

AMENDED AGENDA

SPECIAL MEETING OF THE PARKS, RECREATION AND CULTURE COMMISSION
ROOM 1, BOWEN PARK COMPLEX, 500 BOWEN ROAD, NANAIMO
THURSDAY, 2014-MAY-15, COMMENCING AT 5:00 P.M.

CHAIR: COMMISSIONER DIANA JOHNSTONE

1. **CALL THE SPECIAL MEETING OF THE PARKS, RECREATION AND CULTURE COMMISSION TO ORDER:**
2. **INTRODUCTION OF LATE ITEMS:**
 - (a) Fred Taylor, Nanaimo, requesting the opportunity to address the Commission in regards to Item 5(a) Boathouse & Paddling Centre at Brechin Ramp. *Pg. 21*
3. **ADOPTION OF AGENDA AS AMENDED:** *(Motion required to adopt the agenda.)*
4. **ADOPTION OF MINUTES:** (None.)
5. **PRESENTATIONS:**
 - (a) Camela Tang, President, Wolf Presslauer, Vice-President, and Ian Niamath, Advisor, Nanaimo Boathouse Society, presenting on the proposed Nanaimo Boathouse & Paddling Centre at Brechin Boat Ramp, and seeking Approval in Principle. *Pgs. 02-20*
6. **CHAIR'S REPORT:** (None.)
7. **REPORTS OF ADVISORY BODIES:** (None.)
8. **STAFF REPORTS:** (None.)
9. **CORRESPONDENCE:** (None.)
10. **NOTICE OF MOTION:**
11. **OTHER BUSINESS:** *(Motion required to review other business.)*
12. **DELEGATIONS (not related to a Report to Commission):** (None.)
13. **QUESTION PERIOD:** *(Agenda Items Only.)*
14. **ADJOURNMENT:**



NANAIMO BOATHOUSE SOCIETY
5735 Malibu Terrace • Nanaimo, BC V9T 5Y8 • 250.758.6860
nanaimoboathouse@gmail.com

May 5, 2014

Parks, recreation and Environment Commission,
City of Nanaimo

Re: NANAIMO BOATHOUSE & PADDLING CENTRE - APPROVAL IN PRINCIPLE

The Nanaimo Boathouse Society, a not-for-profit organization, has been exploring the opportunity to build a boathouse and paddling centre in Nanaimo. This is in response to several issues faced by residents of the community and visitors wishing to experience our spectacular harbour and surrounding islands from a marine perspective, in a kayak, in an outrigger canoe, or in a dragonboat, with a paddle in hand.....

On March 27, 2013 we received your recommendation to proceed with a feasibility study on the concept.

After extensive consultation throughout the community and with the completion of the feasibility study by MNP LLP, we are now before you for the Step 2 - Approval in Principle, as per your 'Guidelines For Community Capitals Projects'.

This Boathouse & Paddling Centre addresses one of the 4 strategies for economic development in Nanaimo, that of 'Waterfront Enhancement'. In addition, we believe the project is in keeping with the local neighbourhood plan, for example, the Newcastle & Brechin Neighbourhood Plan looks to "Create a vibrant, mixed use waterfront neighbourhood that enhances the area's unique mix of residential, commercial and water oriented uses." It further seeks to "Encourage an active and healthy lifestyle by providing access to local opportunities for outdoor exercise.....".

Key elements of the facility:

- building will be approximately 15,000 sq. ft. (1,400 sq. metres) spread over 2 floors
- secure indoor and outdoor boat storage
- washrooms, change rooms and lockers
- first aid room
- docks for different types of boats
- additional wharfs for dive boats creating a terminus for the diving community, for the coach boats and for use by RCM Search & Rescue, if needed.
- multi-purpose meeting space
- catering kitchen for events, festivals etc.
- coffee stand
- administrative space for building management, offices for teams & societies, and event planning
- extensive viewing decks
- a paddling-related retail space with boat and equipment rentals
- Adventure Tourism Welcome Centre - first point of contact and sign-in for activities offered by tour operators, dive groups and the Boathouse. Will display information from Tourism Nanaimo and water-related community groups.

Attached are:

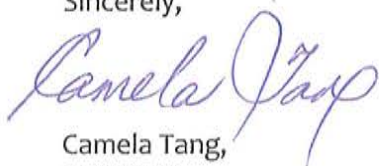
- excerpts from the Feasibility Study done by MNP LLP for the use of the Nanaimo Boathouse Society
 - Background
 - Community and Social Impacts
- 3 Location maps
- Concept drawing of Main Level Floor Plan
- Concept drawing of 2nd Level Floor Plan
- Concept drawing of South Elevation
- Master Site Plan with building concept inserted
- excerpts from the Feasibility Study done by MNP LLP for the use of the Nanaimo Boathouse Society
 - Capital and Start-up Costs
 - Fundraising Plan
 - Pro-forma Income Statement
 - Expected Project Timelines

We are presently in the process of gathering Letters of Support and Letters of Interest for the Nanaimo Boathouse & Paddling Centre and they shall be provided at a later date.

We are still excited about this project and with the positive feedback we have from the community and through the feasibility study, we are keen to move to the next stage.

Therefore we ask for your support for the project through your recommendation to City Council, for their 'Approval In Principle'.

Sincerely,



Camela Tang,
President

2 BACKGROUND

The Nanaimo Boathouse Society is a charitable society that is exploring the opportunity to build a boathouse in Nanaimo, BC called the Nanaimo Boathouse & Paddling Centre. The new recreation facility will be approximately 15,000 square feet (1,400 square metres) and be built for two primary purposes.

The first is to solve the many problems that Nanaimo paddlers currently face. These problems include:

- No washrooms or changing facilities in a convenient distance from launch sites, popular paddling locations, or even some festivals and events.
- Boat moorage or storage is difficult to find, especially without the need for transportation of the boats and gear.
- The security of boats is currently hindered by their outdoor and public storage. This opens boats up to potential vandalism and the effects of weather.
- Boat maintenance is on an ad hoc basis and often undertaken in parking lots, on the beach, or other undesirable locations.
- Tidal levels can restrict access to the water at certain times and are a particular problem for Snuneymuxw First Nation.⁴

The second is to consolidate the paddling community into one facility and build an inclusive recreation centre that invites the general public to get active and access everything the waterfront has to offer. By consolidating the paddling community, the Society will help to grow the size of paddling in Nanaimo and foster friendly competition and socialization among the residents of Nanaimo.

The Nanaimo Boathouse Society is proposing to build the Boathouse at Brechin Point and catalyze the transformation of this area into a new 'Paddling District'. The Boathouse will be designed to complement the surrounding amenities and revitalize the area. As a key focal point along the proposed extension of the Harbourfront Walkway along Brechin Point, a Paddling District will bring renewed life to the community and invite all of Nanaimo to access the water and strengthen the surrounding neighbourhood.

In order to develop this important facility a board has been established, and has been working diligently to engage with key stakeholders, funders, and project advisors through everything from broad reaching membership campaigns to one-on-one interviews and meetings.

⁴ Finding from an interview with Mike Wyse from the Snuneymuxw First Nation on December 2, 2013.

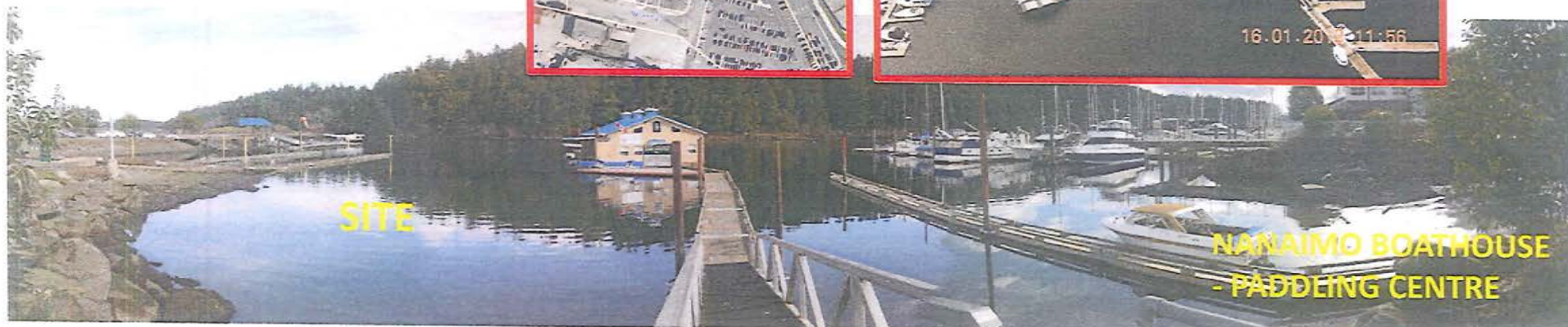
12 COMMUNITY AND SOCIAL IMPACTS

In addition to the quantifiable economic benefits of the Nanaimo Boathouse, the facility will provide a number of benefits that are not easily quantified. These benefits include benefits to the surrounding community, to Nanaimo, and to the province as a whole. The community and social benefits are summarized below.

- **Area revitalization** – the Boathouse has a vision to become the centre of a paddling district at Brechin Point. It will become a new focal point of the neighbourhood that catalyzes the revitalization of the land, and promotes the further development of the waterfront including the planned walkway completion. Attracting people and investment to the area will promote the surrounding businesses and marinas creating a new attraction in Nanaimo.
- **Tourism development** – the Boathouse will become a gateway for paddling, adventure tour, and diving experiences. Newcastle Island, the largest marine park in Canada, is directly across the channel and easily accessible for all skill levels.
- **Snuneymuxw First Nation involvement** – with two board members from the Snuneymuxw First Nation, the Society is excited to build culture and education into every facet of the facility. Snuneymuxw First Nation will be involved through programming, cultural tours, education, and the inclusion of the Band school into paddling programs. Teams from Snuneymuxw First Nation have consistently placed well in national competitions. The Boathouse will be important for them to grow and sustain their paddling culture and to develop relationships with non-Snuneymuxw members of the community.
- **Community integration** – the Boathouse will be a community centre. The programming will be geared toward all ages and backgrounds. It will introduce the community to the water through its programs, festivals and events. The Boathouse plans to be integrated with the City's Recreation Guide in order to help share programming with residents. In addition to the programming, the venue space will welcome community services such as fitness, recreation, support groups, Snuneymuxw cultural education, and many other community offerings.
- **Connections with VIU** – the Boathouse is excited for the opportunity to partner with Vancouver Island University. VIU's Outdoor Recreation program will find a number of uses for the facility, such as teaching, guiding certifications, or paddling. Summer contract labour could also become internships or co-ops through the university. The Boathouse could help provide hands-on experience for those studying in recreation and tourism management programs.

- **Para-paddling** – accessibility will be one of the key features of the Boathouse. The entire design, from low free-board docks to entrances and hoists to programming, will be designed with accessibility in mind. A Society board member is a para-paddler and has been consulting on the accessibility of the facility. In addition to the facility, special programming will be developed for para-paddlers and other individuals with accessibility issues.
- **Active lifestyle** – the Boathouse will support the general social benefits of active lifestyle through new recreation, meeting, and activity space at Brechin Point. The facility will welcome people to the outdoors and to the water and become a promoter of physical wellness and improvement.
- **Youth participation** – the Boathouse will appeal to all ages and skill levels. Paddling has a particular youth focus and the facility will work with schools, youth organizations and other groups in order to introduce youth to the water, friendly social activity and physical exercise.
- **Senior participation** – along with youth participation, paddling is a low impact social activity that is perfect for seniors. The Boathouse will focus special programming on getting seniors outdoors, on the water, and in a social atmosphere to promote health and wellness and reduce the impacts of aging.
- **Athlete development** – in addition to a being a community centre, the Boathouse will focus on athlete development. The facility will progress toward training elite athletes that will represent Nanaimo nationally and internationally.
- **Training and certifications** – the Boathouse will provide meeting space that will be invaluable for dry-land paddler training and certification. Accreditations for dragon boating, outrigger canoe, kayak, canoe, and others can all be offered. Coaches will also be training and accredited. In addition to paddling, RCM Search & Rescue, first aid, dive companies and many others will find the meeting space and proximity to the water a great opportunity to provide training and certifications.

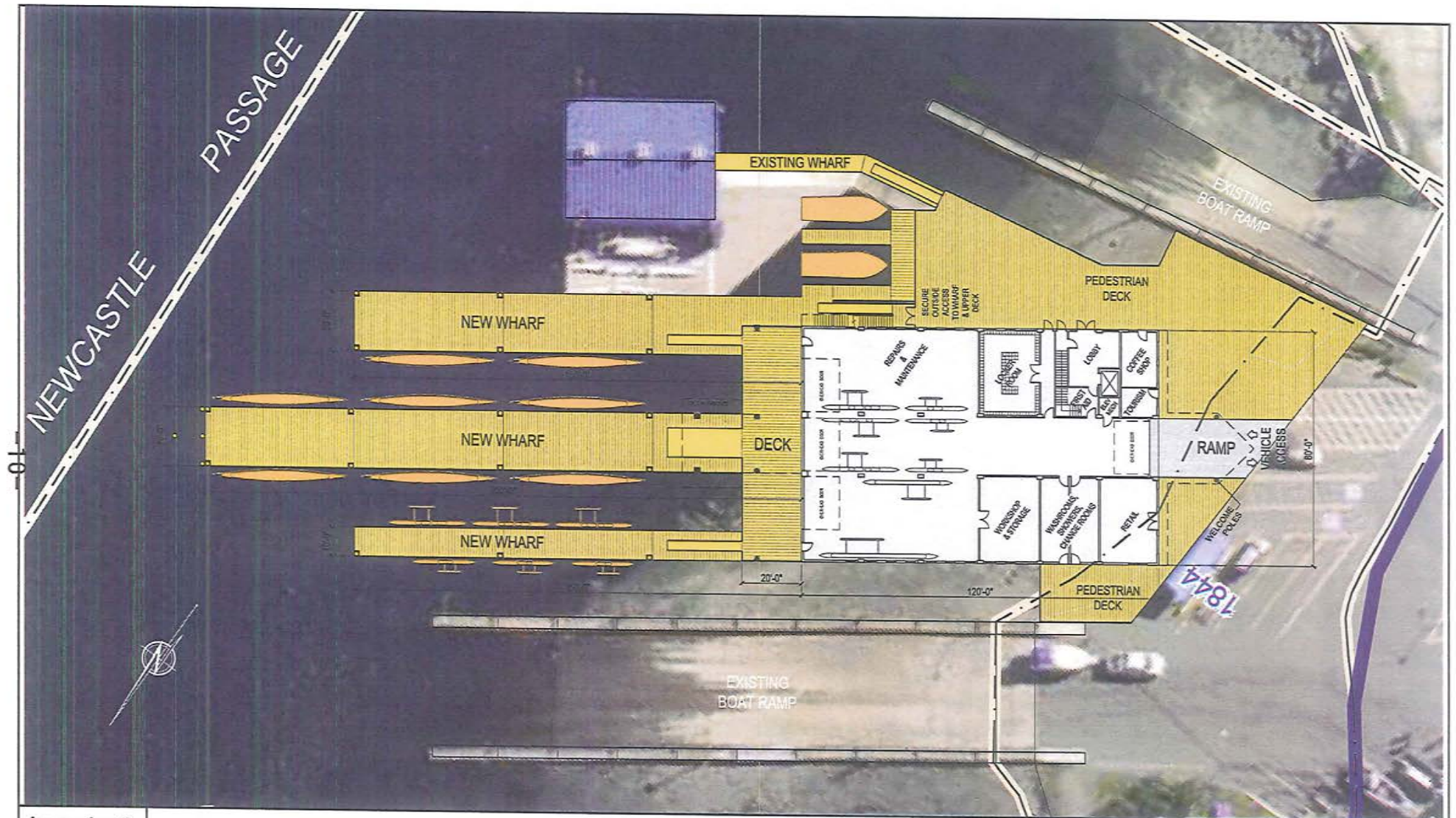
FACILITY LOCATION





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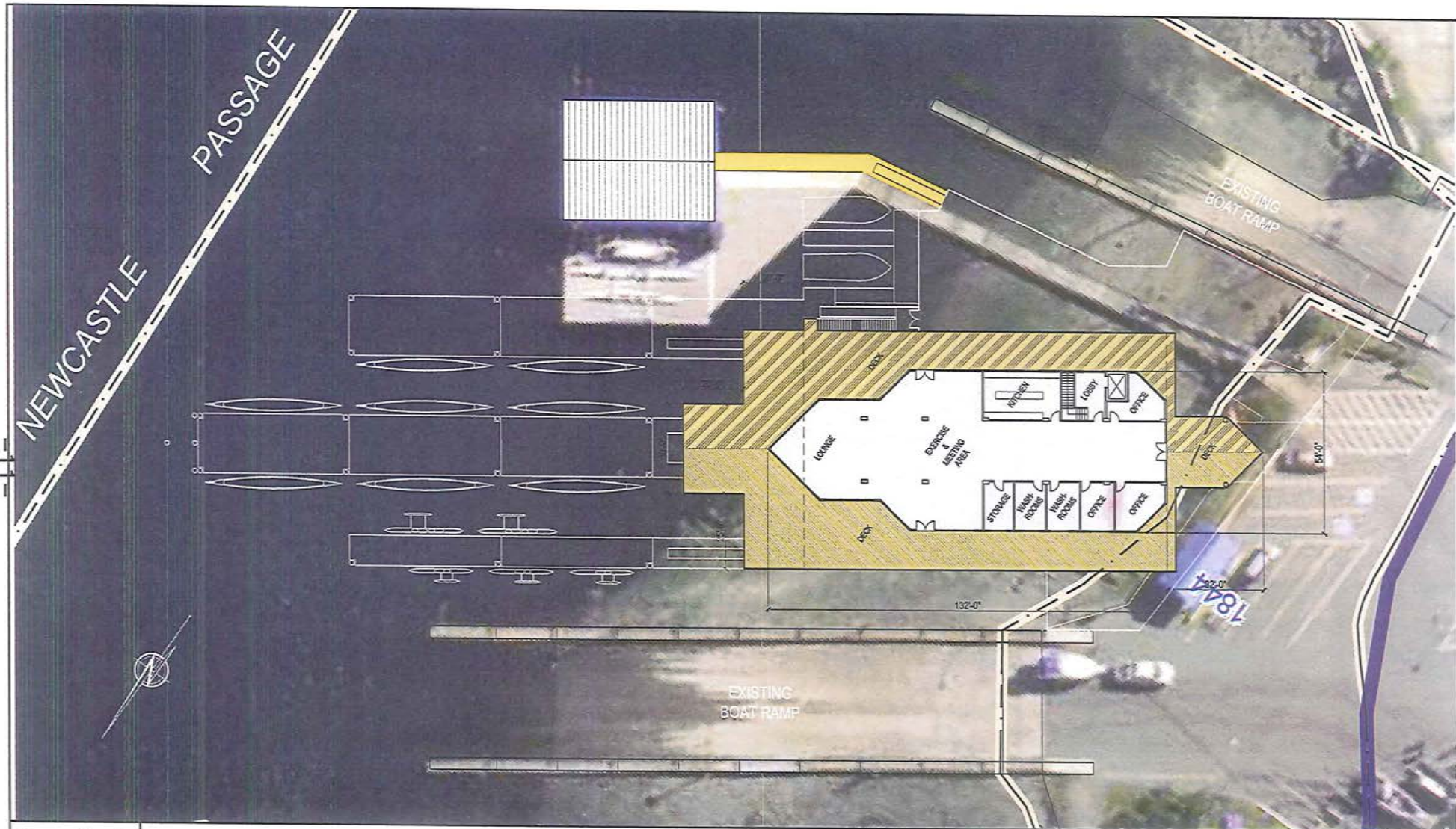


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NANAIMO BOAT HOUSE & PADDLING CENTRE

MAIN LEVEL FLOOR PLAN
Gross Floor Area: 9,540 sq.ft.

ASK 3a



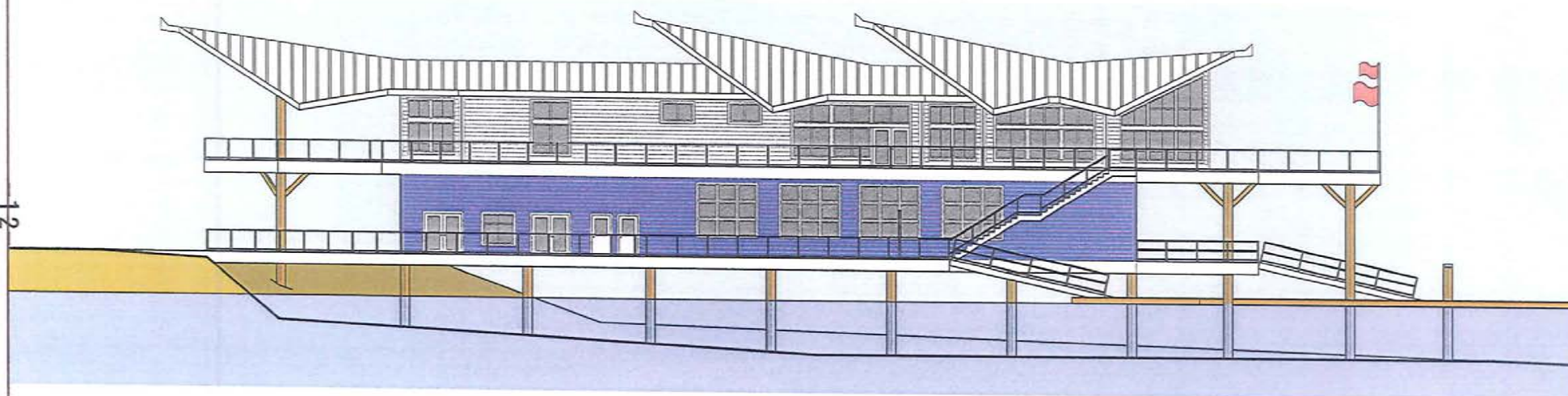
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NANAIMO BOAT HOUSE & PADDLING CENTRE

2ND LEVEL FLOOR PLAN
Gross Floor Area: 5,899 sq.ft.

ASK 3b

12



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NANAIMO BOAT HOUSE & PADDLING CENTRE

SOUTH ELEVATION

ASK 3c



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NANAIMO BOAT HOUSE & PADDLING CENTRE

MASTER SITE PLAN
SCALE: 1"=80'

1.1 CAPITAL AND START-UP COSTS

The costs to build the Boathouse and prepare it for opening day are expected to be about \$5.1 million. This includes the construction of the facility, the acquisition of boats, all equipment, and working capital to cover the pre-opening costs and ramp-up period. The estimated costs are summarized in the following table.

Figure 1: Estimated Capital and Start-up Costs

	Estimated Cost	Notes
Boathouse	\$ 4.7 million	<ul style="list-style-type: none">• Includes facility and docks.
Boats	\$130,000	<ul style="list-style-type: none">• Includes dragon boats, outrigger canoes, coach boat and small boats.• Cost will likely be modified by leasing, boat sponsorships, etc.
Equipment	\$70,000	<ul style="list-style-type: none">• Includes equipment such as racks, hoists, trolleys, first aid supplies, office supplies, venue furniture, etc.
Working Capital	\$200,000	<ul style="list-style-type: none">• Helps cover pre-opening costs, and ramp-up costs in the first year.

1.2 FUNDRAISING PLAN

The total amount of capital to be raised is estimated at \$5.1 million. The fundraising will cover the costs to construct the facility, to acquire boats and equipment, and to cover working capital.

The Society is expecting to raise this through a number of potential sources, including:

- Every level of government – including municipal, provincial and federal.
- Corporations and foundations – monetary and in-kind.
- Individuals – philanthropists, paddlers, and residents.

The potential sources of support will be approached to contribute both financially and in-kind. In-kind donations could include building materials, equipment, and other logistical support.

Projected Operating Budget:

The table shows that the Society is expecting three broad sources of revenue: user fees, rentals and other revenues. When the facility reaches expected occupancy, user fees will account for 30% of revenues and rents will account for 21%. Other revenues, including fundraising, grants, and a management fee, will account for the rest.

In addition to revenue assumptions, the following expense assumptions are anticipated:

Figure 2: Expense Assumptions

Expense	Estimated Cost	Notes
Building	\$25,000	<ul style="list-style-type: none">• Includes building and equipment maintenance and content insurance.
Utilities	\$31,000	<ul style="list-style-type: none">• Includes electricity, gas, municipal service costs and janitorial.
Office	\$18,300	<ul style="list-style-type: none">• Includes phone, internet, supplies, alarm, admin, etc.
Fundraising and PR	\$9,000	<ul style="list-style-type: none">• Includes fundraising costs and marketing costs.
Employment	\$120,000	<ul style="list-style-type: none">• Includes 2.3 FTE positions – an Executive Director, Building & Operations Manager and contract labour.

The figure shows that the Boathouse is expecting to cost just over \$200,000 per year to operate.

Finally, there are a number of additional assumptions developed by MNP in consultation with the Boathouse to complete the pro-forma income statement. These assumptions include:

- The Society's fundraising campaign will be sufficient to cover capital and start-up costs.
- Programming will be run on a breakeven basis and will not contribute to revenue.
- Fundraising will be an annual activity and is expected to cover 11% of revenues. This includes operating grants but does not include grants for programs.
- The Boathouse will be included under the City of Nanaimo's current service contracts.
- The Boathouse will be included under the City of Nanaimo's building and liability insurance policies. Additional insurance for the contents of the building will be a cost of the Boathouse.
- Boats will be acquired by the Boathouse for use by clubs and members.
- Revenues and expenses are expected to grow at 2% per year.
- Interest on the line of credit is assumed to be 4%.

Together, the assumptions produce our base case pro-forma income statement:

Figure 22: Pro-forma Income Statement³³

Revenues	Pre-Opening	Year 1	Year 2	Year 3
Management Fee	\$ -	\$ 100,000	\$ 80,000	\$ 80,000
Operating Grants	\$ -	\$ 10,000	\$ 10,000	\$ 10,000
Rent	\$ -	\$ 24,312	\$ 45,427	\$ 47,900
Memberships	\$ -	\$ 35,000	\$ 66,300	\$ 72,828
Fundraising	\$ -	\$ 11,000	\$ 11,250	\$ 11,500
Programming	\$ -	\$ -	\$ -	\$ -
Other	\$ -	\$ 6,000	\$ 6,120	\$ 6,242
Total Revenue	\$ -	\$ 186,312	\$ 219,097	\$ 228,470
Expenses				
Building	\$ -	\$ 25,000	\$ 25,500	\$ 26,010
Utilities	\$ -	\$ 31,000	\$ 31,620	\$ 32,252
Office	\$ 6,000	\$ 18,300	\$ 18,666	\$ 19,039
Fundraising & PR	\$ 6,000	\$ 9,000	\$ 9,180	\$ 9,364
Programming	\$ -	\$ -	\$ -	\$ -
Interest Expense	\$ 33,951	\$ 67,903	\$ -	\$ -
Employment	\$ 60,000	\$ 120,000	\$ 122,400	\$ 124,848
Total Expenses	\$ 105,951	\$ 271,203	\$ 207,366	\$ 211,513
Net Income	\$ (105,951)	\$ (84,891)	\$ 11,731	\$ 16,957

³³ Programming will be run on a breakeven basis and therefore is not shown to contribute any revenue or expenses to the Boathouse.

In total, the board has held over 120 meetings with paddling groups, City councillors, senior City staff, community organizations, local MPs and MLAs, sponsors, donors, supporters and friends. Some of these supporters include:

- Nanaimo Economic Development Corporation – Tourism Development Fund
- MNP ^{LLP}
- The Snuneymuxw First Nation
- Vancouver Island University
- Nanaimo Port Authority
- Coastal Community Credit Union
- The Zorkin Group
- Nanaimo Dragon Boat Festival Society
- RCM Search & Rescue Station 27, Nanaimo
- Nanaimo Canoe and Kayak Club
- Mentor Mariners Dragon Boat Team

The conversations with stakeholders have made it clear that there is broad based support for the Boathouse but that project partners need to be assured that the facility can be operated on a breakeven basis. With this in mind, the Society engaged MNP to conduct a feasibility study on the proposed boathouse. The goal of the feasibility study is to investigate all aspects of the proposed Boathouse with particular attention on the financial sustainability of the facility. The study is also intended to be used as a resource for the Society to refine and optimize their plan for the facility. The feasibility study is a key component of the expected project timeline, summarized below.

Figure 2: Expected Project Timeline

Time Frame	Events
2012-2013	<ul style="list-style-type: none"> • Society organization and consultations with the community. • Research of other boathouses and organizations.
2013-2014	<ul style="list-style-type: none"> • Commission feasibility study, business plan, and cost estimates. • Begin engagement with the paddling community and general public.
2014	<ul style="list-style-type: none"> • Launch major fundraising campaign. • Design work and construction drawings. • Seek permits and approvals.
2015-2016	<ul style="list-style-type: none"> • Formalized arrangements with City of Nanaimo. • Construction of the Nanaimo Boathouse & Paddling Centre. • Continued fundraising.
2016	<ul style="list-style-type: none"> • Grand Opening of the Nanaimo Boathouse & Paddling Centre

1.7 ECONOMIC AND COMMUNITY IMPACTS

The Boathouse contributes economic impacts through three distinct activities: (i) construction, (ii) ongoing operations, and (iii) new festivals and events. This section estimates the economic impacts for each activity, discusses the extent of their impact in Nanaimo, and concludes with the additional community and social impacts that the Boathouse would contribute to Nanaimo.

- **Economic Impacts** – The construction of the Boathouse is estimated to cost \$4.7 million. The construction is expected to contribute \$8.0 million in output, \$3.2 million in GDP and 54 full-time equivalent positions. This is summarized below.

Table 3: Economic Impacts of the Nanaimo Boathouse & Paddling Centre Construction²

	Output	GDP	Employment (FTE)	Tax Revenue
Direct	\$4,700,000	\$1,645,000	30.4	\$385,400
Indirect and Induced	\$3,337,000	\$1,598,000	23.5	\$329,000
Total	\$8,037,000	\$3,243,000	53.9	\$714,400

In addition to the construction impacts, the facility will have ongoing operations that will generate over \$564 thousand in output, \$425 thousand in GDP and 4.8 full-time equivalent positions. This is summarized below.

Table 4: Economic Impacts of the Nanaimo Boathouse & Paddling Centre's Operations

	Output	GDP	Employment (FTE)	Tax Revenue
Direct	\$300,100	\$223,770	2.3	\$32,500
Indirect and Induced	\$264,053	\$181,892	2.5	\$39,597
Total	\$564,153	\$425,662	4.8	\$72,097

The Boathouse is also expecting to bring three new paddling-related festivals and events to Nanaimo. The new events will generate additional annual economic impacts through out-of-region visitors' spending money in Nanaimo. The impacts of the new festivals and events are highlighted below.

Table 5: Economic Impacts of New Festivals and Events through the Nanaimo Boathouse

	Output	GDP	Employment (FTE)	Tax Revenue
Direct	\$251,387	\$130,721	1.8	\$22,625
Indirect and Induced	\$173,457	\$ 80,444	1.2	\$17,597
Total	\$424,843	\$211,165	3.1	\$40,222

² For definitions of direct, indirect and induced impacts indicated above, please see Section 14.1



NANAIMO BOATHOUSE SOCIETY
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May 9, 2014

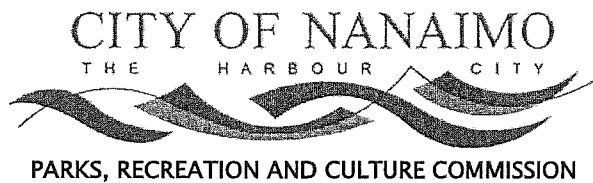
Parks, Recreation and Environment Commission,
City of Nanaimo

Re: LETTERS OF INTEREST & LETTERS OF SUPPORT

April 9, 2014	Chief John Wesley	Snuneymuxw First Nation
March 26, 2014	Dr. Ralph Nilson President and Vice-Chancellor	Vancouver Island University
May 8, 2014	Bernie Dumas President & CEO	Nanaimo Port Authority
May 3, 2014	Michael Harrison Chairperson	Brechin Hill Community Association
March 18, 2014	Gordie Robinson	RCM Search & Rescue, Station 27
March 19, 2014	Heiko Behn Chair	Nanaimo Dragon Boat Festival Society
April 30, 2014	Dan Brady General Manager	Howard Johnson Harbourside Hotel
April 30, 2014	Richard Antonchuk	Alberni Outpost
April 30, 2014	Leif Bogwald Owner & Travel Curator	Vancouver Island Expeditions
March 7, 2014	Joyce Mark Commodore	Nanaimo Canoe & Kayak Club
March 12, 2014	Marilyn Riendl Vice-Captain	Mentor Mariners Dragonboat Team
May 5, 2014	Catharine Edwards Captain	Nusa'Lon Dragons

Letters of Interest & Letters of Support continued.....

April 7, 2014	George Hanson Consultant	Clayton Consulting
March 19, 2014	Yvonne Visser Owner & Olympic Athlete	Vancouver Island Integrated Sport Performance Centre
February 17, 2014	Murray Welte	Member & Paddler



REQUEST TO APPEAR AS A DELEGATION

ON 2014 - MAY - 15
year month day

NAME OF PERSON MAKING PRESENTATION: <u>FRED TAYLOR</u>			
ADDRESS: <u>Nanaimo</u>		Print <u>BC</u>	
street address		City	Province
PHONE: <u></u>		EMAIL: <u></u>	
home		business	
NAME OF APPLICANT IF OTHER THAN ABOVE: <u></u>			
DETAILS OF PRESENTATION:			
Request the opportunity to address the Commission in regards to item 5 (a) Boathouse and Paddling Centre at Brechin Ramp.			
<div style="border: 1px solid black; padding: 10px; text-align: center;">RECEIVED MAY 13 2014 DEPARTMENT OF PARKS, RECREATION AND ENVIRONMENT</div>			

PLEASE NOTE

- **Electronic presentations** must be provided on a CD, memory stick, or by email no later than 9:00 a.m. the day of the Meeting.
- Please submit a written copy of your presentation to the Recording Secretary either at, or prior to, the Meeting.
- **Multiple speakers** on a single issue or topic shall be given 5 minutes each to make their presentations as per Section 18.6 of the Council Procedure Bylaw.

Parks, Recreation and Culture Commission
500 Bowen Road, Nanaimo BC V9R 1Z7

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