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Visionary mayor Art Phillips remade Vancouver

By ROD MICKLEBURGH

He put aside a brilliant investment career to make the city he loved one of the world's most livable

Art Phillips had it all – tall, storybook handsome and, by the time he hit 35, gloriously rich. Yet something gnawed at the brilliant investment manager. He didn't like what was happening around him. Vancouver, he thought, that beautiful community by the sea where he'd grown up and made his fortune, was losing its attraction as a place to live.

And so, rather than spending his days increasing and enjoying his millions, hanging out with the wealthy tennis and golf club set, Art Phillips rolled up his silk sleeves and plunged into the mire of Vancouver civic politics.

His decision led eventually to four eventful years as mayor in the mid-1970s that were pivotal in changing the face of Canada's third largest city, just when it seemed to be headed for pell-mell, American-style development that was ruining so many cities south of the border.

Aided by an exceptionally skilled group of similar-minded civic reformers who gathered around him, Art Phillips said no to freeways, no to dark, lofty office towers and no to closed doors and powerful bureaucrats running city hall like a fief, with elected councillors functioning as little more than rubber stamps and the public treated with indifference.

At the same time, he said yes to green space, yes to citizen participation and better neighbourhoods, yes to heritage, yes to some of the most innovative housing projects in North America, and above all, yes to livability.

"It was all about doing things differently," said Mr. Phillips, in a 2005 interview. "It was about bringing people in, not throwing them out, and making the city a place to enjoy, where people wanted to live."

Art Phillips was Vancouver's first modern mayor, and, though serving only two terms, he is still considered one of its best.

When he died March 29 at 82, not only had Mr. Phillips lived a remarkably charmed and successful life, including many years as a pioneering investment manager, with a long, happy marriage to glamorous ex-TV host and former B.C. finance minister Carole Taylor, but he could see evidence of the difference he made to his beloved city, wherever he went on his regular urban walks.

The densely populated West End is full of trees and traffic calmers, the entrance to Stanley Park is parkland and not the hotel that had been planned, there are new seawalls, urban pocket parks, and tens of thousands of people living downtown, not to mention the bold False Creek housing development on previously grim industrial land.

"Is Vancouver today the same city that he left as mayor in 1976? No, it's not," said former premier Gordon

Campbell, who served as Mr. Phillip's young executive assistant and later a three-term mayor himself. "But the city he started during his four years is certainly the foundation on which the city we see today is built."

Like Mr. Campbell, urban affairs analyst Gordon Price of Simon Fraser University considers Mr. Phillips tops among city mayors.

"He established institutions and ways of doing things that no one's ever altered. All succeeding mayors have built on what Art did," said Mr. Price. "It was a brilliant moment in time."

Arthur Phillips was born in 1930, in Montreal, to a wealthy retired engineer and his younger, French-born wife. The couple soon moved to Vancouver, where they settled on the city's affluent west side.

A good athlete, Mr. Phillips attended Lord Byng high school and the University of British Columbia. He was a star basketball player at both institutions, forever termed "the lanky pivot" by hackneyed sports writers for *Ubsysey*, the student newspaper.

He also got the investment bug early, fuelled by a deep love of crushing opponents in Monopoly.

"He was very aggressive," recalled lifelong friend Michael Ryan. He noted that Mr. Phillips's prowess at the popular property board game also signalled his future as mayor. "It was if he already wanted to run his own city."

Mr. Phillips was still a third-year commerce student when he made his first investment, teaming up with Mr. Ryan to buy a stagnant, penny-stock mining firm. "We held it for nearly seven years, and it did very well," said Mr. Ryan.

Shortly after graduating in 1953, Mr. Phillips married his university sweetheart, Patti Burley. His father-in-law, Norman Burley, helped launch the career of legendary country singer Loretta Lynn. Her first hit, *I'm a Honky Tonk Girl*, was produced by Vancouver-based Zero Records, financed mostly by Mr. Burley. Mr. Phillips tossed in a bit of cash, too.

Art and Patti Phillips had five children, but after 20 years, their marriage foundered. They separated, then divorced. The upshot was his long, rock-solid love match with Ms. Taylor, who first met him while on assignment with CTV's *W5*.

Mr. Phillips did not take long to make waves in the investment world. While still in his mid-20s, he started the All-Canadian Fund, which regularly reported the best investment return of any such mutual fund in Canada. He subsequently sold it to Power Corp. "That's when Art became a millionaire," said Mr. Ryan.

In 1964, Mr. Phillips founded the investment management firm, Phillips, Hager & North, with partners Bob Hager and Rudy North. Given the dearth of publicly listed corporations based in Vancouver, and the centralization of almost all financial doings in the East, odds were long against its success.

Over time, however, PH&N became Canada's largest firm of its kind. Royal Bank of Canada bought the company in 2008 for a princely \$1.4-billion.

"I believe that Art was one of North America's great investors," said John Montalbano, CEO of RBC Global Asset Management, who shared an office with Mr. Phillips for 10 years at PH&N.

"He had incredible intellectual curiosity, matched by an unbelievable intellect.... During his tenure at the firm, his investment track record was second to none in North America."

Mr. Montalbano recalled one particularly shrewd move by Mr. Phillips at the height of the so-called savings and loan crisis in 1991. When both *Time* and *Business Week* had simultaneous cover stories on the imminent demise of the U.S. financial system, Mr. Phillips was convinced that the long bear market had run its course.

The firm began investing heavily in financial services stocks. Mr. Phillips also borrowed a large chunk of money from his own banker to invest. "That's conviction," Mr. Montalbano said. "That portfolio went on to outperform market benchmarks and our peers for years to come."

Given his wealth, business achievements and lifestyle, few foresaw Mr. Phillips' plunge into politics.

"When I first met him, he was already successful, driving a Lincoln Continental, and 38 years old," said Gordon Campbell. "He was cool, man."

Even today, those close to him remain a bit mystified by what motivated him to try to change Vancouver's long-standing dominance by a peculiar, old-fashioned, conservative municipal party known as the Non-Partisan Association (NPA) that had ruled the city for nearly 40 years.

But Ms. Taylor said her husband was driven to fix things he thought were broken. "He felt Vancouver was at a crucial turning point, headed in the wrong direction. Art could see what had to be done to create the future."

With the 1960s in full flower, Mr. Phillips was at the centre of a growing municipal-reform movement, galvanized by huge public pushback against a planned freeway through Chinatown. It soon evolved into The Electors' Action Movement (TEAM), with Mr. Phillips as president.

He also formed a dynamic partnership with urban activist Walter Hardwick, a geography professor at the University of B.C. and widely recognized as TEAM's intellectual guru. Both were elected to city council in 1968.

In 1972, the NPA's slate fell apart, and Mr. Phillips, 42, breezed to victory as mayor. Eight TEAM councillors were elected with him. They had their public mandate for change. Mr. Phillips quickly fired the city's imperious commissioner, Gerald Sutton Brown, and set to work.

Similar to the sweeping changes brought in by just-elected NDP premier Dave Barrett, Mr. Phillips and TEAM launched reform in all directions. Barely a single aspect of city government and planning remained untouched. "Progress can't be measured in the heights of buildings or in the amount of pavement," Mr. Phillips declared in his inaugural address.

But perhaps the new administration's most significant legacy was an initiative that was the mayor's alone. For years, the city had sold off property it owned and used the proceeds to keep taxes low. That was wrong, Mr. Phillips said. Several years ahead of Alberta's famous Heritage Fund, he established a property endowment fund, where all revenue from the city's extensive holdings would be deposited, invested and used, when needed, for the benefit of the city.

The fund's value today is more than \$2-billion. "Per capita, that's a lot more than Alberta's squandered fund," said former mayor and ex-premier Mike Harcourt, then a TEAM councillor.

During Mr. Phillips' two terms, the list of accomplishments included an end to the city's prevailing secrecy, holding public hearings at night so working people could attend, killing off all freeway plans, saving the storied Orpheum Theatre, improving accommodation in the benighted Downtown Eastside, the introduction of mixed-income housing, and altered zoning to allow apartment living downtown. Mr. Phillips was big on that.

"Instead of being dead at night, we wanted the downtown core to be more European, a place to live and enjoy," he said, in his 2005 interview. "The changes we made then are taken for granted today."

The startling decision to convert the industrial, waterside flats of False Creek just west of downtown into mixed housing was also a landmark.

When initial sales were slow, as people hesitated to embrace an area so recently a wasteland, Mr. Phillips made a well-publicized move into a high-end unit there, where he and Ms. Taylor lived for many years. After that, people flocked to buy.

"Art had a certainty about his ideas regarding livability, and he was right," said Ms. Taylor, adding the couple was married in their False Creek living room. "We loved it there." Over time, the site has evolved into one of the city's residential jewels.

Mr. Phillips was not without a puckish sense of humour. Once, in answer to a teacher's complaint about poor English, he compiled a response that contained a grammatical error in every sentence. Another time, after Mr. Phillips said he wouldn't seek a third term, he casually announced that he had changed his mind. Radio reporters rushed to file the story, forgetting it was April 1.

After four years, Mr. Phillips walked away from the job, believing he had accomplished all he had set out to do.

A few years later, he tried his hand at federal politics, running for the Liberals, but without much luck. He won in 1979, but lost nine months after that, when the fall of the Joe Clark government forced another election.

Thereafter, Mr. Phillips was content to be out of the limelight, concentrating on his duties at PH&N, and relishing

the career of Ms. Taylor. He took an active role raising Chris, Ms. Taylor's son from her first marriage, and their own child, Samantha. In fact, Mr. Phillips was so dutiful, making Samantha peanut butter sandwiches and taking her to and from day care every day, that her day care named him Mother of the Year.

Mr. Phillips was showered with civic awards in recent years. But the one that touched him most involved a lovely, downtown space he personally intervened to preserve among the corporate towers. Thick with cherry trees now in bloom, the open area has been named Art Phillips Park.

Art Phillips leaves Ms. Taylor, children Sue, Norm, David, Lisa, Chris Taylor and Samantha, many grandchildren and one great grandchild.

A celebration of his life will be held Friday at the Fairmont Hotel in Vancouver.

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