

MINUTES OF THE SPECIAL FINANCE / POLICY COMMITTEE OF THE WHOLE MEETING
HELD IN THE BOARD ROOM, CITY HALL,
ON WEDNESDAY, 2008-DEC-17 COMMENCING AT 4:30 P.M.

PRESENT: Mayor J. R. Ruttan, Chair

Members: Councillor W. L. Bestwick
Councillor W. J. Holdom
Councillor D. K. Johnstone
Councillor J. A. Kipp
Councillor J. R. K. Pattje
Councillor L. D. McNabb
Councillor L. J. Sherry
Councillor M. W. Unger

Staff: G. D. Berry, City Manager
A. C. Kenning, Deputy City Manager
A. W. Laidlaw, General Manager of Community Services
D. W. Holmes, General Manager of Corporate Services
E. C. Swabey, General Manager of Development Services
I. Howat, Director of Legislative Services
B. E. Clemens, Director of Finance
T. P. Seward, Director of Permits and Properties
A. J. Tucker, Director of Planning and Development
S. Graham, Manager of Financial Planning and Payroll
J. Kemp, Executive Assistant
J. E. Harrison, Manager of Legislative Services

1. CALL THE SPECIAL MEETING TO ORDER:

The Special Finance / Policy Committee of the Whole Meeting was called to order at 4:32 p.m.

2. INTRODUCTION OF LATE ITEMS:

- (a) Add Agenda Item 4 (a) – Staff Reports – Status Update of the Amended Partnering Agreement for the Millennium Hotel at the Vancouver Island Conference Centre.

3. ADOPTION OF AGENDA:

It was moved and seconded that Agenda Item 3 (a) – PowerPoint Presentation from Mr. B. E. Clemens, Director of Finance, regarding the provisional budget be referred to a future meeting due to inclement weather. The motion carried unanimously.

It was moved and seconded that the Agenda, as amended, be adopted. The motion carried unanimously.

4. STAFF REPORTS:

ADMINISTRATION

- (a) Status Update on the Amended Partnering Agreement for the Millennium Hotel at the Vancouver Island Conference Centre
-

It was moved and seconded that Council adopt the following resolution:

Be it therefore resolved that:

1. the City of Nanaimo considers Millennium Nanaimo Properties Ltd., and Suro Development Company (the "Developers") in default of the Amended Partnering Agreement (the "partnering agreement") and the Purchase Agreement (Hotel/Residential Lands) (the "hotel land agreement") in that the Developers have:
 - (a) acknowledged that there is no secured financing to commence the hotel immediately, in breach of the representation and warranty to do so under the partnering agreement;
 - (b) failed to pour the footings for the hotel by the agreed date of 2008-MAY-31;
 - (c) failed to pay the City for the costs of providing services to the hotel as required under Section 4.5 of the partnering agreement; and,
 - (d) not as yet paid the initial payment for the cost of providing parking for the hotel under Section 14.4 of the hotel land agreement and Section 8.2 of the partnering agreement.
2. that the matter of these defaults be considered at the Council Meeting of 2009-JAN-19.
3. that notice of the defaults referred to in Paragraph 1 of this resolution be provided to the Developers.

The motion carried unanimously.

5. COUNCIL APPOINTMENTS:

It was moved and seconded that Council appoint the following individuals to the Lower Mainland Treaty Advisory Committee:

- Councillor Holdom – Elected Representative
- Councillor Kipp – Alternate Elected Representative
- Mr. I. Howat, Director of Legislative Services – Staff Representative
- Mr. G. D. Berry, City Manager – Alternate Staff Representative

The motion carried unanimously.

ADJOURNMENT:

It was moved and seconded at 4:40 p.m. that the meeting terminate. The motion carried unanimously.

C H A I R

CERTIFIED CORRECT:

DIRECTOR,
LEGISLATIVE SERVICES