

AMENDED

AGENDA FOR THE REGULAR FINANCE / POLICY COMMITTEE OF THE WHOLE MEETING TO BE HELD IN THE BOARD ROOM, CITY HALL, ON MONDAY, 2008-APR-21, COMMENCING AT 4:30 P.M.

1. **CALL THE REGULAR FINANCE / POLICY COMMITTEE OF THE WHOLE MEETING TO ORDER:**

2. **INTRODUCTION OF LATE ITEMS:**

- Add Item 9 (c) – Staff Reports – 2008 – 2012 Financial Plan.
- Add Item 10 (a) – Information Only Items – Report from Mr. G. Di Menna, Manager of Purchasing and Stores re: Renewal of Property Insurance.

3. **ADOPTION OF AGENDA:**

4. **ADOPTION OF MINUTES:**

- (a) Minutes of the Regular Finance / Policy Committee of the Whole Meeting held in the Board Room, City Hall, on Monday, 2008-MAR-17 at 4:30 p.m. Pg. 3-5

5. **PRESENTATIONS:**

- (a) Mr. B. E. Clemens, Director of Finance, to provide a PowerPoint Presentation regarding the 2008 – 2012 Financial Plan.

6. **DELEGATIONS PERTAINING TO AGENDA ITEMS: (10 MINUTES)**

- (a) Delegations pertaining to the 2008 – 2012 Financial Plan.

7. **COMMISSION REPORTS:**

- (a) **Parks, Recreation and Culture Commission – Renewal of License Agreements for Non-Profit Organizations (McGirr Sports Society, Nanaimo Curling Club & Nanaimo BMX Association)** Pg. 6-39

Commission's Recommendations: That Council approve the five-year license renewals (attached) of the following non-profit organizations at an annual fee of \$1.00 per year, in addition to an administrative fee of \$125.00 upon renewal of the license:

1. *McGirr Sports Society effective 2008-JAN-01 to 2012-DEC-31;*

AND:

2. *Nanaimo Curling Club effective 2008-JAN-01 to 2012-DEC-31;*

AND:

3. *Nanaimo BMX Association effective 2008-JAN-01 to 2012-DEC-31.*

8. **COMMITTEE REPORTS:**

9. **STAFF REPORTS:** *(blue)*

CORPORATE SERVICES:

(a) **Mileage Allowances**

Pg. 40

Staff's Recommendation: *That Council amend the travel and mileage allowance policy to increase the mileage rate to \$0.52 per kilometer to reimburse employees for use of personal vehicles while on City business.*

(b) **Business Improvement Area (BIA) Audit Requirements**

Pg. 41-43

Staff's Recommendation: *That Council not remove the requirement for audited financial statements from the Nanaimo City Centre Association.*

(c) **2008 – 2012 Financial Plan** *(Supplemental)*

Pg. 44-49

Staff's Recommendations: *That Council:*

1. *receive the report for information and provide direction on any amendments to the 2008 -2012 Financial Plan;*

AND:

2. *endorse the attached revenue policy for inclusion in the Financial Plan.*

10. **INFORMATION ONLY ITEMS:**

(a) Report from Mr. G. Di Menna, Manager of Purchasing and Stores, re: Renewal of Property Insurance. *(Supplemental)*

Pg. 50

11. **CORRESPONDENCE:**

12. **NOTICE OF MOTION:**

13. **OTHER BUSINESS:**

14. **DELEGATIONS PERTAINING TO ITEMS NOT ON THE AGENDA:**
(10 MINUTES)

15. **QUESTION PERIOD:** *(Agenda Items Only)*

16. **ADJOURNMENT:**

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

PRESENT: Councillor W. J. Holdom, Chair

Members: Mayor G. R. Korpan
Councillor W. L. Bestwick
Councillor M. D. Brennan
Councillor J. D. Cameron
Councillor L. D. McNabb
Councillor C. S. Manhas
Councillor L. J. Sherry
Councillor M. W. Unger

Staff: G. D. Berry, City Manager
A. C. Kenning, Deputy City Manager
E. C. Swabey, General Manager of Development Services
I. Howat, Director of Legislative Services
B. E. Clemens, Director of Finance
T. M. Hickey, Director of Engineering and Public Works
Chief R. Lambert, Nanaimo Fire Rescue
A. J. Tucker, Director of Planning and Development
K. King, Recording Secretary

1. CALL THE OPEN MEETING TO ORDER:

The Regular Finance / Policy Committee of the Whole Meeting was called to order at 4:31 p.m.

2. INTRODUCTION OF LATE ITEMS:

(a) Add Page 13.1 – Item 9 (b) - Staff Report – 2008 LocalMotion Grant Application.

3. ADOPTION OF AGENDA:

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

4. ADOPTION OF MINUTES:

It was moved and seconded that the Minutes of the Regular Finance / Policy Committee of the Whole Meeting held in the Board Room, City Hall on Monday, 2008-MAR-03 at 4:30 p.m. be adopted as circulated. The motion carried unanimously.

5. DELEGATIONS PERTAINING TO AGENDA ITEMS:

It was moved and seconded that the Delegations be permitted to address Council. The motion carried unanimously.

- (a) There were no delegations pertaining to the 2008 – 2012 Financial Plan.
- (b) Mr. Keith Brown, Keith Brown Associates Ltd., 5102 Somerset Drive, Nanaimo, BC, V9T 2K6, gave a presentation in support of a proposed apartment strata conversion at 1 Chapel Street.

6. STAFF REPORTS:

DEVELOPMENT SERVICES:

(a) 1 Chapel Street – Proposed Apartment Strata Conversion – Seacrest Apartments

It was moved and seconded that Council not support a strata conversion of 1 Chapel Street.

It was moved and seconded that the motion be tabled until such time as the developer has had an opportunity to meet with the residents of the tower and that Council be invited to attend that meeting. The motion carried.

Opposed: Councillors Bestwick, McNabb, Manhas, and Sherry

It was moved and seconded that the applicant report back to Council by 2008-MAY-01.

It was moved and seconded that the motion be tabled to obtain input from the applicant regarding the time-frame suggested. The motion carried unanimously.

The applicant requested six months to comply with Council's direction.

It was moved and seconded that the motion be lifted from table. The motion carried unanimously.

It was moved and seconded that the motion be amended to allow the developer six months from 2008-MAR-17 to report back to Council. The motion carried.

Opposed: Councillor Sherry

The question was called on the main motion, as amended. (That the applicant be allowed six months from 2008-MAR-17 to report back to Council.) The motion carried unanimously.

COMMUNITY SERVICES:

(b) 2008 LocalMotion Grant Application (Supplemental)

It was moved and seconded that Council authorize the grant application to the Provincial LocalMotion Program for the Frank Crane elevator. The motion carried unanimously.

7. ADJOURNMENT:

It was moved and seconded at 5:26 p.m. that the meeting terminate. The motion carried unanimously.

CHAIR

CERTIFIED CORRECT:

DIRECTOR,
LEGISLATIVE SERVICES

REPORT TO: FINANCE / POLICY COMMITTEE OF THE WHOLE

FROM: LARRY McNABB, CHAIR, PARKS, RECREATION AND CULTURE COMMISSION

RE: RENEWAL OF LICENSE AGREEMENTS FOR NON-PROFIT ORGANIZATIONS
(McGIRR SPORTS SOCIETY, NANAIMO CURLING CLUB & NANAIMO BMX ASSOCIATION)

RECOMMENDATION:

That Council approve the five-year license renewals (attached) of the following non-profit organizations at an annual fee of \$1.00 per year, in addition to an administrative fee of \$125.00 upon renewal of the license:

1. McGirr Sports Society effective 2008-JAN-01 to 2012-DEC-31; and,
2. Nanaimo Curling Club effective 2008-JAN-01 to 2012-DEC-31; and,
3. Nanaimo BMX Association effective 2008-JAN-01 to 2012-DEC-31.

EXECUTIVE SUMMARY:

The "Guidelines Establishing the Value of Rent for Lease or License Agreements to Non-Profit Societies" as recommended by the Parks, Recreation and Culture Commission were adopted by Council at their meeting of 2007-JUL-09. The guidelines to assist with determining nominal rent for non-profit societies are as follows:

1. The primary service offered provides a demonstrable public benefit.
2. Participation or membership is available to a broad demographic in the community.
3. The Society provides the only opportunity, or one of only a few opportunities, for the service, activity or benefit in the community.
4. The Society does not compete directly with the business community in the service it provides or the Society's services compete with the business community, but are offered in very different ways, or are accessible to persons who do not normally have access to the services or facilities in the private sector.
5. Taxpayers will expect the City to provide the service if the entity declines to.
6. There is a unique distinguishing feature.

The above guidelines were used in reviewing the renewal of the license agreements for the McGirr Sports Society, the Nanaimo Curling Club and the Nanaimo BMX Association. The conclusion was that the service provided by these organizations meet the guidelines and an annual rent of \$1.00 for each organization was appropriate. The Parks, Recreation and Culture Commission, at their meeting of 2008-FEB-27, supported the recommendation to renew the

☒ Council
☐ Committee
☒ Open Meeting
☐ In-Camera Meeting
Meeting Date: 2008-APR-21

BACKGROUND:

Currently, the City of Nanaimo has license agreements with the McGirr Sports Society, Nanaimo Curling Club and the Nanaimo BMX Association which have expired. All licenses have an annual license fee of \$1.00 over a five-year term.

In each of these agreements:

- The City grants the Licensee a non-exclusive right to use lands and buildings in the license area for the benefit of the public.
- The Licensee covenant with the City to pay all taxes, rates, licenses, duties and assessments. In addition, the Licensee pays, as they become due, all water, sewer, garbage, gas, oil, telephone and electric light and power used on the License area.
- The Licensee will, at all times during the term of this agreement, at its own cost and expense, repair, maintain and keep the License area in good order and repair.

The McGirr Sports Society is the exception. The Society prepares an estimate of their annual costs for maintenance and repairs and provides this estimate to the City by June 30th annually. The City provides an annual operating grant to the Society to be applied against the costs of basic maintenance and repairs including utilities. The grant for 2008 is \$110,000.

The Licensee will take out, and maintain during the term, a policy of General Public Liability Insurance against claims for bodily injury, death or property damage arising out of the use and occupancy of the License area by the Licensee in an amount of not less than Two Million dollars.

In assessing the rent applicable to these licensees under the guidelines, the following factors were considered:

- The primary service offered by each of the licensees provides a demonstrable public benefit.
- Participation or membership is available to a broad demographic in the community. The Curling Club offers its services to all ages through tournaments, league and drop-in play as well as other social events. The BMX track has been used by many groups including the Boys & Girls Club, the BC Seniors Games, Mountain Music Festival and other BMX Associations. The McGirr sports fields support over 10,000 hours of slo-pitch, fastball, field hockey and soccer per year.
- These organizations are one of only a few who provide these services or benefits in the community.
- These organizations do not compete directly with the business community in the services they provide.
- Taxpayers will expect the City to provide these services if the organization declines to.

Given that the services provided by the McGirr Sports Society, the Nanaimo Curling Club and the Nanaimo BMX Association meet well with the stated guidelines, the Commission is recommending that Council approve five-year license renewals at an annual fee of \$1.00 per year in addition to an administrative fee of \$125.00 for each organization.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Larry McNabb". The signature is fluid and cursive, with the first name "Larry" and last name "McNabb" clearly distinguishable.

Larry McNabb, Chair
Parks, Recreation and Culture Commission

2008-APR-10
File: C2 / C2-5 / C2-5-7
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LICENSE OF USE

THIS AGREEMENT made the 21st day of April, 20088.

BETWEEN:

CITY OF NANAIMO
455 Wallace Street
Nanaimo, British Columbia
V9R 5J6

(the "**Municipality**")

OF THE FIRST PART

AND:

THE McGIRR SPORTS SOCIETY
6185 McGirr Road
Nanaimo, British Columbia
V9V 1M1

(the "**Licensee**")

OF THE SECOND PART

W H E R E A S :

- A. The Municipality is the owner of land described in Schedule "A" to this Agreement (the "**Land**");
- B. The Licensee wishes to be granted this license of use to use the Land and the Municipality has agreed.

NOW THEREFORE THIS AGREEMENT WITNESSES that in consideration of the fee paid by the Licensee to the Municipality and in consideration of the premises and covenants and Agreements contained in this Agreement, the Municipality and the Licensee covenant and agree with each other as follows:

1.0 RIGHT TO OCCUPY

- 1.1 The Municipality, subject to the performance and observance by the Licensee of the terms, conditions, covenants and agreements contained in this Agreement and to earlier termination as provided in this Agreement, grants to the Licensee a right by way of license for the Licensee, its agents, employees, and invitees to use the Land and for the purpose of the enjoyment and recreation of members of the public and for no other purpose.

2.0 RESERVATION OF RIGHTS

- 2.1 The Municipality hereby reserves to itself from the grant and the covenants made by it to the Licensee under clause 1 above the right for the Municipality, its agents, employees, contractors and subcontractors to have full and complete access to the Land to carry out any operations associated with the Municipality's use of the Land.

3.0 LICENSE FEE

- 3.1 In consideration of the right to use, the Licensee shall pay to the Municipality the sum of **One Dollar** (\$1.00) in each year of the Term.
- 3.2 The Licensee shall pay to the municipality the sum of **One Hundred Twenty Five Dollars** (\$125.00) upon the execution of this agreement.

4.0 TERM

- 4.1 The Term of the Licence granted under this Agreement shall be from the **1st day of January, 2008 to the 31st day of December, 2012** unless earlier terminated under this Agreement.

5.0 TAXES

- 5.1 The Licensee shall pay all taxes, rates, duties and assessments whatsoever, whether federal, provincial, municipal or otherwise charged upon the Licensee or the Municipality as a result of the Licensee's occupation of or use of the Land. Without in any way restricting the generality of the foregoing, the Licensee shall pay to the Municipality, G.S.T. of 5% on the Licence fee.

6.0 CONSTRUCTION

- 6.1 The Licensee shall not construct or place any buildings or structures or make any improvements on the Land, unless prior to any construction, it has:
- (a) obtained the Municipality's approval in writing to the site plans, working drawings, plans, specifications, and elevations; and
 - (b) obtained a building permit from the local government authority having jurisdiction authorizing the construction of the buildings and structures set out in the permits and the plans and specifications attached to it; and
 - (c) obtained all required inspections, and the work shall be carried out at the cost of the Licensee; and
 - (d) delivered final as built drawings to the Municipality.

- 6.2 The Licensee shall not occupy the buildings without first obtaining an occupancy certificate.
- 6.3 The Licensee shall, at its cost, maintain any buildings, structures or improvements constructed or placed on the Land during the Term.

7.0 INSURANCE

- 7.1 (a) the Licensee will take out and maintain during the term of the License a policy of general public liability insurance against claims for bodily injury, death or property damage arising out of the use of the premises by the Licensee in the amount of not less than five million dollars per single occurrence or such greater amount as the Municipality may from time to time designate, naming the Municipality as an insured party thereto and shall provide the Municipality with a certified copy of such policy or policies;
- (b) all policies of insurance shall contain a clause requiring the insurer not to cancel or change the insurance without first giving the Municipality thirty days prior written notice;
- (c) if the Licensee does not provide or maintain or enforce the Insurance required by this Agreement, the Municipality may take out the necessary insurance and pay the premium for periods of one year at a time and the Licensee shall pay to the Municipality as additional License fees the amount of the premium immediately on demand;
- (d) if both the Municipality and the Licensee claims to be indemnified under any insurance required by this Agreement, the indemnity shall be applied first to the settlement of the claim of the Municipality and the balance, if any, to the settlement of the claim of the Licensee;
- (d) the deductible on the policy of the Insurance shall be not more than five thousand dollars.

8.0 INDEMNIFICATION

- 8.1 The Licensee releases and will indemnify and save harmless the Municipality, its elected and appointed officers, employees and agents from and against all lawsuits, damages, costs, expenses, fees or liability which the Licensee or any of them or anyone else may incur, suffer or allege by reason of the use of the Land by the Licensee or by any member of the public using any building, structure or improvement built or placed by the Licensee on the Land or the carrying on upon the Land of any activity in relation to the Licensee's use of the Land.

9.0 BUILDERS LIENS

- 9.1 The Licensee will indemnify the Municipality from and against any liens for wages or materials, for damage to persons or property caused during the making of or in connection with any excavation, construction, repairs, alterations, installations and additions which the Licensee may make or cause to be made on, in or to the Land.

10.0 NOTICES

- 10.1 It is hereby mutually agreed:

Any notice required to be given under this Agreement shall be deemed to be sufficiently given:

- (a) to be delivered at the time of delivery and
- (b) if mailed from any government post office in the Province of British Columbia by prepaid registered mail addressed as follows:

- (i) if to the Municipality:

CITY OF NANAIMO

Attention: Director of Parks, Recreation and Culture
500 Bowen Road
Nanaimo, BC V9R 1Z7

- (ii) if to the Licensee:

THE McGIRR SPORTS SOCIETY

Attention: General Manager (Steve Bilodeau)
6185 McGirr Road
Nanaimo, BC V9V 1M1

or at the address a party may from time to time designate, then the notice shall be deemed to have been received forty-eight hours after the time and date of mailing. If, at the time of mailing the notice, the delivery of mail in the Province of British Columbia has been interrupted in whole or in part by reason of a strike, slow-down, lock-out or other labour dispute, then the notice may only be given by actual delivery of it.

11.0 TERMINATION

- 11.1 If the Licensee is in default on the payment of License fees, or the payment of any other sum payable under this Agreement, or is in breach of this Agreement, and if the default continues after the giving of notice by the Municipality to the Licensee, then the Municipality may terminate this Agreement and reenter the Land and the rights of the Licensee with respect to the Land shall lapse and be absolutely forfeited.

12.0 FORFEITURE

- 12.1 The Municipality, by waiving or neglecting to enforce the right to forfeiture of this Agreement or the right of reentry upon breach of this Agreement, does not waive the Municipality's rights upon any subsequent breach of the same or any other provision of this Agreement.

13.0 FIXTURES

- 13.1 Unless the Licensee upon notice from the Municipality removes them, all buildings, structures or improvements constructed on the Land by the Licensee shall at the termination of the Agreement, become the sole property of the Municipality at no cost to the Municipality.

14.0 REPAIRS BY THE MUNICIPALITY

- 14.1 (a) If the Licensee fails to repair or maintain the Land or any building, structure or improvements on the Land in accordance with this Agreement, the Municipality may, by its agents, employees or contractors enter the Land and make the required repairs or do the required maintenance and the cost of the repairs or maintenance shall be a debt due from the Licensee to the Municipality;
- (b) In making the repairs or doing the maintenance the Municipality may bring and leave upon the Land the necessary materials, tools and equipment and the Municipality shall not be liable to the Licensee for any inconvenience, annoyance, loss of business or other injuries suffered by the Licensee by reason of the Municipality effecting the repairs or maintenance;
- (c) The Licensee releases the Municipality, its elected and appointed officers, employees and agents from and waives any claim, right, remedy, action, cause of action, loss, damage, expense, fee or liability which the Licensee may have against any or all of them in respect of this Agreement or its performance or its breach except insofar as such claim, right, remedy, action, cause of action, loss, damage, expense, fee or liability arises from

the negligence of the Municipality, its elected and appointed officers, employees and agents.

15.0 TREE CUTTINGS, EXCAVATIONS AND HAZARDOUS SUBSTANCES

- 15.1 (a) The Licensee will not carry on or do or allow to be carried on or done on the land any cutting, clearing or removal of trees, bushes or other vegetation or growth or any excavation or disturbance of the surface of the Land and shall not bring on or deposit any soil or fill on the Land except with the written consent of the Municipality;
- (b) The Licensee will not bring on, deposit, store, spray or apply nor cause or permit to be brought on, deposited, stored, sprayed or applied on the Land or to any trees, bush or vegetation on the Land any chemical fertilizer, herbicide, pesticide or other chemical or petroleum product or any substance which is capable of contaminating the Land or any water on the Land.

16.0 CLEAN UP

- 16.1 At the end of the term, the Licensee shall clean up the Land and restore the surface of the Land as reasonably as may be possible to the condition of the Land prior to the commencement of the term of this Agreement.

17.0 REGULATIONS

- 17.1 The Licensee will:
- (a) comply promptly at its own expense with the legal requirements of all authorities, including an association of fire insurance underwriters or agents, and all notices issued under them that are served upon the Municipality or the Licensee;
- (b) indemnify the Municipality from all lawsuits, damages, loss, costs or expenses that the Municipality may incur by reason of non-compliance by the Licensee with legal requirements or by reason of any defect in the Land or any injury to any person or to any personal property contained on the Land. The Licensee shall be responsible for any damage to the Land occurring while the Licensee is exercising its rights under this Agreement.

18.0 NO COMPENSATION

- 18.1 The Licensee shall not be entitled to compensation for any loss or injurious affection or disturbance resulting in any way from the termination of the License or the loss of the Licensee's interest in any building, structure or improvement built or placed on the Land.

19.0 MISCELLANEOUS

- 19.1 (a) The Licensee warrants and represents that the execution of this Agreement by the Licensee on behalf of a group or organization is a warranty and representation to the Municipality that the Licensee has sufficient power, authority, and capacity to bind the group or organization with his or her signature;
- (b) In consideration of being granted the use of the Land, the Licensee agrees to be bound by the terms and conditions of this Agreement and, if the Licensee represents a group or organization, the Licensee agrees to inform all responsible persons associated with the group or organization of the terms and conditions of this Agreement;
- (c) The Licensee covenants and agrees to use the Land in accordance with the terms of use attached to this Agreement as Schedule "B";
- (d) This Agreement shall not be interpreted as granting any interest in the Land to the Licensee;
- (e) Waiver of any default by a party shall not be interpreted or deemed to be a waiver of any subsequent default.

20.0 INTERPRETATION

- 20.1 (a) That when the singular or neuter are used in this Agreement they include the plural or the feminine or the masculine or the body politic where the context or the parties require.
- (b) The headings to the clauses in this Agreement have been inserted as a matter of convenience and for reference only and in no way define, limit or enlarge the scope or meaning of this Agreement or any provision of it.
- (c) That this Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, successors, administrators and permitted assignees.
- (d) This Agreement shall be construed in accordance with and governed by the laws applicable in the Province of British Columbia.
- (e) All provisions of this Agreement are to be construed as covenants and agreements as though the word importing covenants and agreements were used in each separate paragraph.

- (f) A provision in this Agreement granting the Municipality a right of approval shall be interpreted as granting a free and unrestricted right to be exercised by the Municipality in its discretion.

IN WITNESS WHEREOF the parties hereto have set their hands and seals as of the day and year first above written.

by its authorized signatories)
)
)
_____)
Mayor)
)
_____)
Director of Legislative Services)
)
)

by its authorized signatories)
)
_____)
McGirr Sports Society)
)
_____)
McGirr Sports Society)
)
)

SIGNED, SEALED AND DELIVERED)
in the presence of:)
)
_____)
Witness)
_____)
Address)
_____)
_____)
Occupation)

SCHEDULE "A"

The Municipality is the owner of land described as:

Lot A, District Lot 48, Plan 42751, Wellington District

Civic address: 6175 McGirr Road, Nanaimo, B.C.

and

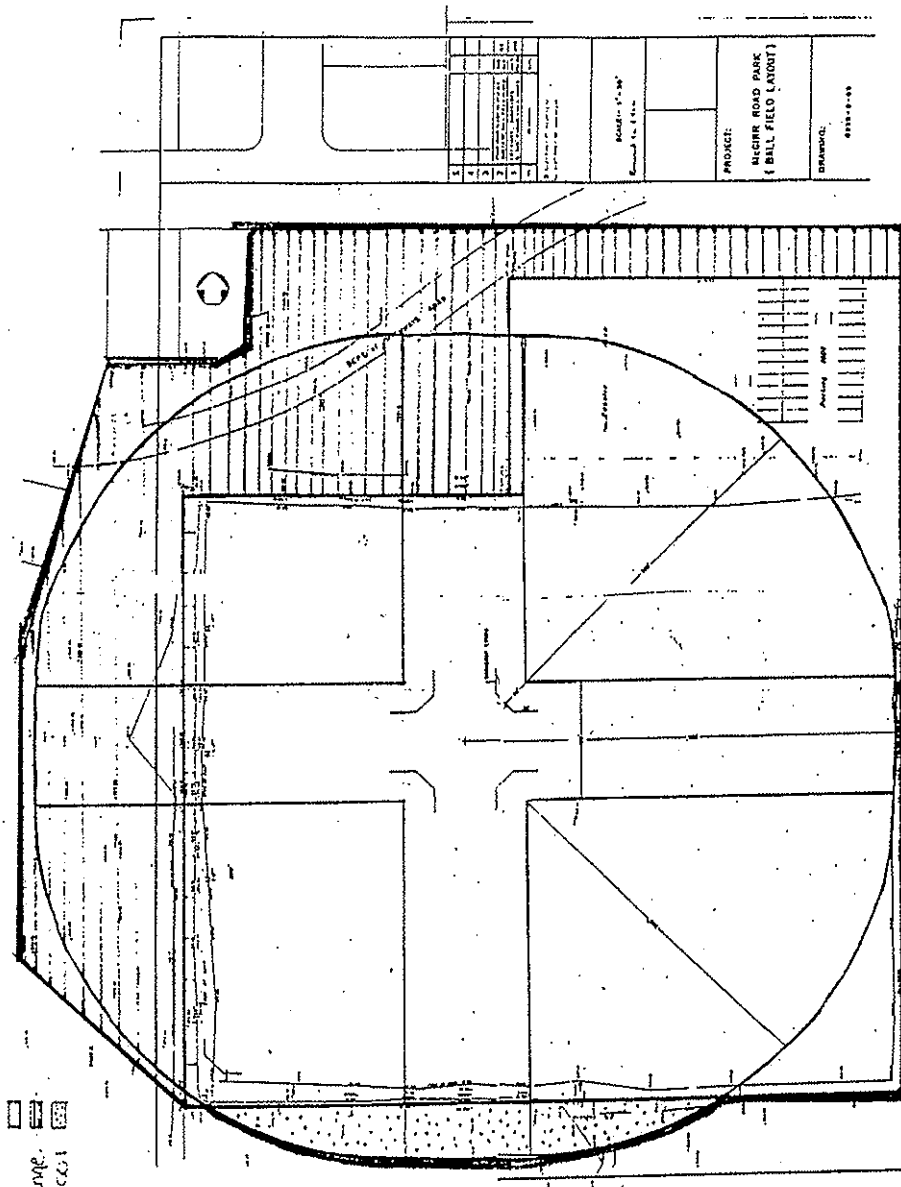
Park as dedicated by plan VIP68657, District Lot 48, Wellington District

Civic address: 6155 McGirr Road

and

Parcel South of Lot 2, Plan 40593 and adjacent to Lot A, Plan 42751, District Lot 48,
Wellington District, Plan 50010 park except closed park as shown
on Plan VIP68656 & VIP68657

Civic Address: 6211 McRobb Avenue



Original Park Area
Recreation - through Esplanade
improvement with school

SCHEDULE A

Part Lot A, District Lot 48, Wellington
District, Plan 46209 and Part of District
Lot 48, Wellington District, Plan 42751

SCHEDULE "B"

Terms of Use

[Other restrictions and conditions as appropriate, such as:]

1. The Licensee shall ensure that the Licence Area is clean and litter free after every use of the Licence Area.
2. The Licensee shall cooperate with the Municipality and other users of the Land to permit other persons and organizations to have access to the Land at reasonable times.

LICENSE OF USE

THIS AGREEMENT made the 21st day of April, 2008.

BETWEEN:

CITY OF NANAIMO
455 Wallace Street
Nanaimo, British Columbia
V9R 5J6

(the "**Municipality**")

OF THE FIRST PART

AND:

NANAIMO CURLING CLUB
P.O. Box 272
Nanaimo, British Columbia
V9R 5L3

(the "**Licensee**")

OF THE SECOND PART

WHEREAS:

- A. The Municipality is the owner of land described in Schedule "A" to this Agreement (the "**Land**");
- B. The Licensee wishes to be granted this license of use to use the Land and the Municipality has agreed.

NOW THEREFORE THIS AGREEMENT WITNESSES that in consideration of the fee paid by the Licensee to the Municipality and in consideration of the premises and covenants and Agreements contained in this Agreement, the Municipality and the Licensee covenant and agree with each other as follows:

1.0 RIGHT TO OCCUPY

- 1.1 The Municipality, subject to the performance and observance by the Licensee of the terms, conditions, covenants and agreements contained in this Agreement and to earlier termination as provided in this Agreement, grants to the Licensee a right by way of license for the Licensee, its agents, employees, and invitees to use the Land and for the purpose of the enjoyment and recreation of members of the public and for no other purpose.

2.0 RESERVATION OF RIGHTS

- 2.1 The Municipality hereby reserves to itself from the grant and the covenants made by it to the Licensee under clause 1 above the right for the Municipality, its agents, employees, contractors and subcontractors to have full and complete access to the Land to carry out any operations associated with the Municipality's use of the Land.

3.0 LICENSE FEE

- 3.1 In consideration of the right to use, the Licensee shall pay to the Municipality the sum of **One Dollar** (\$1.00) in each year of the Term.
- 3.2 The Licensee shall pay to the municipality the sum of **One Hundred Twenty Five Dollars** (\$125.00) upon the execution of this agreement.

4.0 TERM

- 4.1 The Term of the Licence granted under this Agreement shall be from the **1st day of January, 2008 to the 31st day of December, 2012** unless earlier terminated under this Agreement.

5.0 TAXES

- 5.1 The Licensee shall pay all taxes, rates, duties and assessments whatsoever, whether federal, provincial, municipal or otherwise charged upon the Licensee or the Municipality as a result of the Licensee's occupation of or use of the Land. Without in any way restricting the generality of the foregoing, the Licensee shall pay to the Municipality, G.S.T. of 5% on the Licence fee.

6.0 CONSTRUCTION

- 6.1 The Licensee shall not construct or place any buildings or structures or make any improvements on the Land, unless prior to any construction, it has:
- (a) obtained the Municipality's approval in writing to the site plans, working drawings, plans, specifications, and elevations; and
 - (b) obtained a building permit from the local government authority having jurisdiction authorizing the construction of the buildings and structures set out in the permits and the plans and specifications attached to it; and
 - (c) obtained all required inspections, and the work shall be carried out at the cost of the Licensee; and
 - (d) delivered final as built drawings to the Municipality.

- 6.2 The Licensee shall not occupy the buildings without first obtaining an occupancy certificate.
- 6.3 The Licensee shall, at its cost, maintain any buildings, structures or improvements constructed or placed on the Land during the Term.

7.0 INSURANCE

- 7.1 (a) the Licensee will take out and maintain during the term of the License a policy of general public liability insurance against claims for bodily injury, death or property damage arising out of the use of the premises by the Licensee in the amount of not less than five million dollars per single occurrence or such greater amount as the Municipality may from time to time designate, naming the Municipality as an insured party thereto and shall provide the Municipality with a certified copy of such policy or policies;
- (b) all policies of insurance shall contain a clause requiring the insurer not to cancel or change the insurance without first giving the Municipality thirty days prior written notice;
- (c) if the Licensee does not provide or maintain or enforce the Insurance required by this Agreement, the Municipality may take out the necessary insurance and pay the premium for periods of one year at a time and the Licensee shall pay to the Municipality as additional License fees the amount of the premium immediately on demand;
- (d) if both the Municipality and the Licensee claims to be indemnified under any insurance required by this Agreement, the indemnity shall be applied first to the settlement of the claim of the Municipality and the balance, if any, to the settlement of the claim of the Licensee;
- (d) the deductible on the policy of the Insurance shall be not more than five thousand dollars.

8.0 INDEMNIFICATION

- 8.1 The Licensee releases and will indemnify and save harmless the Municipality, its elected and appointed officers, employees and agents from and against all lawsuits, damages, costs, expenses, fees or liability which the Licensee or any of them or anyone else may incur, suffer or allege by reason of the use of the Land by the Licensee or by any member of the public using any building, structure or improvement built or placed by the Licensee on the Land or the carrying on upon the Land of any activity in relation to the Licensee's use of the Land.

9.0 BUILDERS LIENS

- 9.1 The Licensee will indemnify the Municipality from and against any liens for wages or materials, for damage to persons or property caused during the making of or in connection with any excavation, construction, repairs, alterations, installations and additions which the Licensee may make or cause to be made on, in or to the Land.

10.0 NOTICES

- 10.1 It is hereby mutually agreed:

Any notice required to be given under this Agreement shall be deemed to be sufficiently given:

- (a) to be delivered at the time of delivery and
- (b) if mailed from any government post office in the Province of British Columbia by prepaid registered mail addressed as follows:

- (i) if to the Municipality:

CITY OF NANAIMO

Attention: Director of Parks, Recreation and Culture
500 Bowen Road
Nanaimo, BC V9R 1Z7

- (ii) if to the Licensee:

NANAIMO CURLING CLUB

Attention: General Manager (Denise Wood)
PO Box 272
Nanaimo, BC V9R 5L3

or at the address a party may from time to time designate, then the notice shall be deemed to have been received forty-eight hours after the time and date of mailing. If, at the time of mailing the notice, the delivery of mail in the Province of British Columbia has been interrupted in whole or in part by reason of a strike, slow-down, lock-out or other labour dispute, then the notice may only be given by actual delivery of it.

11.0 TERMINATION

- 11.1 If the Licensee is in default on the payment of License fees, or the payment of any other sum payable under this Agreement, or is in breach of this Agreement, and if the default continues after the giving of notice by the Municipality to the Licensee, then the Municipality may terminate this Agreement and reenter the Land and the rights of the Licensee with respect to the Land shall lapse and be absolutely forfeited.

12.0 FORFEITURE

- 12.1 The Municipality, by waiving or neglecting to enforce the right to forfeiture of this Agreement or the right of reentry upon breach of this Agreement, does not waive the Municipality's rights upon any subsequent breach of the same or any other provision of this Agreement.

13.0 FIXTURES

- 13.1 Unless the Licensee upon notice from the Municipality removes them, all buildings, structures or improvements constructed on the Land by the Licensee shall at the termination of the Agreement, become the sole property of the Municipality at no cost to the Municipality.

14.0 REPAIRS BY THE MUNICIPALITY

- 14.1 (a) If the Licensee fails to repair or maintain the Land or any building, structure or improvements on the Land in accordance with this Agreement, the Municipality may, by its agents, employees or contractors enter the Land and make the required repairs or do the required maintenance and the cost of the repairs or maintenance shall be a debt due from the Licensee to the Municipality;
- (b) In making the repairs or doing the maintenance the Municipality may bring and leave upon the Land the necessary materials, tools and equipment and the Municipality shall not be liable to the Licensee for any inconvenience, annoyance, loss of business or other injuries suffered by the Licensee by reason of the Municipality effecting the repairs or maintenance;
- (c) The Licensee releases the Municipality, its elected and appointed officers, employees and agents from and waives any claim, right, remedy, action, cause of action, loss, damage, expense, fee or liability which the Licensee may have against any or all of them in respect of this Agreement or its performance or its breach except insofar as such claim, right, remedy, action, cause of action, loss, damage, expense, fee or liability arises from

the negligence of the Municipality, its elected and appointed officers, employees and agents.

15.0 TREE CUTTINGS, EXCAVATIONS AND HAZARDOUS SUBSTANCES

- 15.1 (a) The Licensee will not carry on or do or allow to be carried on or done on the land any cutting, clearing or removal of trees, bushes or other vegetation or growth or any excavation or disturbance of the surface of the Land and shall not bring on or deposit any soil or fill on the Land except with the written consent of the Municipality;
- (b) The Licensee will not bring on, deposit, store, spray or apply nor cause or permit to be brought on, deposited, stored, sprayed or applied on the Land or to any trees, bush or vegetation on the Land any chemical fertilizer, *herbicide, pesticide or other chemical or petroleum product* or any substance which is capable of contaminating the Land or any water on the Land.

16.0 CLEAN UP

- 16.1 At the end of the term, the Licensee shall clean up the Land and restore the surface of the Land as reasonably as may be possible to the condition of the Land prior to the commencement of the term of this Agreement.

17.0 REGULATIONS

- 17.1 The Licensee will:
- (a) comply promptly at its own expense with the legal requirements of all authorities, *including an association of fire insurance underwriters or agents*, and all notices issued under them that are served upon the Municipality or the Licensee;
- (b) indemnify the Municipality from all lawsuits, damages, loss, costs or expenses that the Municipality may incur by reason of non-compliance by the Licensee with legal requirements or by reason of any defect in the Land or any injury to any person or to any personal property contained on the Land. The Licensee shall be responsible for any damage to the Land occurring while the Licensee is exercising its rights under this Agreement.

18.0 NO COMPENSATION

- 18.1 The Licensee shall not be entitled to compensation for any loss or injurious affection or disturbance resulting in any way from the termination of the License or the loss of the Licensee's interest in any building, structure or improvement built or placed on the Land.

19.0 MISCELLANEOUS

- 19.1 (a) The Licensee warrants and represents that the execution of this Agreement by the Licensee on behalf of a group or organization is a warranty and representation to the Municipality that the Licensee has sufficient power, authority, and capacity to bind the group or organization with his or her signature;
- (b) In consideration of being granted the use of the Land, the Licensee agrees to be bound by the terms and conditions of this Agreement and, if the Licensee represents a group or organization, the Licensee agrees to inform all responsible persons associated with the group or organization of the terms and conditions of this Agreement;
- (c) The Licensee covenants and agrees to use the Land in accordance with the terms of use attached to this Agreement as Schedule "B";
- (d) This Agreement shall not be interpreted as granting any interest in the Land to the Licensee;
- (e) Waiver of any default by a party shall not be interpreted or deemed to be a waiver of any subsequent default.

20.0 INTERPRETATION

- 20.1 (a) That when the singular or neuter are used in this Agreement they include the plural or the feminine or the masculine or the body politic where the context or the parties require.
- (b) The headings to the clauses in this Agreement have been inserted as a matter of convenience and for reference only and in no way define, limit or enlarge the scope or meaning of this Agreement or any provision of it.
- (c) That this Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, successors, administrators and permitted assignees.
- (d) This Agreement shall be construed in accordance with and governed by the laws applicable in the Province of British Columbia.
- (e) All provisions of this Agreement are to be construed as covenants and agreements as though the word importing covenants and agreements were used in each separate paragraph.

- (f) A provision in this Agreement granting the Municipality a right of approval shall be interpreted as granting a free and unrestricted right to be exercised by the Municipality in its discretion.

IN WITNESS WHEREOF the parties hereto have set their hands and seals as of the day and year first above written.

by its authorized signatories)
)
)
_____)
Mayor)
)
_____)
Director of Legislative Services)
)

by its authorized signatories)
)
_____)
Nanaimo Curling Club)
)
_____)
Nanaimo Curling Club)
)

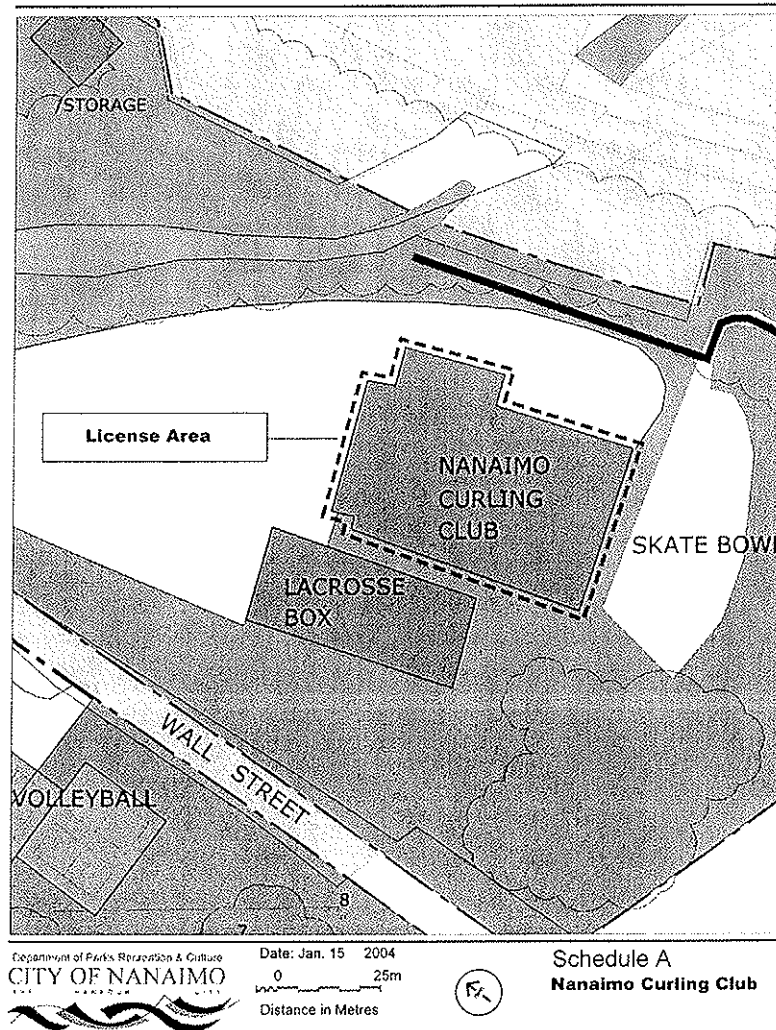
SIGNED, SEALED AND DELIVERED)
in the presence of:)
)
_____)
Witness)
_____)
Address)
_____)
_____)
Occupation)

SCHEDULE "A"

The Municipality is the owner of land described as:

That part of Bowen Park (DD14817-N) lying to the east of Wall Street

Civic Address: 100 Wall Street, Nanaimo, BC



SCHEDULE "B"

Terms of Use

[Other restrictions and conditions as appropriate, such as:]

1. The Licensee shall ensure that the Licence Area is clean and litter free after every use of the Licence Area.
2. The Licensee shall cooperate with the Municipality and other users of the Land to permit other persons and organizations to have access to the Land at reasonable times.

LICENSE OF USE

THIS AGREEMENT made the 21st day of April, 2008.

BETWEEN:

CITY OF NANAIMO
455 Wallace Street
Nanaimo, British Columbia
V9R 5J6

(the "**Municipality**")

OF THE FIRST PART

AND:

NANAIMO B.M.X. ASSOCIATION
c/o 3076 Rock City Road
Nanaimo, British Columbia
V9T 1T1

(the "**Licensee**")

OF THE SECOND PART

W H E R E A S :

- A. The Municipality is the owner of land described in Schedule "A" to this Agreement (the "**Land**");
- B. The Licensee wishes to be granted this license of use to use the Land and the Municipality has agreed.

NOW THEREFORE THIS AGREEMENT WITNESSES that in consideration of the fee paid by the Licensee to the Municipality and in consideration of the premises and covenants and Agreements contained in this Agreement, the Municipality and the Licensee covenant and agree with each other as follows:

1.0 RIGHT TO OCCUPY

- 1.1 The Municipality, subject to the performance and observance by the Licensee of the terms, conditions, covenants and agreements contained in this Agreement and to earlier termination as provided in this Agreement, grants to the Licensee a right by way of license for the Licensee, its agents, employees, and invitees to use the Land and for the purpose of the enjoyment and recreation of members of the public and for no other purpose.

2.0 RESERVATION OF RIGHTS

- 2.1 The Municipality hereby reserves to itself from the grant and the covenants made by it to the Licensee under clause 1 above the right for the Municipality, its agents, employees, contractors and subcontractors to have full and complete access to the Land to carry out any operations associated with the Municipality's use of the Land.

3.0 LICENSE FEE

- 3.1 In consideration of the right to use, the Licensee shall pay to the Municipality the sum of **One Dollar** (\$1.00) in each year of the Term.
- 3.2 The Licensee shall pay to the municipality the sum of **One Hundred Twenty Five Dollars** (\$125.00) upon the execution of this agreement.

4.0 TERM

- 4.1 The Term of the License granted under this Agreement shall be from the **1st day of January, 2008 to the 31st day of December, 2012** unless earlier terminated under this Agreement.

5.0 TAXES

- 5.1 The Licensee shall pay all taxes, rates, duties and assessments whatsoever, whether federal, provincial, municipal or otherwise charged upon the Licensee or the Municipality as a result of the Licensee's occupation of or use of the Land. Without in any way restricting the generality of the foregoing, the Licensee shall pay to the Municipality, G.S.T. of 5% on the Licence fee.

6.0 CONSTRUCTION

- 6.1 The Licensee shall not construct or place any buildings or structures or make any improvements on the Land, unless prior to any construction, it has:
- (a) obtained the Municipality's approval in writing to the site plans, working drawings, plans, specifications, and elevations; and
 - (b) obtained a building permit from the local government authority having jurisdiction authorizing the construction of the buildings and structures set out in the permits and the plans and specifications attached to it; and
 - (c) obtained all required inspections, and the work shall be carried out at the cost of the Licensee; and
 - (d) delivered final as built drawings to the Municipality.

6.2 The Licensee shall not occupy the buildings without first obtaining an occupancy certificate.

6.3 The Licensee shall, at its cost, maintain any buildings, structures or improvements constructed or placed on the Land during the Term.

7.0 INSURANCE

7.1 (a) the Licensee will take out and maintain during the term of the License a policy of general public liability insurance against claims for bodily injury, death or property damage arising out of the use of the premises by the Licensee in the amount of not less than five million dollars per single occurrence or such greater amount as the Municipality may from time to time designate, naming the Municipality as an insured party thereto and shall provide the Municipality with a certified copy of such policy or policies;

(b) all policies of insurance shall contain a clause requiring the insurer not to cancel or change the insurance without first giving the Municipality thirty days prior written notice;

(c) if the Licensee does not provide or maintain or enforce the Insurance required by this Agreement, the Municipality may take out the necessary insurance and pay the premium for periods of one year at a time and the Licensee shall pay to the Municipality as additional License fees the amount of the premium immediately on demand;

(d) if both the Municipality and the Licensee claims to be indemnified under any insurance required by this Agreement, the indemnity shall be applied first to the settlement of the claim of the Municipality and the balance, if any, to the settlement of the claim of the Licensee;

(d) the deductible on the policy of the Insurance shall be not more than five thousand dollars.

8.0 INDEMNIFICATION

8.1 The Licensee releases and will indemnify and save harmless the Municipality, its elected and appointed officers, employees and agents from and against all lawsuits, damages, costs, expenses, fees or liability which the Licensee or any of them or anyone else may incur, suffer or allege by reason of the use of the Land by the Licensee or by any member of the public using any building, structure or improvement built or placed by the Licensee on the Land or the carrying on upon the Land of any activity in relation to the Licensee's use of the Land.

9.0 BUILDERS LIENS

- 9.1 The Licensee will indemnify the Municipality from and against any liens for wages or materials, for damage to persons or property caused during the making of or in connection with any excavation, construction, repairs, alterations, installations and additions which the Licensee may make or cause to be made on, in or to the Land.

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- 10.1 It is hereby mutually agreed:

Any notice required to be given under this Agreement shall be deemed to be sufficiently given:

- (a) to be delivered at the time of delivery and
- (b) if mailed from any government post office in the Province of British Columbia by prepaid registered mail addressed as follows:

- (i) if to the Municipality:

CITY OF NANAIMO

Attention: Director of Parks, Recreation and Culture
500 Bowen Road
Nanaimo, BC V9R 1Z7

- (ii) if to the Licensee:

NANAIMO B.M.X. ASSOCIATION

Attention: President (Marie Davidson)
3076 Rock City Road
Nanaimo, BC V9T 1T1

or at the address a party may from time to time designate, then the notice shall be deemed to have been received forty-eight hours after the time and date of mailing. If, at the time of mailing the notice, the delivery of mail in the Province of British Columbia has been interrupted in whole or in part by reason of a strike, slow-down, lock-out or other labour dispute, then the notice may only be given by actual delivery of it.

11.0 TERMINATION

- 11.1 If the Licensee is in default on the payment of License fees, or the payment of any other sum payable under this Agreement, or is in breach of this Agreement, and if the default continues after the giving of notice by the Municipality to the Licensee, then the Municipality may terminate this Agreement and reenter the Land and the rights of the Licensee with respect to the Land shall lapse and be absolutely forfeited.

12.0 FORFEITURE

- 12.1 The Municipality, by waiving or neglecting to enforce the right to forfeiture of this Agreement or the right of reentry upon breach of this Agreement, does not waive the *Municipality's rights upon any subsequent breach of the same or any other provision of this Agreement.*

13.0 FIXTURES

- 13.1 Unless the Licensee upon notice from the Municipality removes them, all buildings, structures or improvements constructed on the Land by the Licensee shall at the termination of the Agreement, become the sole property of the Municipality at no cost to the Municipality.

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- 14.1 (a) If the Licensee fails to repair or maintain the Land or any building, structure or improvements on the Land in accordance with this Agreement, the Municipality may, by its agents, employees or contractors enter the Land and make the *required repairs or do the required maintenance* and the cost of the repairs or maintenance shall be a debt due from the Licensee to the Municipality;
- (b) In making the repairs or doing the maintenance the Municipality may bring and leave upon the Land the necessary materials, tools and equipment and the Municipality shall not be liable to the Licensee for any inconvenience, annoyance, loss of business or other injuries suffered by the Licensee by reason of the Municipality effecting the repairs or maintenance;
- (c) The Licensee releases the Municipality, its elected and appointed officers, employees and agents from and waives any claim, right, remedy, action, cause of action, loss, damage, expense, fee or liability which the Licensee may have against any or all of them in respect of this Agreement or its performance or its breach except insofar as such claim, right, remedy, action, cause of action, loss, damage, expense, fee or liability arises from

the negligence of the Municipality, its elected and appointed officers, employees and agents.

15.0 TREE CUTTINGS, EXCAVATIONS AND HAZARDOUS SUBSTANCES

- 15.1 (a) The Licensee will not carry on or do or allow to be carried on or done on the land any cutting, clearing or removal of trees, bushes or other vegetation or growth or any excavation or disturbance of the surface of the Land and shall not bring on or deposit any soil or fill on the Land except with the written consent of the Municipality;
- (b) The Licensee will not bring on, deposit, store, spray or apply nor cause or permit to be brought on, deposited, stored, sprayed or applied on the Land or to any trees, bush or vegetation on the Land any chemical fertilizer, herbicide, pesticide or other chemical or petroleum product or any substance which is capable of contaminating the Land or any water on the Land.

16.0 CLEAN UP

- 16.1 At the end of the term, the Licensee shall clean up the Land and restore the surface of the Land as reasonably as may be possible to the condition of the Land prior to the commencement of the term of this Agreement.

17.0 REGULATIONS

- 17.1 The Licensee will:
- (a) comply promptly at its own expense with the legal requirements of all authorities, including an association of fire insurance underwriters or agents, and all notices issued under them that are served upon the Municipality or the Licensee;
- (b) indemnify the Municipality from all lawsuits, damages, loss, costs or expenses that the Municipality may incur by reason of non-compliance by the Licensee with legal requirements or by reason of any defect in the Land or any injury to any person or to any personal property contained on the Land. The Licensee shall be responsible for any damage to the Land occurring while the Licensee is exercising its rights under this Agreement.

18.0 NO COMPENSATION

- 18.1 The Licensee shall not be entitled to compensation for any loss or injurious affection or disturbance resulting in any way from the termination of the License or the loss of the Licensee's interest in any building, structure or improvement built or placed on the Land.

19.0 MISCELLANEOUS

- 19.1 (a) The Licensee warrants and represents that the execution of this Agreement by the Licensee on behalf of a group or organization is a warranty and representation to the Municipality that the Licensee has sufficient power, authority, and capacity to bind the group or organization with his or her signature;
- (b) In consideration of being granted the use of the Land, the Licensee agrees to be bound by the terms and conditions of this Agreement and, if the Licensee represents a group or organization, the Licensee agrees to inform all responsible persons associated with the group or organization of the terms and conditions of this Agreement;
- (c) The Licensee covenants and agrees to use the Land in accordance with the terms of use attached to this Agreement as Schedule "B";
- (d) This Agreement shall not be interpreted as granting any interest in the Land to the Licensee;
- (e) Waiver of any default by a party shall not be interpreted or deemed to be a waiver of any subsequent default.

20.0 INTERPRETATION

- 20.1 (a) That when the singular or neuter are used in this Agreement they include the plural or the feminine or the masculine or the body politic where the context or the parties require.
- (b) The headings to the clauses in this Agreement have been inserted as a matter of convenience and for reference only and in no way define, limit or enlarge the scope or meaning of this Agreement or any provision of it.
- (c) That this Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, successors, administrators and permitted assignees.
- (d) This Agreement shall be construed in accordance with and governed by the laws applicable in the Province of British Columbia.
- (e) All provisions of this Agreement are to be construed as covenants and agreements as though the word importing covenants and agreements were used in each separate paragraph.

- (f) A provision in this Agreement granting the Municipality a right of approval shall be interpreted as granting a free and unrestricted right to be exercised by the Municipality in its discretion.

IN WITNESS WHEREOF the parties hereto have set their hands and seals as of the day and year first above written.

by its authorized signatories)
)
)
)

Mayor)
)
)

Director of Legislative Services)
)

by its authorized signatories)
)
)

B.M.X. Association)
)
)

B.M.X. Association)
)

SIGNED, SEALED AND DELIVERED)
in the presence of:)
)
)

Witness)
)

Address)
)

)

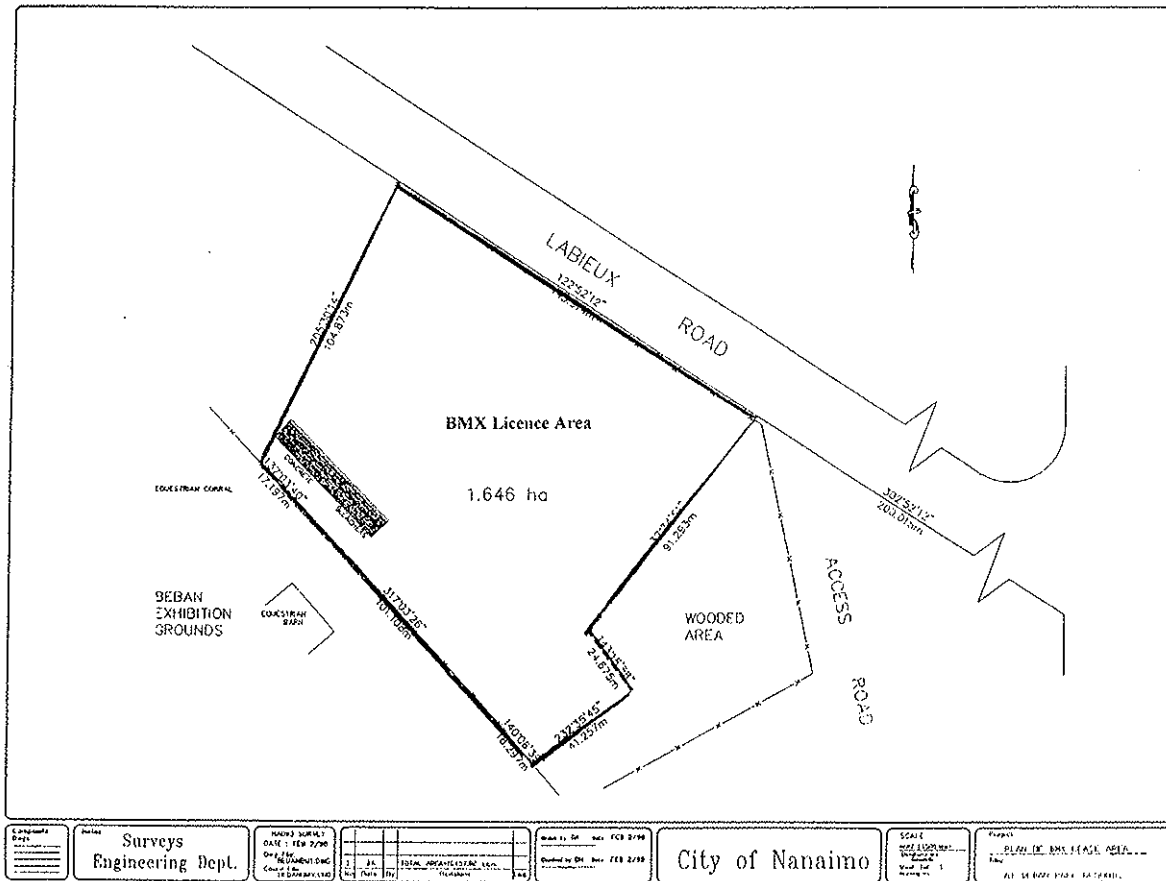
Occupation)

SCHEDULE "A"

The Municipality is the owner of land described as:

**That Part of Lot 1, Sections 18 to 20, Range 7, Mountain District
Plan 27441, except those parts in Plans 40622 and 44255**

2300 Bowen Road, Nanaimo, British Columbia



SCHEDULE "B"

Terms of Use

[Other restrictions and conditions as appropriate, such as:]

1. The Licensee shall ensure that the Licence Area is clean and litter free after every use of the Licence Area.
2. The Licensee shall cooperate with the Municipality and other users of the Land to permit other persons and organizations to have access to the Land at reasonable times.

STAFF REPORT

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

FROM B.E. CLEMENS, DIRECTOR OF FINANCE

RE: MILEAGE ALLOWANCES

RECOMMENDATION

That Council amend the travel and mileage allowance policy to increase the mileage rate to \$0.52 per kilometre to reimburse employees for use of personal vehicles while on City business.

EXECUTIVE SUMMARY

The rate for reimbursing mileage expenses to employees was last increased in May 2007. Staff are recommending an increase to bring the rate in line with the guideline established by Canada Revenue Agency.

BACKGROUND

The City policy manual contains a policy that outlines how employees will be reimbursed for expenses incurred while using a personal vehicle on City business.

The rate for mileage reimbursement has been set according to guidelines established by the Canada Revenue Agency. If the City were to pay a rate higher than the guidelines, we would be required to charge a taxable benefit on the additional amount.

The existing City policy is to pay \$0.50 per kilometre for reimbursing mileage expenses. The current guideline from Canada Revenue Agency is \$0.52 per kilometre. Staff are recommending an increase to equal the guideline rate.

Respectfully submitted,



Brian E. Clemens
Director of Finance



Douglas W. Holmes
General Manager of Corporate Services

BEC/sf

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☐ Council
☒ Committee *F/PCOW*
☒ Open Meeting
☐ In-Camera Meeting
Meeting Date: *2008-APR-21*

STAFF REPORT

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

FROM B. E. CLEMENS, DIRECTOR OF FINANCE

RE: BIA AUDIT REQUIREMENTS

STAFF RECOMMENDATION

It is recommended that Council not remove the requirement for audited financial statements from the Nanaimo City Centre Association.

EXECUTIVE SUMMARY

The Nanaimo City Centre Association is requesting that Council remove their requirement for an annual audit and replace it with a review by City Staff. This will require a change to six BIA bylaws. The NCCA believes that the audit is an unnecessary expense and that City staff could perform a review if required by Council.

Staff support an audit requirement where taxpayer funds are being collected and paid over in this manner.

BACKGROUND

Business Improvement Areas (BIA's) are groups of downtown businesses that have come together for the purposes of promoting and improving the downtown. The majority of their funding comes from a self-imposed tax that is collected by the City of Nanaimo and paid over to the association that formed the BIA. All of the BIA's in Nanaimo were created by the Nanaimo City Centre Association (the Downtown Nanaimo Partnership did not exist as a society at the time that the last BIA bylaws were approved by Council).

Each BIA is created by bylaw that outlines the terms and conditions of the BIA which are nearly identical for each area. One section of each bylaw requires the NCCA to be audited annually:

"The Applicant shall submit to the City an annual audited financial statement that shall be prepared in accordance with generally accepted accounting principles and shall include a Balance Sheet and a Statement of Revenue and Expenditure."

This clause is in place to ensure that the funds that are collected by the City, and paid over to the NCCA on behalf of the downtown businesses that belong to the BIA, are being spent according to the terms of the bylaw.

☒ Council
☒ Committee of the Whole
☒ Open Meeting
☐ In-Camera Meeting
Meeting Date: 2008 APR-21

The NCCA has written to request that this clause be removed from the bylaw and replaced with a clause requiring a review by City staff (letter attached setting out the position of the NCCA).

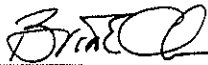
While staff have sympathy for the position put forward by the NCCA, it is difficult to argue that an organization receiving public funds should be exempt from the audit requirement. Staff will always be supportive of protecting the taxpayers, in this case the members of the BIA.

There are many organizations that receive City funding that are required to provide audited financial statements (for example, all grants applicants). Without this information, staff would not be capable of reviewing all of the organizations and therefore could not support relaxation of the requirements.

An additional factor is that these audit requirements existed when the members of the BIA's voted in favour of creating the BIA and paying the annual levy. It may not be appropriate to remove this requirement without consulting the members.

2008 is the final year of the current BIA bylaws. Staff are not recommending that Council remove the requirement for an audited financial statement at this time. Council may choose to consider this issue when the new BIA bylaws are adopted.

Respectfully submitted,



B.E. Clemens
Director of Finance



D.W. Holmes
General Manager,
Corporate Services

BEC/sf
Council: 2008-Apr-07
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Nanaimo City Centre Association

150 Commercial Street, Nanaimo, BC V9R 5G6

Tel: (250) 754-8141 • Fax: (250) 754-8108

info@nanaimodowntown.com • www.nanaimodowntown.com

January 4, 2007

Brian Clemens
Finance Director
City of Nanaimo
455 Wallace Street
Nanaimo, BC V9R 5J6

Dear Brian;

As you are aware, the current City of Nanaimo BIA Bylaws requires the Nanaimo City Centre Association to be audited annually in Clause 8.1.4 of each of the Bylaws.

We would like to formally request that this clause be removed in each of the Bylaws. If Council wishes this clause could be replaced by a City Staff Review clause.

The reasons for this request follow:

1. The requirement for Audit was enshrined in the Bylaws to insure that appropriate scrutiny was in place.
2. The Downtown Nanaimo Partnership Society is now the effective recipient of the BIA funds. As you are aware, the City cheques continue to be written four times per year to the NCCA, who then write the same amount over to the DNPS.
3. When the DNPS was formed Council decided it did not require Audit or Review, rather it would be subject to City staff review on request.
4. The cost of the Bylaw requirement is in excess of \$ 4,000 per year.
5. The requirement is redundant in that the expenditures, which necessitated this clause, are all made in the DNPS, which has a review provision built into its structure, which has been approved by Council.

Please advise when this will be placed on a Council Agenda, so we can be available to speak to this issue.

Thank you very much,

Yours very truly



Blake McGuffie

1st Vice President, Nanaimo City Centre Association
Treasurer, Downtown Nanaimo Partnership Society

RECEIVED

JAN 15 2008

CITY OF NANAIMO
FINANCE DEPARTMENT

STAFF REPORT

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

FROM: B. E. CLEMENS, DIRECTOR OF FINANCE

RE: 2008 - 2012 FINANCIAL PLAN

STAFF'S RECOMMENDATIONS

1. That Council receive this report for information and provide direction on any amendments to the 2008 - 2012 Financial Plan; and
2. That Council endorse the attached revenue policy for inclusion in the Financial Plan.

EXECUTIVE SUMMARY

Earlier this year, Council has adopted the draft 2008 - 2012 Financial Plan. Since that time, staff has received updated information and changed the Financial Plan to reflect this. The cumulative effect of all these changes has been to reduce the 2008 residential property tax increase to 3.9% (formerly 7.0%).

BACKGROUND

Finance staff have done a detailed review of the budget and made many adjustments for information received since the budget was first prepared last fall. For example, the revised assessment roll has now been received from B.C. Assessment which contains the new construction revenue. It is now expected that \$1,422,496 will be received from new construction compared to \$1,200,000 in the previous version of the budget.

Other significant changes include a one time payment from the RCMP correcting previous years' leasing fees for the police station (\$326,000), increased casino revenue (\$150,000), reduced benefit costs (\$100,000) and increased the budget for investment income (\$800,000).

The net impact of the above changes is that less funding from property taxes is required in 2008 than was projected earlier this year. There are also changes in future years. The five year property tax increases are now projected at:

	<i>Residential</i>	<i>Commercial</i>	<i>Industrial</i>
2008	3.9%	3.6%	0%
2009	5.5%	3.9%	-14.7%
2010	5.5%	4.1%	-17.2%
2011	4.5%	3.3%	-20.8%
2012	5.4%	4.3%	-26.3%

Attached to this report is the list of potential Higher Service Levels. This is a list of potential services, new staff or programs that Council could add to the budget. Those marked with an "R" are included in the budget that has already been approved by Council and in many cases have already been acted upon. No Council direction is required unless Council wishes to change the list as presented, i.e. remove an item currently included (assuming it hasn't been acted upon) or add something not presently in the budget. Any change would have an impact on the proposed property tax increase.

Council may also provide direction on any other budget issue. After tonight's meeting, staff will prepare the budget and property tax bylaws for introduction at the April 28th Council meeting and final adoption on May 12th. The statutory deadline for adoption is May 15th. Special meetings can be scheduled if Council needs more time for deliberation.

Revenue Policy

Council may recall earlier discussions on the new revenue policy that has been mandated by the Provincial government. This policy must be included in the Five Year Financial Plan. The draft policy has previously been reviewed by Council. A few minor wording changes have been made. The policy is attached for Council's review.

Respectfully submitted,



Brian E. Clemens
Director of Finance



Douglas W. Holmes
General Manager of Corporate Services

BEC/sf
Att.

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REVENUE POLICY

PROPORTION OF REVENUE BY SOURCE

Property Taxes

- The existing proportionate share has been established through years of public process. The City of Nanaimo will attempt to keep the proportionate share of revenue from property taxes at a level similar to the average of comparable municipalities.
- Where new sources of revenue are made available from senior governments, wherever possible these revenues will be used to reduce dependency on property taxation revenue.

Parcel Taxes

- Parcel taxes will be used whenever Council determines that they are more appropriate than property taxes.

Fees & Charges

- Wherever possible, fees and charges will be used to assign (a proportion of the) costs to those who benefit from the service provided. The proportion of costs recovered by fees and charges will vary with the nature of the service provided. When establishing the proportion of cost that will be covered by fees Council will consider whether these fees may limit access to facilities (e.g. Nanaimo Aquatic Centre) due to affordability issues.

Proceeds of Borrowing

- Borrowing will be considered when determining the funding sources of large capital projects that provide benefits to taxpayers over a long period of time (20+ years).
- The City will maintain debt payments per capita and total debt per capita at a level below the average of similar municipalities.

Other Sources of Revenue

- The City will seek other sources of revenue in order to reduce reliance on property taxes.

DISTRIBUTION OF PROPERTY TAXES

- The City will maintain the percentage of property taxes received from residential taxpayers at a level comparable to the average of similar municipalities.
- In 2008, the revenue received from industrial property taxes will stay at the same level as 2007.
- The light and major industrial rates will be reduced over time to achieve the same level as the commercial tax rate by 2012.

- Once the industrial tax rate objectives are achieved, the City will reduce the commercial and industrial rates through a gradual shift to residential taxes.
- Council will not consider ratios in determining an appropriate distribution of property taxes without considering their underlying components.

PERMISSIVE TAX EXEMPTIONS

- The City of Nanaimo believes that PTE's are an appropriate way to recognize the value of the service provided to the community by non-profit organizations.
- PTE requests will be reviewed by the Grants Advisory Committee based on policies and guidelines approved by Council. The Grants Advisory Committee will make recommendations to Council.

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**City of Nanaimo
Higher Service Level Requests
2008 Provisional Budget**

		FTEs	Cost \$	Other Funding \$	Impact on Taxation \$	
Council Initiatives						
General Revenue	Freeze major industry taxes - shift cost to residential		235,197	235,197	0	R
Community Planning	Downtown capital		530,000		530,000	
Community Planning	Downtown security		132,000		132,000	1 R
Community Planning	Social housing		690,000		690,000	2 R
Total Corporate Services Requests		0.00	1,587,197	235,197	1,352,000	
Corporate Services						
Parking	Security cameras for parkades		60,000	60,000	0	R
Regulatory Services	Comprehensive risk plan		50,000		50,000	
Financial Services	Grants Administrator	1.00	80,000		80,000	
Information Technology	Client Support Specialist	1.00	54,435	54,435	0	R
Total Corporate Services Requests		2.00	244,435	114,435	130,000	
Community Safety						
Fire	Logistical Support Clerk	0.80	41,925		41,925	R
Police Services	RCMP Members	5.00	596,250		596,250	R
Police Services	Steno - Operations	1.00	56,306		56,306	
Police Services	Crime Analyst	1.00	80,000		80,000	R
Police Services	Prisoner Guards	2.09	129,249	64,492	64,757	R
Police Services	Community Policing Coordinator	1.00	56,090		56,090	
Police Services	RCMP Members	6.00	715,500		715,500	
Total Community Safety Requests		16.89	1,675,320	64,492	1,610,828	

**City of Nanaimo
Higher Service Level Requests
2008 Provisional Budget**

		FTEs	Cost \$	Other Funding \$	Impact on Taxation \$	
Development Services						
Community Planning	Special Projects	1.00	350,000		350,000	R
Regulatory Services	Plan Checker	1.00	65,554		65,554	R
Regulatory Services	Building Inspection Clerk	1.00	59,432		59,432	R
Regulatory Services	Business License Inspector	0.60	39,340		39,340	
Regulatory Services	Building Inspector	1.00	74,854		74,854	
Civic Properties	Space Planning & Bldg Mtce Coordinator	1.00	82,560		82,560	
Total Development Services Requests		5.60	671,740	0	671,740	
Parks, Recreation & Culture						
Recreation & Arenas	Facility Operator	1.00	62,209		62,209	R
Parks Operations	Custodian	0.50	29,949		29,949	R
Parks Operations	Parks Maintenance Worker	1.00	80,935		80,935	
Parks Operations	Bylaw Officer	0.50	33,873		33,873	
Total Parks, Recreation & Culture Requests		3.00	206,966	0	206,966	
Engineering & Public Works						
Sanitation	Increased downtown street & sidewalk cleaning	1.00	183,869	115,000	68,869	R
Engineering	Infrastructure Planning	1.00	90,000		90,000	
Total Engineering & Public Works Requests		2.00	273,869	115,000	158,869	
Total Higher Service Level Requests		29.49	4,659,527	529,124	4,130,403	

R = Recommended and included in budget as presented

1 Only \$66,000 of the request is recommended and included

2 Only \$165,000 of the request is recommended and included

3 Only 4 additional RCMP members are recommended and included

FOR INFORMATION ONLY

REPORT TO: B. CLEMENS, DIRECTOR OF FINANCE

FROM: G. DI MENNA, MANAGER, PURCHASING AND STORES

RE: RENEWAL OF PROPERTY INSURANCE

BACKGROUND:

Insurance coverage for the City's buildings and contents and mobile equipment is renewed on an annual basis on or about April 17th of each year.

DISCUSSION:

The City's insurance cost for April 17, 2007 to April 16, 2008 was \$287,269 which covered \$207,066,522 of the City's property. Included in the policy is coverage in the event of earthquake, flood and sewer backup. As the City grows, assets are acquired and added to the policy at the current rate for the remaining portion of that insurance term.


The insurance cost for the period April 17, 2008 to April 16, 2009 has increased from \$287,269 last year to \$374,626 due to the increase in insurable property which is now valued at \$319,270,322. This represents a 54% increase in insurable asset value from last year. It is important to note that the actual insurance rate has decreased approximately 19% from last year.

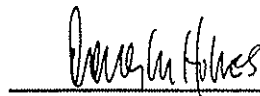
RECOMMENDATION:

That Council receive this report.

Respectfully submitted,


G. DI MENNA
MANAGER, PURCHASING AND STORES


BRIAN CLEMENS
DIRECTOR OF FINANCE


DOUG HOLMES
GENERAL MANAGER, CORPORATE SERVICES