Esquimalt Nation whose historical relationships with the land continue to this day.



COVID-19

Unprecedented. Uncertain. Unbelievable. These all became common terms during the final quarter of this fiscal year. The impact of the global coronavirus pandemic, or COVID-19, will be felt by our organization and our entire community for many years to come. While there is no ability to predict the length or depth of the impact of COVID-19 on travel, and specifically cruise travel, our organization faced the reality that the cruise season would not begin until at least July 1, 2020 – which was then extended to Oct. 31, 2020 – severely impacting our revenues for the coming fiscal. Health and safety remain our top priority when it comes to welcoming cruise passengers to Victoria. That will not change. What will change is how we address this pandemic in the months and years to come.

It is important to note that revenues from cruise ship arrivals help maintain our infrastructure at the deep-water terminal as well as across our community amenities. The spaces that Victorians love, such as the Ogden Point Breakwater, Ship Point, and the Inner Harbour Lower Causeway, are maintained through multi-year capital project planning and ongoing repair and maintenance work. The long-term impact of COVID-19 on these plans remains to be seen.



ABOUT GVHA



Greater Victoria Harbour Authority (GVHA) is a not-for-profit organization that is committed to the stewardship and sustainable growth of Victoria's dynamic working harbour.

Since our creation in 2002, we have been local champions and stewards of the harbour land and marine assets divested from the Government of Canada. We own 110 acres of harbour land and seabed as fee simple meaning that, as a self-funded organization, we proudly contribute to the municipal tax base.

We own and operate several high-profile community amenities including the Ogden Point Breakwater, Inner Harbour lower causeway, Ship Point, James Bay boat launch, and customs dock at Raymur Point.

Within our commercial and marine industrial holdings are the deep-water terminal at The Breakwater District at Ogden Point, Fisherman's Wharf, four Inner Harbour marinas, and the historic Steamship Terminal.

Our management of the Victoria Cruise Terminal contributes more than \$130 million annually to the regional economy and is responsible for 800 direct and indirect jobs in Greater Victoria.

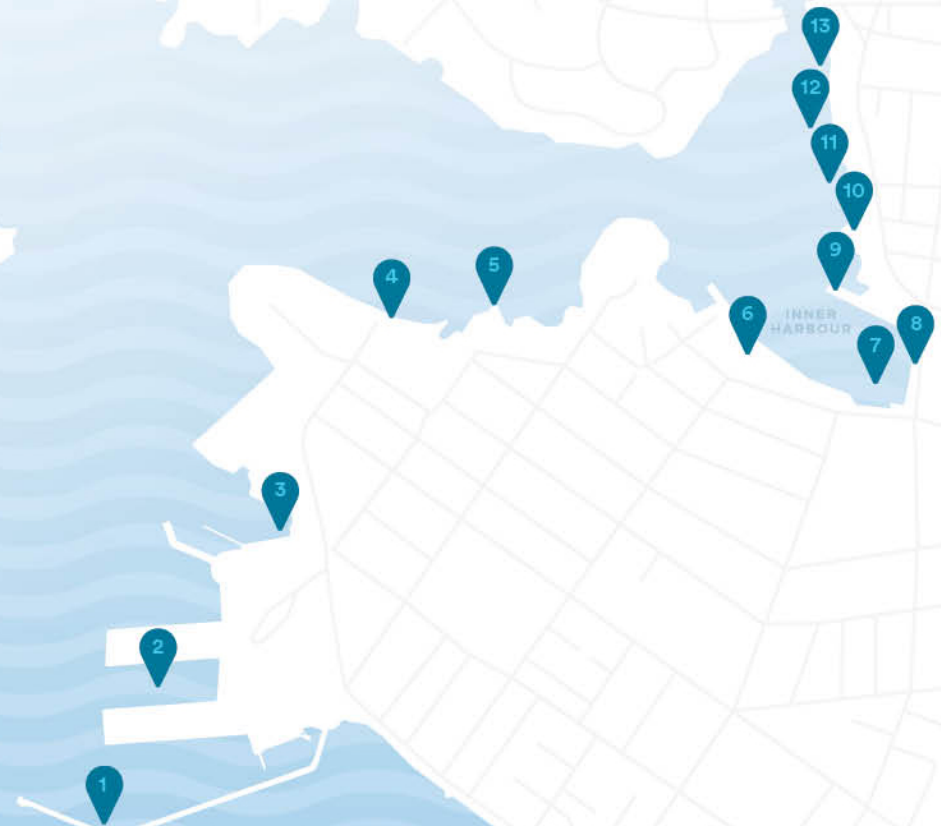


GVHA ASSETS AT A GLANCE



We own and operate high-profile community assets along with commercial and marine holdings.

- 1 Ogden Point Breakwater
- 2 Victoria Cruise Ship and Deep-Water Terminal at Ogden Point
- 3 Public Boat Launch
- 4 Fisherman's Wharf and Fuel Dock
- 5 Raymur Point Customs Dock
- 6 Steamship Terminal
- 7 Causeway Marina
- 8 Inner Harbour Lower Causeway
- 9 Ship Point
- 10 Broughton Street Pier
- 11 Wharf Street Marina
- 12 Hyack Terminal
- 13 Johnson Street Marina



VISION & MISSION

Vision

A working Harbour where people live, learn, work, and play; a spectacular gateway into Victoria's past and into its future, with a vibrant look and feel, linking communities and all people together.

A GVHA organization that is recognized by the community as an effective marine asset manager, and as a trusted advocate and partner, working for the common good of the Harbour and the Region.

Mission

In fulfilling our Constitution, we perform three distinct yet complementary roles:

- Owners and managers of the properties entrusted to us through divestiture or under lease.
- Advocates for best water and marine-related use and development of the whole Harbour and its assets, regardless of ownership, in accordance with our guiding principles; and
- Partners or collaborators with others in implementing Harbour initiatives that drive economic, social, and environmental benefits for the Region.



GUIDING PRINCIPLES

First Nations Relationship: We commit to working in partnership with the Esquimalt Nation and the Songhees Nation as they pursue their cultural and economic aspirations in the Harbour.

Financial Self-Sustainability: We commit to structuring and managing GVHA in a financially prudent manner, and to ensuring the long-term sustainability of the organization and its assets without recourse to local subsidies.

Working Harbour: We commit to promoting the Harbour as a working Harbour seeking out opportunities to help advance industrial, commercial and tourism related enterprises - “where commerce requiring the connection between the land and water takes place”.

Triple Bottom Line: We commit to generating broad economic and social benefit from the use of our properties, while continuously mitigating adverse social and environmental impacts in local neighbourhoods and to our land, air, and water.

Accountability: We commit to act in the public interest of the Harbour on behalf of GVHA’s Member Agencies, their stakeholders, and the people of the region, and to be held publicly accountable for our activities and results.



LETTER FROM THE BOARD CHAIR

It is an honour to be Chair of the Board of Directors of the Greater Victoria Harbour Authority. Chairing a community-based organization is never without opportunities and challenges and, with a high-profile organization such as the GVHA, you are continually required to reinforce its value to stakeholders, community partners, and the public at large. With eight Member Agencies that represent a wide array of community groups, it can at times be a challenge to ensure that our message is being heard among the voices of other, equally important not-for-profit organizations.

Over the past year, our directors have spent considerable time focusing on how we, as a Board, may improve engagement with each of our Member Agencies, as well as organizations and community groups throughout Greater Victoria. During this time, we worked to ensure that various concerns were being addressed and that the good work being done by the Greater Victoria Harbour Authority was communicated to our key partners.

I am proud of the process our Board has developed for engaging with each of these organizations that has allowed for constructive dialogue to take place. We also continued our annual reporting to each of these agencies in a format that worked best for their organization. Whether it was a public address to the City of Victoria Committee of the Whole or an update to the Songhees Nation at the always-inspiring Songhees Wellness Centre, our message was consistent: we are stewarding some of Victoria's most-loved places, while maintaining a triple-bottom line approach to our increasingly-important working harbour; we appreciate your support, advice, and counsel as we move forward together.

Within the scope of our decision-making as a Board of Directors, no single project has required as much attention as the Ogden Point Master Plan. In development for more than 12 years, through various iterations we understood that to proceed with the plan as envisioned would require a leap



of faith into increasingly difficult territory. We worked with an outside consultant and asked them to provide a deep and thorough review of everything that had been created and envisioned for the future of the space. Effectively, our Board was determined to know if now is the time to proceed with the plan.

With the receipt of the report, combined with the outcomes of the full-scale emissions inventory for the deep-water terminal, our Board submitted a request to the City of Victoria Mayor & Council for an extension to the master planning process to Dec. 31, 2025. This extension will allow us to further develop an overall 'development narrative' consistent with the James Bay Neighbourhood Plan (once developed) and pursue appropriate master plan development opportunities that are consistent with the organization's 10-Year Strategic Plan.

Within the area of governance and accountability, our Board has spent the better part of the past year working on an improved path to Chair policy that will allow for a more consistent transfer of responsibility and knowledge in the succession planning for our 13 directors. I am pleased to state that this process, which will utilize the position of Vice Chair more formally, was approved unanimously by our Board of Directors in March 2020.

As we move forward into a difficult year, I'd like to highlight the important work that GVHA has undertaken to steward the Inner Harbour properties that are enjoyed by all Victorians and contribute so significantly to our region's image. While much of this infrastructure is in need of significant work to ensure continuous long-term service, staff are to be commended for their progressive approach to ensuring future Boards are well equipped with proper facility condition assessments. This information will allow for collaboration with all levels of government and will support key infrastructure decisions. As projects unfold, I am mindful of the GVHA mandate to foster economic development for our Indigenous Member Agencies, and challenge future Boards to live up to this guiding principle.

Finally, a note about COVID-19. While the long-term impact of this pandemic on GVHA remains to be seen, our Board took several immediate steps to support the CEO and management team in their efforts to reduce the short and long-term financial and operational challenges this virus presented. I wish to commend the Board and the leadership team for the early and difficult decisions that were made. Indeed, it is not lost on the Board that the GVHA staff is 50% smaller than it was just a few short months ago. How we address the long-term impacts of COVID-19 is something the Board will need to explore over the next several years. Regardless, it is reassuring to know the Board's compass is well-set with a strategic plan that has thus far performed well under a variety of circumstances, and by all accounts, is robust enough to chart the course ahead.

Sincerely,
Dave Cowen

LETTER FROM THE CEO

This past year was one of the busiest years in the history of the Greater Victoria Harbour Authority, and it would prove to be the most challenging year I have faced as a CEO. We began this fiscal with year one of our new, three-year business plan. Within this plan were several high-priority initiatives ranging from the submission of the Ogden Point Master Plan, the sustainable growth of cruise, visioning, and redevelopment of the space around the Inner Harbour Lower Causeway, and the list went on.

What became clear halfway through this year was that our plan, while ambitious, was unrealistic given our resources. As a result of the request for an extension for delivery of the Ogden Point Master Plan to the City of Victoria changing our focus for 2019-2021, I took the initiative to revise the three-year plan. The result is a plan that focuses on seven strategic objectives that will allow us to execute and deliver on our mandate to be stewards for our properties throughout Victoria and advocates for that various users of the working harbour. This will now guide us over the following two years.

Our major tourism-focused facilities throughout the Inner Harbour and Fisherman's Wharf continue to evolve and grow. From fresh, local cuisine to whale watching and kayaking excursions, Fisherman's Wharf remains a popular spot for visitors. Following consultation with the operators, we introduced an organics compost-only policy for the facility. Plans are underway to move to a zero-waste model in the years to come.

We introduced the Inner Harbour Summer Line-up, a new brand for the popular buskers' area along the Inner Harbour Lower Causeway, so that the more than 50 street performers, musicians, artisans, and food vendors would benefit from increased marketing and social media efforts. We hosted more than 50 public-facing events on our properties, including World Oceans Day at Fisherman's Wharf and the annual Dragon Boat Festival.



We welcomed three cruise vessels to the region for their inaugural visits: Cunard's *Queen Elizabeth*, a brand that had not been to this part of the world in over two decades; the *Norwegian Joy*, sister ship to the *Norwegian Bliss*, which was repositioned from Asia to the increasingly popular Alaskan itinerary; and the Royal Caribbean *Ovation of the Seas*, the largest cruise ship to ever sail in this region. We also celebrated the arrival of our eight millionth cruise visitor, a young woman from Florida who was on her honeymoon to Alaska seeking, "cooler weather," and a chance to see the places that everyone she knew had recommended.

While our organization was able to celebrate the various successes throughout our properties, we also dealt with an increasing challenge: visible exhaust emissions from a small group of cruise ships. While ships sailing along the west coast of North America are in an emissions control area and must adhere to using low-Sulphur fuel or exhaust gas cleaning systems (scrubbers) to remove Sulphur, something did not seem right in what we and others were witnessing. We observed in mid-summer that three of our regularly calling vessels were emitting a visible plume of exhaust while in port.

While we remain assured that the emissions were well within the strict measures that are in place along our coast, we worked with each of the cruise lines to request more information to share with the community and our partners. We also asked the cruise lines to explain the discrepancy. While nuanced and detailed in what is in 'the plume' and why it was within regulations, the results of this situation for our organization were straightforward – our social license to allow vessels to call to our terminal was being challenged. While we communicated what was shared by the cruise lines to residents, we also presented the context of the situation with the City of Victoria Mayor & Council. We also reinforced the message that both ourselves and the City were aiming for the same outcome: a clean, safe, and responsible cruise industry for our region.

In January 2019, we had contracted Synergy Enterprises to develop a full-scale emissions inventory for the terminal to help identify where we could make improvements to emissions under our control and jurisdiction. The report was delivered to our Board in September and released publicly in October, in line with our presentation to the City. The results of the inventory were optimistic; we could explore shore power to reduce emissions when vessels were in port, as well as find ways to reduce emissions from our buildings and our fleet vehicles. The process for developing the business case for shore power was started in late fall, with the final report planned to be delivered in September 2020.

In mid-September we unveiled, after an unplanned leak, the new placemaking initiative and brand for the deep-water terminal: The Breakwater District at Ogden Point. The vision for the site is one where the invisible barrier between the terminal and the community is lowered. Our goal is to create a space where locals and visitors gather for events, festivals, sightseeing, and a sense of community. The terminal is large, and our goal is to further enforce a human scale throughout the property. The Ogden Point Breakwater is one of the most popular spaces for residents and visitors alike, with more than 450,000 people accessing it each year.

Combined with cruise passengers and crew, and public events such as Defence on the Dock, we see more than 1.5 million people at The Breakwater District at Ogden Point each year. Developing this placemaking initiative will be a marathon, not a sprint. There is more to be done. I am looking forward to continuing to improve our properties throughout the working harbour.

By March 2020, the impact of COVID-19 had extended to our organization. Mid-month, Transport Canada suspended cruise visits to Canada until at least July 1, 2020. This meant an immediate loss of more than 25% of our annual revenues, with the potential that cruise revenues – 70% of our annual revenues – would disappear for 2020 if this suspension were extended.

As mentioned above, revenues from cruise ship arrivals help maintain our infrastructure at the deep-water terminal as well as across our community amenities. The spaces that Victorians love, such as the Ogden Point Breakwater, Ship Point, and the Inner Harbour Lower Causeway, are maintained through multi-year capital project planning and ongoing repair and maintenance work. The long-term impact of COVID-19 on these plans remains to be seen; recovery from this detrimental impact will be the top priority for our organization for the next few years.

Sincerely,
Ian Robertson

FIRST NATIONS PARTNERSHIPS

In 2019, with the support of the Esquimalt Nation and Songhees Nation, we announced our participation in the Canadian Council for Aboriginal Business' Progressive Aboriginal Relations (PAR) Program. PAR is a bench-marking tool that helps businesses measure its work in Indigenous relations.

As they say, "what gets measured, gets done," and so we are now closely monitoring and tracking our efforts to demonstrate our commitment to the PAR program, to our First Nations Relationship guiding principle, and to the Nations on whose lands we work, live, learn, and play.

Below are some highlights of the work we have done in the 2019/20 fiscal year as it relates to Indigenous employment, business development, community relations, and leadership.

Leadership

In June 2019, our Board of Directors approved and supported our Leadership Statement on Indigenous Relations as well as our Indigenous Relations Framework. This Leadership Statement – signed by our Board Chair, Dave Cowen and CEO, Ian Robertson – outlines our commitment to Indigenous relations. The Framework, which lays out how we intend to realize our commitment to Indigenous relations, was signed by all staff.

We continue to dedicate up to 1% of our operating revenue to initiatives that support the economic and cultural aspirations of the Esquimalt Nation and Songhees Nation in the harbour.



This year the initiatives supported included:

- The Lekwungen Career and Job Fair
- The Esquimalt Summer Program
- The Indigenous Cultural Festival
- The Lekwungen Licensing & Training Program
- Esquimalt Nation Governance Training
- Songhees Canoe Tours Kiosk
- The total amount supported in 2019/20 is \$69,569

Employment

In September 2019, we developed an Indigenous Employment Plan that laid out the actions that we would take to help attract, recruit, and retain Indigenous talent. This includes detailed recruitment steps, a pre-call program to help prepare Indigenous applicants for interviews, a referral program to direct applicants to other departments for opportunities where applicable, an identified GVHA First Nations Employment Liaison, job shadowing programs, and a commitment to providing constructive feedback to all Indigenous applicants.

In October 2019, we participated in Victoria Native Friendship Centre's Indigenous Model for Delivering Economic and Employment Success (IMDEES), a 20-week employment readiness program aimed at helping Indigenous participants prepare to enter the workforce by working on their resumes, cover letters, interview skills, and by providing them with job placements. We hosted two Indigenous participants at our corporate office for three days. One participant job shadowed our Corporate Administrator and the other participant job shadowed our Communications & Marketing Coordinator.

This year, we hosted two Lekwungen Job Shadowing Programs. The first session held in July 2019 focused on Lekwungen youth and provided seven participants with the opportunity to job shadow staff in our three key properties – Fisherman's Wharf, The Breakwater District at Ogden Point and the Inner Harbour Lower Causeway – and concluded with a tour of the Royal Caribbean *Ovation of the Seas*.

In February 2020, we held our second Lekwungen Job Shadowing Program. Nine participants were given the opportunity to learn more about our facilities and the upcoming seasonal positions for which we would be recruiting. Participants job shadowed the maintenance team across our properties, learned about dock crew positions in the Inner Harbour, and wharfingers and ambassador roles at Fisherman's Wharf. They also had the opportunity to connect with Paladin Security, Pacific Northwest Transportation

Services, and Western Stevedoring. In addition, the program also included a tour of the Cable Innovator. Unfortunately, due to COVID-19, no seasonal staff were hired.

In winter 2020, we sponsored a training program for Lekwungen members through our Revenue Contribution Fund. Working with partners across various sectors, we organized a driver's license course, basic marine first aid, pleasure craft operators' courses, radio operator's course, and basic security training. The latter course had to be cancelled due to COVID-19. The courses had participation of on average five Lekwungen members per training session.

Business Development

In July 2019, we developed our Indigenous Business Directory. The directory establishes a listing of more than 40 Indigenous entrepreneurs or businesses that seek to do business with us and our partners. The directory was included in the City of Victoria's Economic Action Plan.

In 2019, we began tracking our Indigenous business spend so that we may create annual reports that show what kind of investment we made into the Indigenous business economy. In this fiscal year, we worked with the following Indigenous businesses:

- Salish Seas Industrial Services to deliver the Ship Point Repair Project
- Brandigneous to develop branded products
- Geo Services to deliver security services in the Inner Harbour
- Songhees Events & Catering to cater numerous events
- Jesse Campbell Visual Arts to do maintenance work on the Unity Wall
- Sisters.Hlgikw to cater our PAR celebration
- Tom Spetter Design to design marketing material
- Darlene Gait to develop a logo for The Breakwater District at Ogden Point
- Butch Dick to develop a logo for The Breakwater District at Ogden Point
- Lekwungen Traditional Dancers to welcome guests at the eight millionth passenger event
- Esquimalt Singers and Dancers to welcome guests at World Oceans Day at Fisherman's Wharf
- Indigenous Perspectives Society to develop an Indigenous relations workshop for staff

Community Relations

Unity Wall Marketing and Updates

In 2019, we worked on several initiatives to enhance, support, and promote the Unity Wall. In November 2019, we updated the Unity Wall webpage to a more user-friendly experience that allows viewers to see the Unity Wall mural in full and click on images to learn more. Efforts were also made in the summer to clean and do maintenance work on the Unity Wall by maintenance staff. We also hired an original youth artist of the Unity Wall, Jesse Campbell, to do some repainting and touch-ups to the mural.

The Breakwater District at Ogden Point

In July 2019, we worked with Esquimalt Nation artist Darlene Gait and Songhees Nation artist Butch Dick to design logos for the launch of The Breakwater District at Ogden Point. In September 2019, we launched The Breakwater District at Ogden Point with Chief Ron Sam in attendance to welcome and unveil the new brand identity with CEO Ian Robertson.

Eight Millionth Passenger

In May 2019, GVHA welcomed its eight millionth passenger. The Lekwungen Traditional Dancers provided a welcome and performed.

World Oceans Day at Fisherman's Wharf

In July 2019, Geronimo Canoe Club participated in World Oceans Day displaying their 52-foot-long racing canoe and sharing information about the history of war canoes.

Indigenous Cultural Festival

In June 2019, GVHA sponsored the Indigenous Cultural Festival. CEO Ian Robertson was given the opportunity to paddle in the canoe from Songhees Point to the Commonwealth Corner.

The past year was a big year for us as we committed to the Progressive Aboriginal Relations program and set-up some foundational policies and procedures that will guide our work going forward. We made substantial efforts to attract more Indigenous talent to GVHA and examined our procurement practices to find more opportunities to work with Indigenous owned businesses. We continue our ongoing commitment to reconciliation, fostering, and building on our relationships with the Esquimalt Nation and Songhees Nation to find opportunities to work together. Our learning is continuous, and we are grateful for the friendship, support, and guidance of both Nations. We will continue to provide our staff with cultural training and opportunities to learn directly from the Nations.

Next year as we work toward becoming PAR Certified, we will be developing key performance indicators and further our work in the four pillars of employment, business development, leadership, and community relations.

COMMUNITY ENGAGEMENT

We held more than 50 events on our properties this year, including small-scale private parties on Ship Point and large-scale community events such as Defence on the Dock at The Breakwater District at Ogden Point. We continue to provide in-kind sponsorship to several events, including Ska Fest, the Dragon Boat Festival, Classic Boat Festival, and others. This year, we committed more than \$60,000 of in-kind sponsorship to community-focused events.

Annual events that are led by our organization include World Oceans Day at Fisherman's Wharf, in partnership with Eagle Wing Tours; Clean Up The Shores, in partnership with Victoria PD; and the Marina Light Up, which brings together dozens of marina clients to celebrate the holidays with inspiring light displays.

We continue to expand the number of events held at The Breakwater District at Ogden Point using the Breakwater Barge, the Pier A warehouse, and Pier B event spaces. In July, we celebrated our first Pride on the Barge event, with proceeds supporting two LGBTQ2S+ organizations: the Victoria Pride Society and Living Without Disguises.

For the third year, we participated in the Impact Sustainability Travel and Tourism Conference; this year we helped to bring together a panel to discuss sustainability in the cruise industry with experts from across North America. We also introduced several of our property-specific environmental initiatives during the Day of Impact outing in advance of the conference.

In November, to honour of the achievements of yachtswoman Jeanne Socrates we re-named the crescent commercial yellow line dock at the Inner Harbour lower causeway to the, "Jeanne Socrates Dock." Socrates, on S/V Nereida, became the oldest person to sail non-stop around the world alone and unassisted.



ENVIRONMENTAL INITIATIVES



We remain steadfast in our commitment to the environment, with a strong focus on measuring, monitoring, and improving our impact in 2019. Air quality and climate action were priorities. Our Emissions Inventory Report for The Breakwater District at Ogden Point was finalized and delivered by local consultants Synergy Enterprises. The report quantifies our port's greenhouse gas emissions over eight years. This baseline will enable us to strategically target and track our emission reductions into the future. Backed by this inventory, we contracted Moffat and Nichol to launch a comprehensive and ongoing investigation into the feasibility of shore power for ships hoteling at the Victoria Cruise Terminal at The Breakwater District.

Our efforts and initiatives to be environmental leaders continue to be guided by our participation in the internationally recognized Green Marine, Clean Marine, and Climate Smart certification programs for our port, marina, and corporate operations. Through Green Marine, we reported top scores in performance indicators relating to spill prevention, community impacts, and environmental leadership. We were also recognized for best practices and management of underwater noise, waste, and emissions.

Our marina facilities continued to build on their 5-Anchor rating from Clean Marine by introducing a compost program for commercial tenants at Fisherman's Wharf. This program is a large step towards zero-waste, and we have already seen dramatic reductions in this facilities' contributions to local landfill waste and emissions. Additionally, through a joint initiative with Eagle Wing Tours for World Oceans Day at Fisherman's Wharf, we purchased a Sea-Bin and look forward to reduced flotsam and improved water quality in this area of Victoria Harbour.

Finally, our emission reduction strategies through our corporate operations were renewed through Climate Smart. Our organization continued reduction strategies through adding two new electric vehicles to our fleet and ongoing energy efficiencies across our facilities through LED upgrades. Notably, The Breakwater District at Ogden Point reduced the energy consumption of its high mast lights by ~45% by refitting to new light standards. While performing modifications, we took the opportunity to enhance raptor habitat by building an eagle feeding perch platform. The 30-metre-high structure provides American bald eagles a strategic vantage point and monitoring shows consist use by eagles for foraging, feeding, and rest.

We look forward to building on these environmental initiatives and programs that contribute to improvements in land, air, and water quality and the ecological function of our healthy working harbour.

Capital projects focus on major repair, replacement and new assets that are necessary for the infrastructure needs and services of our properties. This year, we committed to \$7.3m toward capital projects.

Sustainable Service Delivery Program (SSDP)

With assets worth more than \$200 million – and in some cases well over a century old – we embarked on an internal initiative to update our asset management process: the Sustainable Service Delivery Program (SSDP). This initiative has a primary objective of improving our capital, repair and maintenance planning, and budgeting through the implementation of industry standard procedures for asset management while integrating triple bottom line decision making for future levels of service for customer and operational needs. SSDP is scheduled for completion in 2022.

SSDP began with an evaluation by an external asset management consultant to benchmark the current level of alignment with contemporary practices. This allowed us to set benchmarks for improvement as the program evolves. This was followed by an extensive program of Facility Condition Assessment of fourteen critical asset components ranging from the Ogden Point Breakwater, Fisherman's Wharf, and Inner Harbour facilities. Eleven of those studies have been completed to date, which have identified immediate repair requirements and projections for the next 25 years, aligned with our budgeting cycle. Parallel to these efforts, we continued to work on improving and updating the existing asset registry, as well as developing policy and procedures for the next decade.

Key Projects

Pier B Mooring Dolphin Extension

Due to the loss of critical piling components at sea in December 2018, the dolphin extension was restarted after the 2019 cruise season. This project is needed to accommodate larger vessels visiting the port, which could not be safely moored in the current length of the pier. The project, budgeted at \$6.8 million, is one of the largest projects we have undertaken and at its height it employed more than 60 personnel, ranging from contractors to consultants. The facility was designed to moor vessels of 250,000 gross tonnes and up to 365 metres in length. Including the original 2013 dolphin extension of 75 metres, plus the addition 58 metres provide by the next structure, Pier B's effective length has been increased by 133 metres, or nearly 56% of the original pier length. The project was substantially completed in later March 2020 after restart in late October 2019.

Ship Point Pier Repair 2018-19

The Ship Point repair project was a joint effort between our organization and the City of Victoria. The project focused on the repair of the 1949 portion of the pier closest to land and the causeway. The project was completed in May 2019.

The works included the replacement of many wooden piles and pile caps that had reached end of life, with new steel piles and wooden pile caps, as well as new wood decking overlaid with new asphalt. The repairs also included upgraded electrical and water supply for markets and other events, as well as reconfigured parking layout. Construction was successfully completed by Salish Seas Industrial Services. This project represented a successful coordination between our organization, the City of Victoria, and Salish Seas Industrial Services and paves the way for more collaborative works in the future.

Shore Power Study

Building upon previous studies, we retained Moffat & Nichol to prepare a shore power study for cruise vessels at The Breakwater District at Ogden Point. This study, structured in three parts, will complete a detailed technology review of viable technologies to reduce hoteling emissions of cruise ships while berthed, outline funding sources, and develop a business case for a preferred technology solution. Work began in December 2019 and is expected to be completed by late summer 2020.

New Pedestrian Ramp to Dallas Road

For several years, we have been working to increase opportunities for visitors to walk off site to various locations downtown as well as James Bay and Fisherman's Wharf. Since most cruise guests arrive via Pier B, the decision was made to plan for a pedestrian ramp that would allow guest to quickly leave the terminal and get



onto the sidewalks along Dallas Road. This provided a safer route rather than the original entrance points, which are shared by buses and other vehicular traffic.

A key challenge with the installation of the new ramp was its location in a documented archeological area along Dallas Road, as well as coordinating with ongoing works for the CRD force main along Dallas road. The ramp was designed to 'float' on the ground rather than using traditional footing and piles that would have disturbed the archeological area. We worked with an archaeological consultant who facilitated all permits and First Nations consultation. In addition, we committed \$50,000 to the creation of a new crosswalk from the south entrance of the terminal to Montreal St., which was tied in with the completion of the CRD wastewater treatment project.

High Mast Retrofit and Re-lamping

The high masts, recognizable by their red and white striping and height above the terminal, were installed around the late 1970s to provide illumination for cargo and resource operations on the property. Five masts at 33.5 m (110 ft) in height were installed, complete with navigation warning lights due to their proximity to helicopter operations. Lighting maintenance has been performed on an annual basis, however, in recent years, there were increasing concerns on the power requirements and costs of the existing lamps.

While it was determined that there were no safety concerns due to the oscillation of the masts during high winds, we proceeded with a retrofit project to install new, efficient LED fixtures at a height of 19.8 m (65 ft); the original lamps and upper portions of the mast were removed. One mast, located east of the Pier A warehouse, was retained at full height and upgraded with a new custom eagle perch. The project was completed in March 2020. Power consumption has been reduced by close to 50%, or approximately \$4,500 per year in electricity costs. The project also freed up more than 200 amps of power for redistribution to other areas of the facility.

Bollard Upgrades

As part of the extension to the Pier B mooring dolphin extension undersized bollards were replaced to accommodate the larger vessels expected over the next several years. Three 200-tonne bollards and one 125-tonne bollard were installed. Work was completed on time and on budget with room to purchase two additional 200-tonne bollards for future replacement.

Compost Management Facility – Fisherman's Wharf

We created a new facility to house compost bins that would accommodate the significant commercial compost waste volumes at Fisherman's Wharf in a safe and efficient manner. We obtained both development and building permits for the utility structure, with work from August to October 2019. The structure follows Fisherman's Wharf Design Guidelines and will serve this community for several years.

Fisherman's Wharf

Fisherman's Wharf continues to be a colourful place for residents, visitors, fisherman, restaurateurs, and attractions providers to congregate and celebrate. This year, we introduced a compost program for commercial tenants at Fisherman's Wharf. The reduction in waste heading to landfills is at least 75%.

Working with the World Oceans Day at Fisherman's Wharf team, we were able to purchase our first SeaBin. The purchase price was shared between our organization, Eagle Wing Tours, and funds raised through World Oceans Day events over a five-year period.

In July 2019, Huron Pier was unfortunately immediately closed due to the findings of a facility condition assessment that showed degradation of the pier and compromised safety of the structure. This led to a significant drop in the volume of tuna brought in this year.

Maintenance and upgrade programs continued throughout the year, including the installation of an entirely new wayfinding and placemaking signage program throughout all areas of the facility.

The marine fuel dock continued to remain busy throughout 2019-20, dispensing 3.5 million litres of marine diesel fuel and 791,000 litres of marine gas.



Inner Harbour

The Inner Harbour marinas continued to be a hive of activity over the past year. We welcomed more vessels 60' and over for 505 moorage nights at Ship Point and 496 moorage nights at the Wharf Street marina. Vessels up to 60' in length accounted for 5,632 moorage nights across all four Inner Harbour marinas.

Maintenance, repairs, and upgrades continued throughout the year across all Inner Harbour properties. New gates and fencing, LED lighting, and security cameras were installed, along with upgrades to Wi-Fi, water spigots, concrete docks, bull-rails, and the VHF system. In addition, pilings for the causeway marina saw the removal of rust and anti-fouling paint was applied. Walkways along Ship Point were coated with anti-slip paint.

Steamship Terminal

This 1924 heritage building is owned by the Province of British Columbia and managed on a long-term lease by our organization. It is home to the Bateman Foundation Gallery of Nature, an inspiring collection of the works of famed Canadian artist Robert Bateman. The Steamship Grill & Bar and Starbucks continue to welcome thousands of guests each year to their main floor space.

After a few decades, the original Victoria Wax Museum sign that was retrofitted by our organization was replaced by a pylon marquee that better profiles the building's history and mix of tenants.



THE BREAKWATER DISTRICT AT OGDEN POINT



Cruise Operations

The sustainable growth of cruise continued over the course of 2019-20. Prior to the launch of the 2019 season, we proudly announced our 12-year, long-term agreement with Norwegian Cruise Line Holdings, the parent company for Norwegian Cruise Lines. This agreement was the first of its kind for our organization and our destination; it highlights the importance of Victoria in the regional cruise market of the Pacific Northwest and Alaska.

The 2019 cruise season welcomed 256 ships, bringing 709,042 passengers to our city, along with our eight millionth cruise passenger. This year, we had inaugural calls for Cunard's *Queen Elizabeth*, a brand that hadn't been to this part of the world in over two decades; the *Norwegian Joy*, sister ship to the *Norwegian Bliss*, which was repositioned from Asia to the increasingly popular Alaskan itinerary; and the Royal Caribbean *Ovation of the Seas*, the largest cruise ship to ever sail in this region.

Moving passengers efficiently, safely, and sustainably is a top priority for our organization and ground transportation partners. While cruise traffic flow was altered by the work on Dallas Road for the CRD sewage treatment project, an effective operational plan meant that there was minimal impact to the neighbourhood or to cruise passengers. The 22 double-decker buses owned and operated by Pacific North West Transportation Services were in operation and one of their electric double-decker buses was in full service as of October 2019.

More than 30% of passengers chose human-powered modes of transportation to bring them to and from the Victoria Cruise Terminal, whether on foot, by pedi-cab, or via rickshaw. Passengers accessed routes into the city from Dallas Road via a new pedestrian-only entry to



The Breakwater District, guided by a large-scale flower mural commissioned by our organization and created by local artist Renée Audy.

Launch of The Breakwater District at Ogden Point

We unveiled The Breakwater District at Ogden Point, a new brand and visual identity for the deep-water terminal and future development area at Ogden Point in September 2019.

The new visual identity was selected to best reflect what residents know and love most about the facility while inspiring them to explore further when visiting. The brand is designed to celebrate the history of the deep-water terminal and set the stage for the future.

The Breakwater District at Ogden Point reflects what the space is meant to be: a place of commerce and a destination for all of Victoria, where locals and visitors can enjoy oceanfront amenities and gather as a community throughout the year. This space is an extension of the community, both the immediate neighbourhood of James Bay as well as the surrounding region.

To create The Breakwater District at Ogden Point, staff worked with Trapeze Communications, a Victoria-based branding and marketing agency. Following extensive research and testing, the new identity was developed and finalized. Within a stylized letter 'B' exists 10 variations of The Breakwater District logo, including the iconic Breakwater lighthouse, an ocean-going vessel, anchor, waves, and two Indigenous works of art.

The soft launch of the brand was implemented between January and August 2019. It included the painting of the east wall of the warehouse at Pier A, the installation of new wayfinding markers for cruise visitors, and the creation of a 75-metre mural between Pier B and the new pedestrian-only gateway.

The unveiling of the brand included the installation of new entrance signage at both the north and south entrances to The Breakwater District at Ogden Point. Additional visual markers celebrating The Breakwater District included signage on the Pier A warehouse, flags throughout the terminal, and a series of detailed information guides for the local community, partners, and stakeholders.

The Breakwater District at Ogden Point will allow us to introduce new signage and visual markers on the property, and an informed and detailed account of Peter Skene Ogden will be introduced on Ogden Point. Ogden's story will be told within the context of his time, his place in history, and reflections on history today for future generations to consider.

Placemaking efforts will continue over the next several years.

OGDEN POINT MASTER PLAN



In 2006, guided by a Memorandum of Understanding with the City, our organization committed to preparing a comprehensive development plan for the deep-water terminal at Ogden Point. Since that time, we have invested significant resources in developing a plan that would reflect multiple needs of the working harbour and community and provide a sustainable operation over the next 30 years.

This work culminated in a Final Draft Submission of the Ogden Point Master Plan in December 2016. Based on feedback from city staff, in 2017 the organization continued to prepare supporting reports for market demand and transportation analysis of the proposed project.

In 2018, the Board of Directors struck the Ogden Point Development Committee (OPDC) to provide proper oversight. In April 2019, OPDC retained the services of an external consultant to review the process to-date and work with the organization to identify a sustainable path forward. The consultant made several key recommendations that the Board of Directors adopted, among them being additional environmental work required on the site.

In January 2020, the Board of Directors submitted a request to the City of Victoria Mayor & Council for an extension to the process for the Master Plan for The Breakwater District at Ogden Point. Within this request for extension was outlined the need to shift resources away from the development of the Master Plan for The Breakwater District due to investments in environmental priorities.

Our organization will pursue areas of environmental focus that will:

- Determine the feasibility, business case, and funding sources to support the installation of shore power.
- Collaborate with the federal government to pursue further environmental examination and remediation of the deep-water facility; and,
- Where prudent, refurbish existing facilities to improve environmental and operational footprints.

While our organization remains focused on the long-term viability for The Breakwater District at Ogden Point, we need to first focus on these areas of environmental sustainability before pursuing any short or long-term development to the site.

This allows us, as a not-for-profit organization, to allocate resources to these important development areas. We remain committed to working with our partners and eight member agencies, including the City of Victoria, as we focus on reducing the impact of greenhouse gases at The Breakwater District at Ogden Point.

2019-20 FINANCIAL RESULTS

2019-20 was GVHA's strongest revenue year to date with operating revenues generated of \$16.3M. This resulted in us having a EBITDA of \$3.6M which was \$.7M better than budgeted. All surplus cash generated from GVHA operations is reinvested in its facilities and advancing GVHA's mandate. In 2019-20 we invested \$5.5M back into our capital assets.

Financial Statements: <https://gvha.ca/wp-content/uploads/2020/09/2020-03-31-GVHA-FS-AR.pdf>

Management Discussion & Analysis: <https://gvha.ca/wp-content/uploads/2020/10/2019-20-MDA-Final.pdf>

FINANCIAL OUTLOOK & PRIORITIES

FY 2019/20 was the first year of the 2019/22 Business Plan. The advent of Covid-19 has necessitated the closure of our terminal to cruise operations which accounts for over 70% of GVHA revenues. This has caused us to put our capital plans on hold, however, our plans for the next two years as stated in our business plan remain relevant. For the next two years GVHA will continue to focus on:

- Ensuring the long-term sustainability of cruise
- Completing all Facility Condition Assessments and implement an asset management strategy
- Developing an investment strategy that strives for long-term financial sustainability with a triple bottom line view
- Developing a strategy for our community amenities including which best investment options, highest/best use/repair programs etc.
- Continuing organizational process improvements
- Developing a human resource strategy focusing on the culture of GVHA and the experience for both employees and customers
- Continuing to explore, implement, and maintain sustainability initiatives at all properties through a triple bottom line lens

Board Oversight

Our Board of Directors is comprised of 13 individuals that provide governance and strategic oversight for the Greater Victoria Harbour Authority. The Board of Directors approves the strategic plan, business plan, and annual budget for the organization. In addition, this group is responsible for the oversight, compensation, and evaluation of the performance of the Chief Executive Officer. It is also directly accountable to the organization's eight member agencies with broad representation of the Capital Region.

Nine directors are nominated by these member agencies and four independent directors are selected through a nominations task force that examines nominees' skills and experience. Each director serves a term of up to four years and may serve two additional consecutive terms of up to four years, subject to Board approval. The appointment terms run on a calendar year basis ending December 31.

Each Member Agency appoints a member representative to act on its behalf in maintaining a direct relationship with our organization throughout the year. Member representatives also serve the role of representing their Member Agency with voting rights at our annual general meeting.

Risk

We have implemented an Enterprise Risk Management (ERM) program to manage the risks inherent in the unique nature of operating a marine-related business. ERM is the process of planning, organizing, leading, and controlling the activities of an organization to minimize the effects of risk on the organization. Our ERM program is based on the internationally recognized principles of ISO 31000. Effective risk management is a key element towards achieving our strategic goals by bringing a systematic approach to identifying, analyzing, mitigating, and reporting risks.

The ERM matrix is updated by management and reviewed with the Board of Directors on a quarterly basis. Each risk is analyzed to determine if there have been changes in the level of risk, performance measures or in the mitigation strategies. As of March 31, 2020, we had identified 64 risks related to organizational strategic goals. In March 2020, 20 additional risks related to COVID-19 were added.

Board Performance & Tenure

Name	Position	Member	Board (7)	FNED (4)	HRC (4)	GNC (6)	AFC (6)	IPAD (4)	OPDC (5)	Board Term Start	Board Term Finish
Dave Cowen Board Chair (DGV)	Board Chair	ALL	7	4	4	6	6	4	5	01-Jan-16	31-Dec-19
Christine Willow Chamber	Vice Chair HRC Chair	HRC/FNED	6	4	4					01-Jan-17	31-Dec-19
Doug Crowder Independent	AFC Chair	AFC	7				6		5	01-Jan-19	31-Dec-22
Starr McMichael Independent	GNC Chair	GNC/HRC	7		3	6				01-Jan-18	31-Dec-21
Barb Desjardins Township of Esquimalt	FNED Chair	FNED/IPAD	7	4				4		01-Jan-18	31-Dec-21
Margaret Lucas Independent	IPAD Chair	IPAD	7					4	5	01-Jan-19	31-Dec-22
Ryan Burles¹ VEHS	Director	AFC/GNC	7			5		2	4	13-Mar-20	31-Dec-23
Mark Mawhinney² VEHS	Director	IPAD AFC/HRC	4		2		3	3		09-Aug-19	31-Dec-21
Christina Clarke Songhees Nation	Director	FNED/HRC	6	3	3					25-Feb-19	31-Dec-22
Laurel Collins³ City of Victoria	Director	FNED/AFC	1	1			0			01-Jan-19	31-Dec-20

1. Term ended December 2019 and re-appointed March 2020
2. Term started August 2019
3. Leave of Absence from City of Victoria and GVHA Board of Directors

Name	Position	Member	Board (7)	FNED (4)	HRC (4)	GNC (6)	AFC (6)	IPAD (4)	OPDC (5)	Board Term Start	Board Term Finish
Marianne Alto⁴ City of Victoria	Director	FNED/IPAD	1					0		19-Feb-20	31-Dec-20
Susan Brice CRD	Director	IPAD/GNC	7			5		4		01-Jan-19	31-Dec-22
Chief Rob Thomas Esquimalt Nation	Director	FNED/HRC	3	3	3					Indefinite	
Gordon Safarik Independent	Director	IPAD/AFC	7			6	6		4	01-Jan-18	31-Dec-21

4. *Term started February 2020*