

## AMENDED

### AGENDA FOR THE SPECIAL OPEN FINANCE / POLICY COMMITTEE OF THE WHOLE MEETING TO BE HELD IN THE BOARD ROOM, CITY HALL, ON MONDAY, 2010-AUG-30, COMMENCING AT 4:00 P.M.

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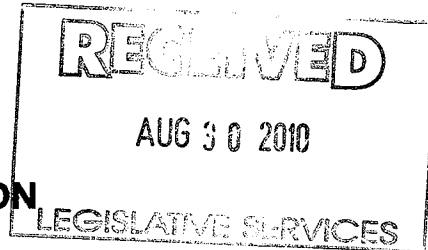
1. **CALL THE SPECIAL OPEN FINANCE / POLICY COMMITTEE OF THE WHOLE MEETING TO ORDER:**
2. **INTRODUCTION OF LATE ITEMS:**
  - Add Item 4 (a) – Delegations Pertaining to Agenda Items – Mr. Daniel Appell regarding 2011 – 2015 Financial Plan Priorities.
3. **ADOPTION OF AGENDA:**
4. **DELEGATIONS PERTAINING TO AGENDA ITEMS: (10 MINUTES)**
  - (a) Mr. Daniel Appell, #42 – 940 Hecate Street, Nanaimo, BC, regarding 2011 – 2015 Financial Plan Priorities. Pg. 1.1
5. **STAFF REPORTS: (blue)**

CORPORATE SERVICES:

  - (a) **Cycling Infrastructure Partnerships Program Grant** Pg. 2

*Staff's Recommendation: That Council endorse the application to the Cycling Infrastructure Partnerships Program (CIPP) for cycling facility upgrades on Fourth Street.*
  - (b) **2011 – 2015 Financial Plan Priorities** Pg. 3-6

*Staff's Recommendation: That Council provide direction on budget priorities.*
6. **NOTICE OF MOTION:**
7. **OTHER BUSINESS:**
8. **QUESTION PERIOD: (Agenda Items Only)**
9. **ADJOURNMENT:**



## REQUEST TO APPEAR AS A DELEGATION

ON 2010-08-30

year

month

day



### COUNCIL

(at 7:00 p.m. in the Shaw Auditorium, 80 Commercial Street)



### FINANCE / POLICY COMMITTEE OF THE WHOLE

(at 4:30 p.m. in the City Hall Board Room, 455 Wallace Street)

☐ Council

☒ Committee So F/PCOW

☒ Open Meeting

☐ In-Camera Meeting

Meeting Date: 2010-Aug-30

NAME OF PERSON MAKING PRESENTATION: Daniel Appell

Print

ADDRESS: 42 - 940 Hecate St., Nanaimo, BC V9R 4K8

street address

City

Province

Postal Code

PHONE: 250-753-3222

home

250-729-7311

business

FAX: 250-729-7321

NAME OF APPLICANT IF OTHER THAN ABOVE:

### DETAILS OF PRESENTATION:

Review of the Revised budget priorities to be reviewed by Council Mon 30th In **CITY FINANCE**  
on August 26, 2010 at 4:57 pm STAFF REPORT REPORT TO: MAYOR & COUNCIL  
FROM: A.C. KENNING, CITY MANAGER AND B.E. CLEMENS, DIRECTOR OF FINANCE  
2011 - 2015 FINANCIAL PLAN BUDGET PRIORITIES

### PLEASE NOTE

- **Electronic presentations** must be provided on a CD or by e-mail 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 of the Council Procedure Bylaw.

Legislative Services Department  
455 Wallace Street, Nanaimo BC V9R 5J6

Phone: (250) 755-4405  
Fax: (250) 755-4435  
legislativeservices.office@nanaimo.ca

## STAFF REPORT

REPORT TO: D.W. HOLMES, GENERAL MANAGER, CORPORATE SERVICES

FROM: B.E. CLEMENS, DIRECTOR OF FINANCE

RE: CYCLING INFRASTRUCTURE PARTNERSHIPS PROGRAM GRANT

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### STAFF'S RECOMMENDATION:

That Council endorse the application to the Cycling Infrastructure Partnerships Program (CIPP) for cycling facility upgrades on Fourth Street.

### EXECUTIVE SUMMARY:

An application to CIPP for a \$40,000 grant would offset costs of planned road and sidewalk upgrades to Fourth Street and would help to fund Nanaimo's first dedicated bicycle lane.

### BACKGROUND:

In August 2010, the Province announced that grants will be available from CIPP for transportation cycling infrastructure projects. Grants of 50% of eligible costs up to a maximum of \$100,000 are available. The application deadline is September 1, 2010.

The City is currently designing road and sidewalk upgrades for approximately 750 metres of Fourth Street between Wakesiah Avenue and Harewood Road. Total upgrades are estimated to cost \$241,000 and are expected to take place in 2011. These upgrades are funded in the 5-year plan. Upgrades include the construction of Nanaimo's first dedicated bicycle lane.

The bicycle lane portion of the upgrades is estimated to cost \$80,000. The lane is eligible for a CIPP grant of up to \$40,000.


Council endorsement of the CIPP application is required.

Respectfully submitted,



B.E. Clemens  
Director of Finance



 D.W. Holmes  
Assistant City Manager/  
General Manager of Corporate Services

BEC/  
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☐ Council  
☒ Committee *so EPCOW*  
☒ Open Meeting  
☐ In-Camera Meeting  
Meeting Date: *2010-Aug-30*

## STAFF REPORT

REPORT TO: MAYOR & COUNCIL

FROM: A.C. KENNING, CITY MANAGER AND  
B.E. CLEMENS, DIRECTOR OF FINANCE

RE: 2011-2015 FINANCIAL PLAN PRIORITIES

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### STAFF'S RECOMMENDATION:

That Council provide direction on budget priorities.

### EXECUTIVE SUMMARY:

Council has referred the issue of strategic objectives back to the Finance & Policy Committee of the Whole for further discussion. As an alternative to the previous eleven strategic objectives, the Mayor has indicated that he will work with staff to generate a shorter list of budget objectives that reflect the actual spending priorities of this Council. This report is the result of this collaboration. It is fully expected that Council will have suggestions to improve this shorter list of specific budget objectives and this will be a very valuable discussion at the meeting. Council may, of course, go back to the previous list or start fresh with their own suggestions. This alternative list is provided as an attempt to help focus discussion and is not intended to infringe upon Council's role in establishing budget policy.

By providing a clear statement on budget priorities, Council will be providing direction to staff that will assist in preparing a budget that will more closely reflect Council's wishes.

### BACKGROUND:

At the Finance & Policy Committee of the Whole meeting held on Monday, August 16<sup>th</sup>, Council received a report that outlined Council's previously established strategic objectives and asked for Council to endorse or amend these priorities. For reference, these priorities are listed here:

Council's Current Strategic Objectives:

1. Maintain safe and adequate water supply and sewer services;
2. Develop a strategy for increased energy self-sufficiency (including energy production);
3. Economy/ability to pay, support green industry;
4. Downtown Hotel;
5. Recreation facility replacement/sports recreation centre;
6. Public transportation;
7. Environmental protection;
8. Growth management;
9. Engage in long-term strategic planning;
10. Public safety (police and fire protection);
11. Create strong pride of place.

☐ Council  
☒ Committee of the Whole  
☒ Open Meeting  
☐ In-Camera Meeting  
Meeting Date: 2010-Aug-30

Council passed a motion to schedule a future seminar session to review the following strategic priorities:

1. Maintain safe and adequate water supply and sewer services;
2. Develop a strategy for increased energy self-sufficiency (including energy production);
6. Public transportation;
7. Environmental protection;
8. Growth management; and,
11. Create strong pride of place.

As an alternative to the above motion, staff and the Mayor working together have compiled a slightly different list of budget priorities that is intended to reflect Council's discussion on the issues. It appears from the debate at the previous Finance & Policy Committee of the Whole, that the majority of Council are generally dissatisfied with the previous list of eleven strategic objectives as not being particularly realistic and no longer reflecting the views of the majority.

The following eight budget priorities are presented for Council's consideration and discussion. Two of the former priorities (i.e., ability to pay and pride of place) have been put into a framing statement. That is, all budget priorities will be considered in context with the taxpayers' ability to pay and the community's pride of place.

Some objectives have been restated to combine related ideas or to better reflect Council's discussion on that issue. A priority has been added on homelessness to reflect Council's commitment to homelessness and affordable housing issues. Some of the previous eleven objectives have been dropped from the list as they were not seen as being budget issues (e.g. hotel, strategic planning, energy production). It is recognized that this is not intended to replace a strategic planning process, but rather is intended to be a statement confirming what Council believes are the priorities for funding within the five year financial plan.

## 2011 – 2015 FINANCIAL PLAN - BUDGET PRIORITIES

Within a context of fiscal responsibility and sustainable property tax increases and reflecting the community's Pride of Place, the City of Nanaimo's budget priorities are:

1. Maintain a high standard of protective services;
2. Maintain civic infrastructure at current or better levels;
3. Improve water supply system to ensure adequate supply of high quality drinking water;
4. Work with employee groups to continuously improve City services;
5. Transition to more sustainable operations;
6. Responsible growth management;
7. Partner with the Province and nonprofit associations to reduce homelessness in Nanaimo;
8. Support Economic Development Commission in developing and implementing an updated economic development strategy.

Note that these are not in any particular order of importance. Council may wish to rank them, or they can be left unranked.

As in the previous version, staff can provide some commentary on how each of these priorities are being pursued in the existing 2010-2014 Financial Plan.

*1. Maintain a high standard of protective services*

- Public safety is the largest and fastest growing segment of the City of Nanaimo's operating budget.
- Council has approved the hiring of 24 new RCMP officers plus 10 support staff over five years.
- An expansion to the Police Services Building is planned for 2012.
- The financial plan contains the costs associated with the 10 year fire plan.
- Fire Hall No 4 was increased to 24/7 staffing in June 2010 and planning for the next fire hall on Hammond Bay Road begins in 2012, which will open in 2014.

*2. Maintain civic infrastructure at current or better levels*

- The Five Year Financial Plan contains adequate funding for the operation and maintenance of the City's sewer and water distribution system.
- Staff is also considering making recommendations related to improvements to the sewage collection network and community consultation will begin this fall to discuss the provision of sanitary sewer to the Green Lake neighbourhood.
- The 2010 capital plan contains funds to upgrade Beban Park Centre, including a \$1 million grant from the RINC program, but does not contain funding for additional improvements to Beban that have been presented to the Parks, Recreation & Culture commission.
- Replacement or seismic upgrade of the City Hall Annex building.
- Civic infrastructure is not being replaced or upgraded at the same rate that it is depreciating. Staff will be presenting more information to Council on this infrastructure gap.

*3. Improve water supply system to ensure adequate supply of quality drinking water*

- Over the next decade, expenditures will increase substantially for water supply.
- This is expected to include a new water treatment plant, improvements to existing water storage facilities at the No. 1 Reservoir, and increased storage at Jump Creek (i.e. a new dam or raising the existing dam).
- Water supply is projected to be the largest increase in civic expenditures over the next 5-10 years, and it will be funded through borrowing, DCCs and increased water rates.

*4. Work with employee groups to continuously improve City services*

- Staff are committed to ensuring continuous service and value improvements. This is reflected in staff's strategic priorities.
- This could mean changes in service levels in certain areas and reallocation of resources as required.
- Where appropriate, staff will identify higher service level requests for Council's consideration.

*5. Transition to more sustainable operations*

- Hired a corporate energy manager in 2009 (partially funded by BC Hydro).

- Significant expenditures are committed over the next five years to projects that lower municipal energy consumption and/or GHG emissions.
- Creation of the Sustainability Reserve.
- Community initiatives such as toilet rebates, wood stove change out program, Burn It Right, pesticide bylaw.
- OCP amendments to support sustainable communities.
- Collaborate with RDN on public transportation issues.

6. *Responsible growth management*

- Continued implementation of the OCP.
- Neighbourhood planning process.
- Comprehensive plan for the Assembly Wharf.
- Contribution to the RDN's Regional Growth Strategy.

7. *Partner with the Province and nonprofit associations to reduce homelessness in Nanaimo*

- Provide land for the Housing First Strategy.
- Provided a grant to Tillicum Haus for DCCs for Housing First property.
- DCC reductions for non-market housing.
- Housing Legacy Reserve helps fund non-market housing issues.

8. *Support Economic Development Commission in developing a new economic development strategy*

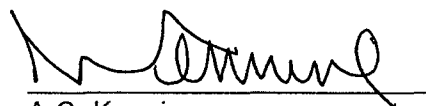
- New Economic Development Commission will have the opportunity to reshape the City's economic strategy.
- The new Economic Development strategy will include tourism and issues related to the community's Pride of Place.

As previously indicated, this list is being presented for discussion purposes and to help focus Council debate on the issues. It is not intended to be a list of staff's or the Mayor's budget priorities. The purpose of this discussion is for Council to provide a clear indication of what issues should receive priority in the budget. Once a list of budget priorities is agreed upon and adopted by Council, it will be used by staff to inform the budget process and to make decisions about what items might be recommended to Council to receive more or less funding in the future. In this regard, the more accurately that this list reflects Council's true priorities, the more likely it will be that the budget that staff is currently preparing will be in alignment with Council's goals.

Respectfully submitted,



B.E. Clemens,  
Director of Finance



A.C. Kenning,  
City Manager