

**MINISTRY OF FINANCE  
FINANCIAL IMPACT ASSESSMENT  
FOR THE EYES OF THE MINISTER OF FINANCE ONLY**

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**Subject:** Replacement of BC Place Roof and Revitalization of BC Place Stadium

**Submission Date:** Walk-in item to April 30, 2008 Cabinet Meeting

**Cabinet Message:**

s12, s17

s12, s17

**Issue Summary:**

- On February 13, 2008, Cabinet directed PAVCO develop a budget proposal for the replacement of the BC Place Roof s12, s17
- The April 30, 2008 Cabinet Submission proposes two roof options: s12, s17

s12, s17

**Key Points:**

- Roof replacement would not occur until after 2010.

s12, s17



Confidential

TB Minor Meeting July 16, 2008  
CLIFF # 177639

Honourable Bill Bennett  
Minister of Tourism, Culture and the Arts  
Room 301 Parliament Buildings  
Victoria, BC, V8V 1X4

Dear Colleague:

Re: BC Pavilion Corporation - Engineering Work Related to the BC Place Roof

I am writing to inform you of the decision regarding your ministry's request for approval for the BC Pavilion Corporation (PAVCO) to spend s12, s17 for the engineering work related to the roof replacement at BC Place Stadium s12

s12

s12, s17

I trust that the above is satisfactory.

Sincerely,

Colin Hansen  
Chair

- 2 -

pc: Bruce Okabe  
Deputy Minister

Shauna Brouwer  
Executive Financial Officer, Corporate Services Division

**TITLE: Ministry of Tourism, Culture and the Arts / BC Pavilion Corporation –  
Engineering Work Related to the BC Place Roof**

**TB Sub#: TCA 03-09**

**Request:**

The Ministry of Tourism, Culture and the Arts (MTCA) is requesting Treasury Board Chair approval for the BC Pavilion Corporation (PAVCO)

s12, s17

s12, s17

**Discussion/Comments:**

- On April 30, 2008 Cabinet received a verbal presentation from PAVCO on its future vision for BC Place. At that meeting Cabinet endorsed the engineering study, subject to review of costs by the TB Chair and funding being provided by PAVCO.
- On May 16, 2008, the Premier announced the refurbishment of BC Place, including a retractable roof subject to a business case and government approval.
- The cost of the new roof is expected to exceed \$200 million, so the study cost is reasonable.

s12, s17

**Approved by: Chair.**

**Date: July 16, 2008**

**Conditions:**

s12, s17

## TREASURY BOARD STAFF BRIEFING NOTE

REQUEST NO.: 03-09

T.B. MINOR MEETING DATE: JULY 16, 2008

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### TITLE: REQUEST FOR PAVCO TO FUND ENGINEERING WORK RELATED TO THE BC PLACE ROOF

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#### ISSUE SUMMARY:

- The Ministry of Tourism, Culture and the Arts (MTCA) is requesting Treasury Board approval for the BC Pavilion Corporation (PAVCO)

s12, s17

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s12, s17

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#### *Previous reviews of the proposal*

- On April 30, 2008 Cabinet received a verbal presentation from PAVCO about its future vision for BC Place. Cabinet directed MTCA that the engineering study proceed, subject to a review of the costs by the TB Chair and funding being provided by PAVCO.

#### *Timelines*

- PAVCO states that the engineering work needs to proceed now to provide the time required to prepare for the installation of a new roof after the 2010 Games.

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#### RECOMMENDATION:

s12, s17

**CONTEXT:***Ministry proposal*

- On May 16, 2008, the Premier announced the refurbishment of BC Place, including a retractable roof subject to a business case and government approval.

s12, s17

*Ministry history*

- Each year the MTCA provides an up-front grant from MTCA's appropriation to PAVCO without knowing what the change in PAVCO's net assets will be by fiscal year-end.
  - Due to uncertainty of PAVCO's financial situation early in each fiscal year, contingencies access is routinely granted to MTCA late in the year to address PAVCO-related budget pressures, once PAVCO's financial requirements are clear.
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**DISCUSSION:**

s12, s17

**OPTIONS:**

s12, s17

**RECOMMENDATION AND RATIONALE:**

s12, s17

July 12, 2008

## TREASURY BOARD STAFF BRIEFING NOTE

REQUEST NOS.: 04-09, 06-09, 08-09

T.B. MEETING DATE: JULY 16, 2008

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**TITLE: BC PLACE DEFERRED MAINTENANCE, REFURBISHMENTS, AND  
STRUCTURAL UPGRADES TO PREPARE FOR A RETRACTABLE ROOF**

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### ISSUE SUMMARY:

s12, s17

#### *Timelines*

- PAVCO believes a decision now is urgent in order to be ready to hand over BC Place for the 2010 Games and to have the roof completed by fiscal 2011/12.

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### RECOMMENDATION:

s12, s17



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s13

**CONTEXT:**

*Ministry proposal*

- Key maintenance projects on BC Place have been deferred for many years, the roof is close to the end of its useful life,

s13

s13

s12, s17

## **DISCUSSION:**

s12, s17

## **OPTIONS:**

s12, s17

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s12, s17

s12, s17

Things to note:  
Things to note:

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July 15, 2008

## TREASURY BOARD MINUTE

REQUEST NOS.: TCA 04-09, 06-09, 08-09

T.B. MEETING DATE: JULY 16, 2008

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### TITLE: BC PLACE DEFERRED MAINTENANCE, REFURBISHMENTS, AND STRUCTURAL UPGRADES TO PREPARE FOR A RETRACTABLE ROOF

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#### ISSUE SUMMARY:

s12, s17

#### *Previous reviews of the proposal*

- Cabinet directed in early 2008 that separate Treasury Board submissions be completed for refurbishments and roof replacement, including a full business case and evaluation of revenue generation proposals to self-fund the roof portion.

#### *Timelines*

- PAVCO believes a decision now is urgent in order to be ready to hand over BC Place for the 2010 Games and to have the roof completed by fiscal 2011/12.

#### TREASURY BOARD DECISIONS:

s12, s17

**BACKGROUND:**

s12, s17



**Confidential**

July 16, 2008  
Cliff #177687; 177684; 17715

Honourable Bill Bennett  
Minister of Tourism, Culture and the Arts  
Room 301 Parliament Buildings  
Victoria BC V8V 1X4

Dear Colleague:

Re: BC Pavilion Corporation - Deferred Maintenance, Refurbishments and Structural Upgrades to Prepare for a Retractable Roof at BC Place Stadium

I am writing to inform you that Treasury Board has approved the following with respect to your Ministry's proposed requests for the capital approvals for BC Place Stadium Deferred Maintenance, Refurbishments, and Structural Upgrades for the replacement roof:

s12, s17



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I trust the above is satisfactory.

Sincerely,

A handwritten signature in black ink, appearing to read 'Colin Hansen', written over the word 'Sincerely,'.

Colin Hansen  
Chair

pc: Bruce Okabe  
Deputy Minister

Shauna Brouwer  
Executive Financial Officer, Corporate Services Division

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s12, s17

## **TREASURY BOARD SUBMISSION**

**"CONFIDENTIAL - CABINET DOCUMENT"**

Ministry Document Number: **06-09**

**MINISTER:**

Honourable Bill Bennett, Minister of Tourism, Culture and the Arts

**TITLE:**

s12, s17 ) to  
provide funding to the BC Pavilion Corporation (PavCo) for deferred maintenance programs  
s12, s17 at BC Place Stadium (BC Place).

**ISSUE:**

s12, s17

This request is in keeping with the Premier's May 16, 2008 public announcement, and relates to the first Goal of Ministry of Tourism, Sport and the Arts 2007/08 Service Plan:

- A tourism sector that delivers lasting provincial economic and social benefits
- Objective – Tourism revenue doubles by 2015

It also relates to the 2008 Shareholder's Letter of Expectations:

- Implement the Shareholder's direction for the retention and refurbishing of BC Place.

In addition, it enables PavCo to contribute to the maximization of the economic benefits to the Province from positive exposure to the world through the televising of the opening and closing ceremonies of the 2010 Olympic and Paralympic Winter Games.

**RECOMMENDATION:**

s12, s17

## **BACKGROUND:**

The Shareholder's Letter of Expectations dated April 30, 2008 describes the mandate of PavCo, which is *To generate economic and community benefit for the people of British Columbia through the prudent management of public facilities*. The Letter also directs PavCo to *Implement the Shareholder's direction for the retention and refurbishing of BC Place*.

On May 16, 2008, Premier Gordon Campbell announced the refurbishment of BC Place, including the replacement of the air-supported fabric roof.

PavCo needs to commence its requested deferred maintenance projects immediately in order to complete a significant portion of them prior to 2010. PavCo is scheduled to replace the air supported fabric roof in 2010 following the Games.

The deferred maintenance projects include those items that must be replaced or repaired as PavCo proceeds with the updating of BC Place. Many of these items reflect the systems within the facility that are deteriorating due to age and use, and that generally require updating. Some items are replacements due to obsolescence where parts are currently no longer available and are being manufactured in house and by suppliers. As parts of the facility are updated, and when new elements are tied into the existing systems, upgrades will be necessary. These represent significant expenditures that have been deferred due to funding constraints.

## **FISCAL MANAGEMENT CONSIDERATIONS:**

On May 2, 2008 the Province directed PavCo to submit a request for a funding decision regarding the proposed maintenance and upgrades for BC Place, including those planned in the short term.

s12, s17

## **OPTIONS:**

s12, s17

s12, s17

**SIGNIFICANT IMPLICATIONS:**

**LEGISLATION REQUIRED:**

**LEGISLATION REQUIRED:**

There are no legislative impacts.

There are no legal or constitutional implications.

There are no material First Nations implications.

**CONSULTATIONS:**

As the request is solely for deferred maintenance to BC Place, no consultations are required with City of Vancouver or other agencies, other than those that ensure that the maintenance projects meet standards, buildings and safety codes.

PavCo has consulted with its existing and prospective BC Place clients.

The recommended action has no impact on regulatory reform.

**COMMUNICATIONS ISSUES:**

The public is largely aware of the proposal to upgrade BC Place through significant media coverage in spring and early summer 2008, and from the Premier's May 16, 2008 announcement of the refurbishment of the facility.

PavCo will continue to keep the public and stakeholders informed throughout the upgrade project and no substantive communications issues are anticipated.

This request will have no impact on the regulatory reform initiative.


**RECOMMENDED DECISION:**

s12, s17

**SIGNATURE:**

  
HONOURABLE BILL BENNETT  
MINISTER OF TOURISM, CULTURE  
AND THE ARTS

**DATE:**



**KEY CONTACT:**

Warren Buckley, CEO, BC Pavilion Corp, 604-484-5218

**APPENDICES TO SUBMISSIONS:**

**Appendix 1**

**BC PLACE DEFERRED MAINTENANCE COSTS**  
(\$ millions)

s12, s17

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<sup>1</sup> See Appendix 2 for Deferred Maintenance descriptions.

## **Appendix 2**

### **BC PLACE DEFERRED MAINTENANCE DESCRIPTIONS**

s12, s17



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s12, s17

## TREASURY BOARD STAFF BRIEFING NOTE

REQUEST NO.:

T.B. MEETING DATE: NOVEMBER 21, 2008

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### TITLE: BC PLACE UPGRADES AND ROOF REPLACEMENT – BUSINESS PLAN

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#### ISSUE SUMMARY:

- The Ministry of Tourism, Culture and the Arts (TCA) and the BC Pavilion Corporation (PAVCO) have prepared a business case that includes the following:
  - Roof Replacement Options for BC Place – TCA/PAVCO recommend the installation of a retractable fabric roof on BC Place by the spring of 2011.
  - Construction Plan – PAVCO's proposed cost management strategies for the roof replacement and interior upgrades appear reasonable (e.g., budget and contingency allowance amounts based on consultations with design/construction experts).
  - Financing Plan – PAVCO proposes to finance the capital costs of the retractable roof and interior upgrades through incremental revenues and a construction loan from Provincial Treasury.

s12, s17

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#### RECOMMENDATIONS:

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s12, s17

**DISCUSSION:**

s12, s17

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s12

s12, s17

s12, s17

**OPTIONS:**

s12, s17

**RECOMMENDATIONS:**

s12, s17

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s12, s17

## Appendix A – Revenue Sources for Loan Repayment and Related Risks

s12, s17

s16



## Appendix B – Financing Options

s12, s17



NOV 24 2008

TB Minor Mtg. Date: November 21, 2008  
TB Ratification Date: November 27, 2008

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Honourable Bill Bennett  
Minister of Tourism, Culture and the Arts  
Room 301 Parliament Buildings  
Victoria BC V8V 1X4

Dear Colleague:

Re: BC Place Upgrades and Roof Replacement – Business Plan

As you may recall, in May 2008, Cabinet directed the former Ministry of Tourism, Sport and the Arts and BC Pavilion Corporation (PAVCO) to prepare submissions for several projects, including BC Place interior upgrades and roof replacement, for review by Treasury Board. The BC Place roof replacement submission was to include a business case and revenue generation proposals.

s12, s17

s12, s17

I trust this is satisfactory.

Sincerely,



Colin Hansen  
Chair

pc: Philip Steenkamp  
Deputy Minister  
Ministry of Tourism, Culture and the Arts

Shauna Brouwer  
Assistant Deputy Minister  
Ministry of Tourism, Culture and the Arts

David Podmore  
Board Chair  
BC Pavilion Corporation

Warren Buckley  
President & CEO  
BC Pavilion Corporation

John Harding  
Chief Financial Officer  
BC Pavilion Corporation

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Jim Hopkins  
Assistant Deputy Minister  
Provincial Treasury

**TITLE:** BC Place Upgrades and Roof Replacement – Business Plan

TB Sub#: 14-09

s12, s17

**Approved by:** Treasury Board

**Date:** November 21, 2008 (Minor)  
November 27, 2008 (TB)

**Conditions:**

s12, s17

## **Speaking Notes for Minister Hansen – BC Place Roof Replacement and Upgrades**

### ***Budget Transparency and Accountability Act - Disclosure Requirements***

- Project approvals over \$50 million in capital costs trigger the major capital project disclosure requirements under the *Budget Transparency and Accountability Act*.
- Once the project budget is approved, the Ministry of Tourism, Culture and the Arts will be required to make public, within 30 days of the approval decision, a plan that addresses the following:
  - objectives of the project;
  - costs and benefits of the project; and
  - risks associated with those costs and benefits.

### **Key Issues/Questions**

s13, s17, s12

s16

## BC Place Retractable Roof Replacement and Interior Upgrades

s12, s17

s16

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s12, s17