

**ANNUAL REPORT
2020**

INDIGENOUS ACKNOWLEDGEMENT

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



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

- 
- 1 **The Breakwater**
 - 2 Victoria Cruise Ship and Deep-Water Terminal
 - 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

We own and operate several high profile community assets, which provide social space for the community and visitors but generate little to no revenue for our not-for-profit organization. Each community asset is outlined in orange on the graphic above.

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.



COVID-19

The COVID-19 pandemic continued to challenge the organization throughout the year with the border closed to international travellers and many aspects of our operations closely tied to the tourism industry. With the decision by Transport Canada to suspend cruise ship visitation in Canada first until February 28, 2021, and then extending that suspension to February 28, 2022, we faced an unprecedented financial loss.

Our organization operates in a tourism-focused world with 70% of annual revenues coming from cruise ship visitation and the majority of the remaining balance of revenues driven by tourism-related commercial operations. Even with operating expenses reduced as much as possible, shifting operations essential service levels, staff reductions of 47%, and federal programs such as the Canada Emergency Wage Subsidy supporting the wages of remaining essential staff, our not-for-profit organization still saw a loss of (\$1.1M) for the fiscal year.

However, the steadfast resiliency of the team carried the spirit of the organization through this incredibly difficult and challenging year.

The impact of COVID-19 will be outlined throughout every aspect of this Annual Report.



LETTER FROM THE BOARD CHAIR

After four years on the Greater Victoria Harbour Authority Board of Directors, I assumed the role of Chair in January 2021. I first wish to thank our Past Chair Dave Cowen for his steadfast work in steering the Board of Directors and strategic direction of the organization. Dave dedicated 11 years to the Board of Directors, with five as Chair, and now sits as Past Chair. I am grateful to have had his guidance, always a voice of sober second thought, and a passionate advocate for our working harbour. As I begin my tenure as Chair, I am focused on short-term sustainability and the long-term strategic vision for the organization and its mandate to be an advocate for our working harbour and our marine-related tourism industry.

Like many other organizations, particularly those working in and around tourism, we have been challenged like never before. The Board of Directors moved into a caretaker role from its standard role of providing strategic oversight, so that our 13 directors would better support the needs of management and ensure that critically important decisions on financial position, advocacy, and staff resources were met. I am incredibly proud of the entire Board and the Leadership team on their commitment to working collaboratively and ardently for the needs of the organization, partners, stakeholders, and customers.

An early focus during the first few months as Chair has been to increase engagement with our eight Member Agencies and with key strategic partners. In order for all of us to be successful in the near future, it is critical that we create a united voice that champions the power of the working harbour and the tourism industry in Greater Victoria. I will use my time in this role to expand and grow these important relationships not only to help further the triple bottom line focus of this organization but also that of each Member Agency.

While we all wish to look ahead to better days, I will look back on this time knowing that success was defined by resiliency, collaboration, and trust and working with talented, dedicated people on our board and within the organization.

Sincerely,
Christine Willow



LETTER FROM THE CEO

2020 was a year like no other. The COVID-19 pandemic created the most challenging period I have faced both in my career and as CEO of the Greater Victoria Harbour Authority. By the start of this fiscal year, COVID-19 had already limited our ability to maintain our business and plan with any certainty for the future. We had entered a crisis along with every partner, customer, and staff member and no one had a playbook for this type of threat.

The beginning few months of the pandemic were unthinkable. First and foremost, I knew that our top priorities would be keeping our staff safe and ensuring that our operations kept the community safe. Second, we knew we would have to engage with our partners, stakeholders, and government to understand the global, national, and local impacts COVID-19 would have on our organization. While we didn't have a playbook, we were able to rely on our strong relationships with partners at all levels. Collaboration and cooperation increased our resiliency. Our community-wide commitment to keeping safe also helped keep the virus from spreading quickly.

However, by mid-May I had to make the difficult decision to reduce our permanent staff by eight and temporarily lay off 47% of our staff. When the Canada Emergency Wage Subsidy was announced it allowed us to recall six critical staff members full-time. Each staff member in our organization played their part in managing the impact of the pandemic and I am incredibly thankful for their months-long commitment to our organization and our customers. As an organization that operates 24/7, even essential service levels required significant resources.

Despite knowing we would face a financial loss without cruise in 2020, we worked to ensure our commercial customers were supported through deferred rent payments. We also supported these customers with our voluntary enrollment in the Canadian Emergency Commercial Rent Assistance (CECRA) program. The much-needed CECRA funding reduced customer rent payments by 75% over the



five-month period, with GVHA contributing more than \$245,000 to support commercial customers and this program, a total of approximately \$358,000 for a five-month period.

As summer arrived, we began to have hope as we adapted to live with the threat of the virus in our community. With a sense of optimism people started to engage with one another in a collaborative way. We hosted community-focused events again, starting with a modified version of the Times Colonist Book Drive, held at the Breakwater District at Ogden Point. We welcomed more than 3,000 Victorians to the event and more than 50 pallets of books were donated in six hours. At Christmas, we supported CFA Santa's Anonymous by providing space in the warehouse at Pier A for the preparation of 3,000 Christmas hampers for families throughout Greater Victoria.

Although it was challenged by the pandemic, our guiding principle of First Nations Relationships did not wane as we committed more than \$85,000 toward First Nations initiatives through our First Nations Revenue Contribution Fund. Projects included the Esquimalt Nation Lekwungen Career and Job Fair, Explore Songhees kiosk development, and Esquimalt Nation governance training.

We also moved forward on the next steps for our shore power project with the goal of making the Victoria Cruise Terminal one of the greenest ports in North America. In summer 2020, we also achieved a ranking of 3.7 out of 5 by Green Marine, an increase over our previous 2018 score of 3.3 and one that places the deep-water port among the most environmentally sustainable ports in North America. We lowered our corporate emissions by 27% from our 2012 Climate Smart baseline thanks in large part to a decade of energy smart retrofits, upgrades, fleet electrifications, waste management, and bike storage facility investments.

While we continued to ease the organization into a new environment where public health restrictions loosened and tightened over the weeks and months and we entered different waves of the pandemic, I remained focused on our advocacy for cruise visitation to return to Victoria. As an organization, we helped to lead the discussion on the safe resumption of cruise in Canada alongside our other port partners as part of the Association of Canadian Port Authorities. The decision by Transport Canada to further extend the suspension of cruise ships in Canadian waters through to February 2022 was like a body blow, but we remain committed to ensuring that cruise will return to Victoria when the time is right.

Here's to brighter days ahead.

Ian Robertson
Chief Executive Officer

FIRST NATIONS PARTNERSHIPS

During the year, we continued our work with the Canadian Council for Aboriginal Business' Progressive Aboriginal Relations (PAR) Program. PAR is a bench-marking tool that helps businesses measure their work in Indigenous relations. While impacts from COVID-19 cancelled a number of our planned programs like the Lekwungen Youth Job Shadowing Program and postponed the Lekwungen Basic Security Training, other opportunities arose like our staff's participation in the Victoria Native Friendship Centers' Hospitality Program and the COVID-19-safe Signs of Lekwungen Walking Tour hosted by Songhees Nation allowed us to continue work and education in this area.

Below are some highlights of the work we have done in the 2020/21 fiscal year organized by the four PAR pillars of leadership, employment, business development, and community relations.

Leadership

In 2020, with guidance from the Canadian Council for Aboriginal Business, we developed key performance indicators (KPIs) in Indigenous relations with input from our First Nations Economic Development Committee of the Board of Directors (FNED).

The KPIs help us track our work in Indigenous relations with respect to procurement, employment, and community relations. These KPIs are overseen by FNED and reviewed quarterly.

We also continued 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:



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|---|----------|
| • Explore Songhees Tourism Training & Staff Development | \$12,262 |
| • Explores Songhees – Kiosk Development | \$40,000 |
| • Esquimalt Nation - Casual Pool Capacity Building | \$30,000 |

The total amount supported in 2020/21 is \$82,262.

In September 2020, management attended a half day course with Indigenous Perspectives Society. This session focused on supporting Indigenous employees and included a dialogue on equity and micro-aggressive behavior.

We also developed a leadership competency on Indigenous relations. We now have eight key leadership competencies that are critical to the success of our organization. This includes competencies like planning, organization, and delegation; communications skills; employee relations skills; and project management skills. The new Indigenous relations competency was drafted, and input was received from Indigenous Perspectives Society and the First Nations Economic Development Committee. It was used in our performance evaluations for the first time in 2019/20.

We also took advantage of the change of pace at our organization to grow our partnerships in the business community. In 2020/21 we met with more than ten businesses, organizations, and leaders to talk about Indigenous relations and share the work we have been doing. There was significant interest in the Indigenous Business Directory and many discussions around procurement with the City of Victoria, the Greater Victoria Chamber of Commerce, the Nanaimo Chamber of Commerce, Douglas Magazine, and others.

Employment

Due to the COVID-19 pandemic, we cancelled the summer Lekwungen Job Shadowing Program and our Lekwungen Seasonal Opportunity Program typically held in February. We were not able to deliver these programs in a safe way during the pandemic and needed to focus our efforts on our immediate operations.

However, we were invited to participate in the Victoria Native Friendship Centre's Hospitality Program, which they were able to deliver in a safe and distanced way. In October and December 2020, and February 2021, two members of our leadership team attended the program as guest speakers, sharing their experience and stories working in the hospitality industry.

In March 2021, we put on the last of a series of sponsored training programs for Lekwungen members through our First Nations Revenue Contribution Fund. With the support of Paladin Security and the Delta Hotel, we offered six members the opportunity to become certified Basic Security Training course.

Business Development

We continued to build out our Indigenous Business Directory, adding new businesses we learned about throughout the year. In April 2020, we were scheduled to host an Indigenous Business Mixer with the Chamber of Commerce to help like-minded companies' network and learn more about the valuable services the local Indigenous business community provides. We invited all 40 Indigenous owned business listed on the directory and planned to set up tables for each company to display their products, business cards, and brochures. Unfortunately, this event was cancelled due to COVID-19 and was rescheduled to a virtual Meet & Greet for April 2021.

Community Relations

Many First Nations programs and initiatives were postponed due to limitations on social gatherings and budget constraints. The Indigenous Cultural Festival hosted by Indigenous Tourism BC was cancelled, an Indigenous youth mural at Fisherman's Wharf was put on hold, as was work on the Indigenous Artists Causeway Program, Juggler's Pitch signage, and place-making initiatives at the Breakwater District at Ogden Point.

The main activation was the Songhees Seafood and Steam Food Truck set up in the Inner Harbour; a tent was also put up for information sharing about Lekwungen history and culture and served as a starting point for the Sings of Lekwungen Walking Tour.

With the sale of our flower baskets at the Breakwater District at Ogden Point, we were able to make a donation to the Victoria Native Friendship Centre.

We also worked to support the Songhees Nation's applications for provincial funding with letters of support and were pleased to hear that they were soon after awarded \$600,000 from the Community Economic Recovery Infrastructure Program for the development of the Songhees Indigenous Marine Trail.

The past year was unusual for us, but we tried to find creative ways to continue our work in Indigenous relations, and keep momentum going. For us that meant finding ways to work with our First Nations partners even in the midst of a pandemic and we are grateful for their support and friendship over the last year. As we look ahead to 2021/22, we will be applying for certification in the Progressive Aboriginal Relations program, documenting our efforts in Indigenous relations over the last three years, and we hope to announce our certification in the coming months.

COMMUNITY ENGAGEMENT



Community engagement is crafted in multiple ways as opportunities allow. Our most common processes happen through interpretive signage at facilities, conversations with the community at social gatherings, social media conversations, and on-property events.

Almost all planned community events, those held on our properties and those organized by our organization, were cancelled this year due to the public health measures and restrictions in place to mitigate the spread of COVID-19. We typically host more than 50 events, ranging from full-scale multi-day events like the Dragon Boat Festival to more contained events such as World Oceans Day at Fisherman's Wharf.

Despite the cancellation of most events, we were able to use our properties in new ways. We welcomed the Times Colonist Book Drive drop-off to the Breakwater District at Ogden Point. During the one-day event, more than 3,000 people dropped off thousands and thousands of books. We also provided space in the Pier A warehouse to CFAX Santa's Anonymous where they prepared 3,000 Christmas hampers for families throughout Greater Victoria.

The planned Lights of Wonder drive-thru event was planned, postponed, and eventually cancelled, but the concept provided our team with the inspiration for future events of this nature. We also had to cancel the popular Inner Harbour Summer Line Up artisans, food vendor, and street performer event on the Lower Causeway. By winter 2020, we had planned for its modified return in spring 2021.

Operations-Focused Projects

Although some projects that were planned for implementation and expansion in 2020 were postponed due to budget reductions, the sustainability efforts and environmental initiatives that are part of our guiding principles of a triple bottom line and accountability remain a critical part of our organization. Planning work continued throughout the year with the anticipation that when programs can be put in place, we will be ready to do so.

Staff have been working on an improved air monitoring program at the Breakwater District at Ogden Point following the discontinuation of the Ministry of Environment SO₂ station in James Bay. We are committed to continuing with local air monitoring, starting with PM 2.5 sensors, and forming a working group to engage with the community and determine next steps. This project will begin in earnest in 2022.

We have developed a comprehensive stormwater plan for the Breakwater District. As part of the Sustainable Service Delivery Project (SSDP), the entire storm water system was mapped out. Stormwater sampling is being done by the CRD and upgrades to the system are being planned for the coming years as part of the capital infrastructure plan.

We will be following Green Marine standards for best practices in underwater noise and pollution prevention and will be investigating options for monitoring underwater noise and ocean chemistry as it relates to water quality in Victoria Harbour.



Green Marine Rating

We achieved a ranking of 3.7 out of 5 by Green Marine, an increase over their previous 2018 score of 3.3 and one that places the deep-water port among the most environmentally sustainable ports in North America. Green Marine certification results are compiled on a scale of 1 to 5, where one illustrates the monitoring of regulations and five illustrates excellence and leadership. The average score for participating ports, across all applicable areas during the 2019 reporting year, was 2.8. GVHA, in partnership with terminal manager Western Stevedoring, scored a 3.7, building on its 2018 overall score of 3.3 and placing the organization in a leadership position among North American ports.

The increase in score from 2018 to 2019 is largely due to increased scoring in the 'Environmental Leadership' category, which rose from a 3 to a 5. Gains were also made in the newly introduced category of 'Underwater Noise' with the organization's efforts in working with the Southern Resident Killer Whale Recovery Communications Committee and Ocean Networks Canada to better understand the local impacts and help to implement solutions around this poorly understood pollution source.

GVHA performed ahead of North American port averages across all categories while achieving excellence in 'Community Impacts' and 'Environmental Leadership'. In addition, year-over-year improvement is a requirement for organizations in order to recertify, which GVHA has done since joining the program in 2011. GVHA's partnership and engagement with other Green Marine and environmentally focused organizations has facilitated a shift to environmental practices being rooted in operations.

Shore Power project

Shore power allows ships to turn off their engines and connect to the local power grid when in port. In Victoria, most of our electricity is generated through hydro power, further enhancing the sustainability of our energy.

In 2020, we launched an investigation into the viability of investing in shoreside emissions mitigation technologies. The study sought answers to two broad questions. First, in which technologies should GVHA invest? Second, how should a preferred technological approach be funded.? Work was prepared over nine months by consultant Moffatt & Nichol with support from Synergy Enterprises.

The Ship Emission Mitigation Technology Assessment and Business Case created by consulting firm Moffat & Nichol indicates that a reduction of more than 46% of greenhouse gas emissions (GHG) and criteria air contaminants (CACs) is achievable with the installation of shore power at two berths at Pier B, which welcomes 75% of all cruise ship calls during a season. The reduction of GHG emissions and CACs is equivalent to 1,394 cars on the road per year.

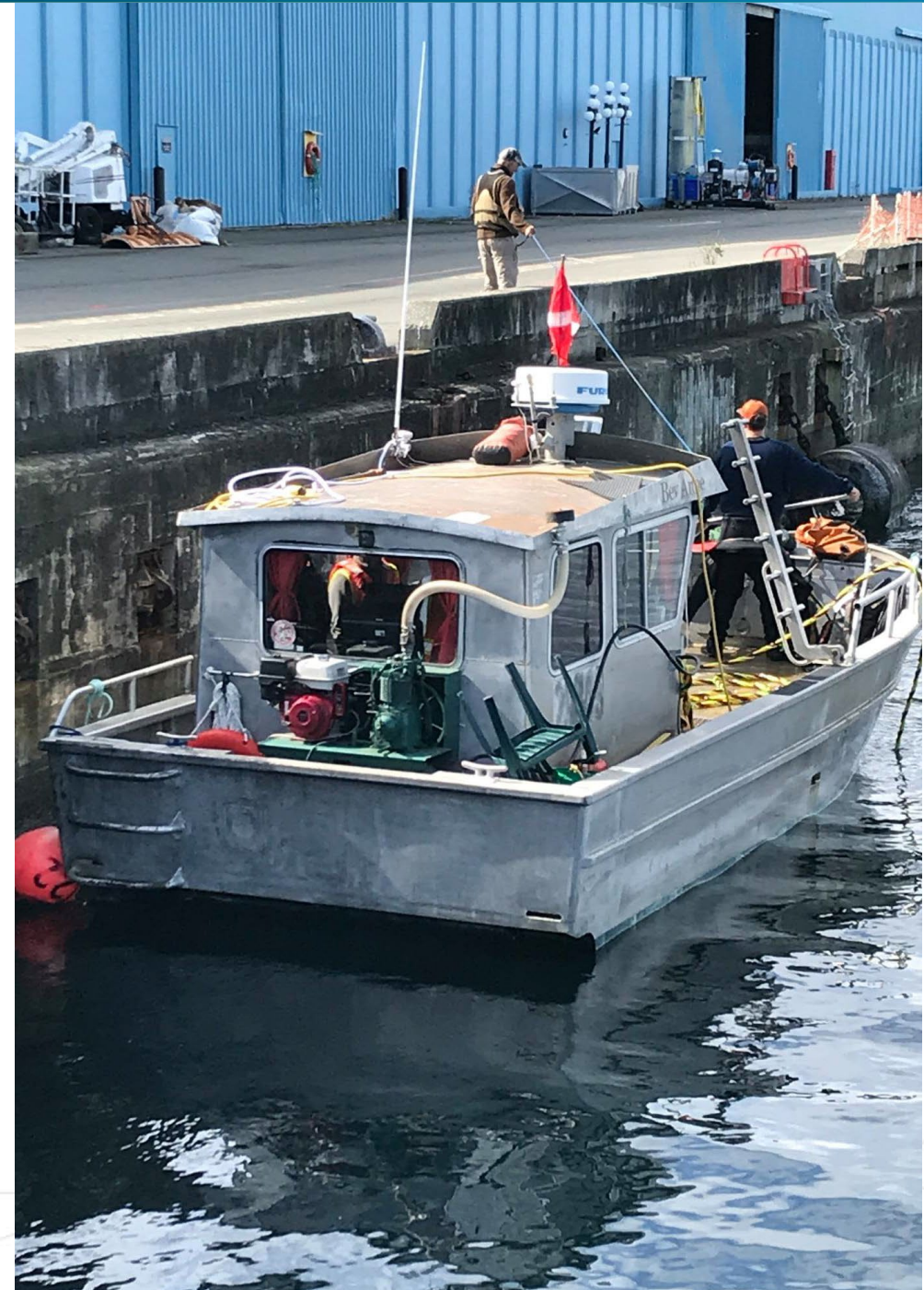
The critical next steps in the project will focus on funding opportunities with partners and stakeholders and developing a power upgrade design and installation plan with BC Hydro.

SUSTAINABLE SERVICE DELIVERY PROGRAM

The final two of the 14 total Facility Condition Assessments (FCAs) planned as part of the Sustainable Service Delivery Program (SSDP) were conducted at the Breakwater District, investigating the state of key infrastructure above and below ground across the entire site.

Similar to the level of detail that an MRI done on the body reveals, the FCAs will be combined with information from across all GVHA facilities, allowing us to address short and long-term repairs, maintenance on an ongoing basis, and update the long-term capital infrastructure planning and investment strategies.

Due to COVID-19, no capital infrastructure spending was conducted this fiscal, with the majority of planned projects postponed and pushed back. Spending was limited to emergency repairs impacting life safety and maintaining levels of service.



The Breakwater District at Ogden Point

Cruise

The impact of the loss of our 2020 cruise season cannot be overstated. This loss was devastating not only to our organization, but also to the many partner companies who service the cruise industry.

The 2020 cruise season was projected to be another record-breaking year with close to 300 ships and 770,000 passengers projected to arrive over the course of the season. In March 2020, Transport Canada implemented a suspension on cruise ships in Canadian waters due to COVID-19; this was extended through to July 1, 2020, and again until February 28, 2022.

The loss of the cruise season resulted in revenue losses from the cruise passenger tariff and sustainability fee, which supports cruise operations and cruise related capital projects, and the loss of ancillary revenue through cruise support services. Terminal operators, ground transportation operators, tour operators, retail operators, and other business leaders had to re-imagine their operations to stay afloat.

Our leadership actively engaged in advocacy efforts at all levels of government and increased engagement with key port partners across the West Coast of the USA, southeast Alaska, and across BC and Canada. As a result of the strong relationships in the cruise industry that have been built over the past several years, our team was instrumental in the formation of a cruise committee within the Association of Canadian Port Authorities (ACPA). As a not-for-profit, community-based organization, we are not a regular member of ACPA; however, as the busiest cruise port-of-call in Canada, it was recognized that smaller ports outside of this association had an important role to play in the Canadian advocacy efforts. The cruise committee actively engaged with government and focused on the health and safety of our communities, while preparing for the safe resumption of cruising in Canada.

GVHA and Western Stevedoring, the cruise terminal manager, also coordinated extensively throughout the year to design COVID-19 safety protocols for the cruise terminal and learn from cruise restart efforts globally. While the 2020/21 year finished with the news that the interim order suspending cruise operations in Canadian waters had been extended, we continued to actively prepare for the safe restart of cruise.

Additional Activities

The deep-water terminal at the Breakwater District remained open to non-cruise business throughout the year and welcomed more than 30 vessels executing a wide range of operations from cable loading, wet-dock repairs, and yacht off/on loads, to providing berthing for crew changes and lay ups.

With the suspension of the cruise operations in March 2020, operations at the Breakwater District had to be reimagined in order to capture incremental revenue opportunities. Numerous new business opportunities were explored throughout the course of the year, however our organization also had to maintain a focus on the long-term sustainability of the organization by ensuring the terminal would be available for the safe resumption of cruise, when it was deemed safe to do so.

When it became clear in March 2021 that the suspension of cruise in Canadian waters would unquestionably impact the 2021 cruise season, several medium-term opportunities were secured to utilize upland terminal space through to March 2022. As such, GVHA and Western Stevedoring worked closely to increase short-term opportunities like storage both inside the warehouse and throughout the site, including supports for film crews, and construction companies.

At the north end of the property, we worked with the James Bay Anglers Association (JBAA) to clean up the boat ramp area. The space around the boat ramp was used as a construction staging area for the CRD force main and wastewater treatment project. With the projected completed and the site de-activated, GVHA staff took the opportunity to clean up the area and begin discussions with JBAA on the short and long-term vision for the site.



In a normal year when the Victoria Cruise Terminal is actively welcoming cruise ships, the Breakwater District at Ogden Point would see close to 1.5 million visitors and residents on the site throughout the year. Without cruise in 2020, the space was quieter. However, it was still utilized by locals and visitors for gatherings such as outdoor fitness classes and the Times Colonist Book Drive drop-off. The Breakwater District also served as a space for respite and distanced gatherings among family and friends. New weather-resistant Adirondack-style seating and picnic tables purchased in 2019 were installed by our team, creating new public spaces for everyone to enjoy. Following a two-month closure at the beginning of the pandemic, the Ogden Point Breakwater was reopened to the public for access with new social distancing measures and recommendations in place.

Fisherman's Wharf

COVID-19 impacted Fisherman's Wharf in all aspects of operations. Due to its unique mix of commercial customers, live-aboard moorage, commercial fishing vessels, and Float Homes measures taken to ensure health and safety were wide-ranging. The residential docks (A, B, and C piers) were closed to the public at the start of the pandemic; they remained closed throughout the year. When COVID-19 restrictions were put in place in early spring, the food court area was closed and only take out was available for the first several months. Eventually, modifications to restrictions led to adjusted socially distanced seating. All our customers were able to open and operate on a limited basis from the end of May 2020 onwards. Between our staff and customers, we made every effort to ensure we had a clean, safe environment for our businesses and the public to use. When the provincial regulations changed to allow liquor to be added to take out orders, we continued to support the customers as they adapted to add this service. The marine fuel dock also had a challenging year with sales at approximately 1.5 million litres, a drop from 2 million litres dispensed in the previous year.

Marina Operations

COVID-19 restrictions and the closure of the CDA-USA border to non-essential travel meant a drastic reduction in volume of transient boaters being welcomed to our marinas. Without any boating or community events during the summer of 2020, we also saw a reduction in our long weekend visitors to our Inner Harbour marinas. In addition, the spring of 2020 meant that most boaters stayed close to home further reducing our visitor counts. Overall, we saw a reduction of more than 60% in boats under 60' in length and 40% in boats over 60' in length visiting our marinas compared to 2019.

In an effort to maintain revenues and support the boating community who were unable to travel freely due to COVID-19, we extended our winter program; this meant that we added 31 boats on a monthly basis, the majority of which were liveaboards. Our marina staff remained focused on cleaning and maintaining a safe environment for all our customers. We carried on with smaller maintenance work and repairs throughout the season.

2020-21 FINANCIAL RESULTS

GVHA operates in a tourism-focused world with 70% of annual revenues coming from cruise ship visitation and the majority of the remaining balance of revenues driven by tourism-related commercial operations. With the decision by Transport Canada to suspend cruise ship visitation in Canada first until February 28, 2021, and then extending that suspension to February 28, 2022, we faced an unprecedented financial loss. GVHA is a 24/7, 365 day a year operation; despite this reality, difficult decisions had to be taken to reduce operations to essential service levels only and reduce staff by 47%. With these adjustments and the assistance of federal programs such as the Canada Emergency Wage Subsidy, our not-for-profit organization still realized an EBITDA loss of -\$1.1 million for the fiscal year.

Financial Statements: Click [here](#).

Management Discussion & Analysis: Click [here](#).

FINANCIAL OUTLOOK & PRIORITIES

FY 2020/21 was the second year of the 2019/22 Business Plan. Despite COVID-19 causing significant disruptions to our business and the putting on hold of capital projects, we were still able to complete the Facility Condition Assessment for The Breakwater District as per our business plan. For the next year GVHA will continue to focus on:

- Ensuring the long-term sustainability of cruise and the safe return of cruise
- Implementing 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

Risk

Our Enterprise Risk Management (ERM) program manages 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 Risk Register 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. Each risk is given a rating based on the probability of the risk occurring and the severity to the organization should the risk occur. The maximum rating a risk can receive is 25.

In March 2019, we had 62 risks identified with an average risk rating of 8.8 and had only one risk that had a rating of 20 or 25, which is the extreme rating. As of March 31, 2021, due to the impact of COVID-19, management had identified 63 risks related to organizational strategic goals and 19 additional risks specifically related to COVID-19. The average risk rating was escalated to 11.1 and the organization now has 12 risks that have a rating of extreme. Many of the risks with an extreme rating are beyond the control of management and the Board of Directors as they are a result of external factors relating to government closures from tourism and travel restrictions and the uncertainty of when those closures will be lifted. This has impacted not only the financial sustainability in the short term but has resulted in the postponement of capital investments required for the facilities. Our management team is continually implementing new mitigation strategies to manage the risks.

Governance

The 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.

The Board 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 Member Agency also 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.

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 yearly basis ending December 31.

Member Agency Engagement

MEMBER AGENCY	REP TOWN HALL MARCH 2021	AGM (REP) SEPT 2020	REP TOWN HALL SEPT 2020	PRESENTATION TO MEMBER AGENCY
Songhees Nation	✓	✓	✓	
Esquimalt Nation	Absent	✓	✓	✓
Capital Regional District	✓	✓	✓	✓
City of Victoria	Absent	✓	Absent	✓
Township of Esquimalt	✓	✓	✓	✓
Destination Greater Victoria	✓	✓	Absent	✓
Greater Victoria Chamber of Commerce	✓	✓	✓	✓
Victoria Esquimalt Harbour Society	✓	✓	Absent	✓

Board Performance & Tenure

Board and committee appointments are made on the calendar year. This report reflects the board composition and attendance for the fiscal year, April 1, 2020, to March 31, 2021.

Meetings noted for 2020 are April 1, 2020 – December 31, 2020. Meetings noted for 2021 are January 1, 2021-March 31, 2021.

NAME	POSITION	COMMITTEE MEMBERSHIP	TERM START	TERM FINISH	ATTENDANCE 2020 (6)	ATTENDANCE 2021 (2)
Dave Cowen Destination Greater Victoria	Board Chair 2020	ALL 2020	01-Jan-19	31-Dec-20	6	2
Christine Willow Chamber	Vice Chair 2020 HRC Chair 2020 Board Chair 2021	ALL	01-Jan-20	31-Dec-23	6	2
Doug Crowder Independent	Treasurer AFC Chair	AFC/HRC	01-Jan-19	31-Dec-22	6	2
Starr McMichael Independent	Secretary GNC Chair	GNC/HRC	01-Jan-18	31-Dec-21	6	1
Margaret Lucas Independent	IPAD Chair	IPAD/AFC 2020 IPAD/HRC 2021	01-Jan-19	31-Dec-22	6	2
Mark Mawhinney VEHS	Vice Chair 2021	AFC/GNC 2020 ALL 2021	09-Aug-19	31-Dec-21	6	2
Gordon Safarik Independent	Director	AFC/GNC IPAD (observer)	01-Jan-18	31-Dec-21	6	2
Susan Brice CRD	HRC Chair 2021	IPAD/GNC 2020 HRC/FNED 2021	26-Jan-21	31-Dec-22	6	2
Ryan Burles VEHS	Director	IPAD/GNC	31-Mar-20	31-Dec-23	6	2
Christina Clarke Songhees Nation	Director 2020	FNED/HRC 2020	25-Feb-19	26-Jan-21	6	n/a

NAME	POSITION	COMMITTEE MEMBERSHIP	TERM START	TERM FINISH	ATTENDANCE 2020 (6)	ATTENDANCE 2021 (2)
Marianne Alto City of Victoria	Director	FNED/IPAD 2020 IPAD/GNC 2021	26-Jan-21	31-Dec-22	5	1
Barb Desjardins Township of Esquimalt	FNED Chair	FNED/IPAD	01-Jan-18	31-Dec-21	5	2
Chief Rob Thomas Esquimalt Nation	Director	FNED	08-Jun-18	Indefinite	2	1
Florence Dick Songhees Nation	Director 2021	FNED/GNC 2021	26-Jan-21	31-Dec-22	n/a	1
Geoff Dickson Destination Greater Victoria	Director 2021	IPAD/AFC 2021	26-Jan-21	31-Dec-24	n/a	1

Remuneration

BOARD OF DIRECTOR FEES**

Director Annual Retainer	\$4,000
Director Meeting Fee	\$400/meeting*

ADDITIONAL FEES

Board Chair Annual Retainer	\$10,000
Committee Chair Annual Retainer	\$2,500

* In June 2020, the Board of Directors voted to forgo being paid meeting fees in light of the loss of cruise due to COVID-19 and the devastating financial impact of this loss on the GVHA. This resulted in a savings of \$74,000 for 2020-21.

** The City of Victoria Director has chosen to not receive any compensation.