

MINUTES OF THE REGULAR MEETING OF THE TWENTY-SECOND COUNCIL
OF THE CITY OF NANAIMO HELD IN THE COUNCIL CHAMBER, CITY HALL,
ON MONDAY, 2005-JAN-10, COMMENCING AT 7:00 P.M.

PRESENT: Acting Mayor L. J. Sherry, Chair

Members: Councillor M. D. Brennan
Councillor R. A. Cantelon
Councillor W. J. Holdom
Councillor T. K. Krall
Councillor L. D. McNabb
Councillor C. S. Manhas
Councillor D. Tyndall

Absent: His Worship Mayor G. R. Korpan

Staff:	G. D. Berry	T. P. Seward
	A. C. Kenning	C. Scott
	B. N. Mehaffey	S. Graham
	B. E. Clemens	K. L. Burley
	E. C. Swabey	L. Mitchell

1. ADOPTION OF MINUTES:

- (a) Minutes of the Special Open Meeting of the Twenty-Second Council of the City of Nanaimo held in the Council Chamber, City Hall on Monday, 2004-DEC-13 at 4:15 p.m.

It was moved and seconded that the Minutes be adopted as circulated. The motion carried unanimously.

- (b) Minutes of the Regular Meeting of the Twenty-Second Council of the City of Nanaimo held in the Council Chamber, City Hall on Monday, 2004-DEC-13 at 7:00 p.m.

It was moved and seconded that the Minutes be adopted as circulated. The motion carried unanimously.

2. INTRODUCTION OF LATE ITEMS:

- (a) Ms. K. L. Burley, Deputy Manager of Corporate Administration advised that the following items had been distributed prior to the meeting:
- City Manager's supplemental report
 - Economic Development Standing Committee supplemental report
- (b) Councillor Holdom advised that he would be bringing forward an item under Consideration of Late Items regarding the coordination of assistance for Tsunami victims by FCM.

3. RECEIVING OF DELEGATIONS:

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

- (a) Mr. Ron Tanasichuk, Nanaimo Area Land Trust, #8 - 140 Wallace Street, Nanaimo, B.C., requesting a funding grant in 2005.

Mr. Tanasichuk was previously authorized to address Council.

Mr. Tanasichuk stated that:

- he is a Director on the Board of the Nanaimo Area Land Trust (NALT), which is a non-profit organization that has been providing land stewardship and protection service to the City and the RDN for ten years.
- NALT's mandate is to protect environmentally-sensitive lands and to secure a legacy of greenspace for the City and RDN.
- land acquisition and protection is NALT's most conspicuous activity; they are currently involved with Mt. Benson, but are still involved with Linley Valley.
- they also set up conservation covenants to help people who have lands with environmental value look after them in perpetuity.
- NALT provides voluntary stewardship and education, encouraging people and groups to become aware of environmental issues.
- they handle habitat inventory and restoration projects on public and private property.
- in 2004, they provided information and support to more than 2000 residents from the NALT Stewardship Resource Centre on Wallace Street.
- NALT has gained wide support for their goals and activities, but it is the large campaigns like Linley Valley and Mt. Benson that garner the most attention.
- in 2002, NALT collected 5,000 signatures of support and raised \$500,000. to help purchase the first parcel of parkland in the Linley Valley.
- they now have a declaration of support for Mt. Benson with 12,000 signatures on it.
- the City's WebPage clearly brags about the beautiful natural environment that surrounds Nanaimo, and there are also quotes from Tourism Nanaimo emphasizing the environmental assets of the City.
- there is a reference in the City's Official Community Plan to protect the environment, and the Regional District of Nanaimo's (RDN) Growth Management Strategy also focuses on environmental preservation.

- he distributed copies of NALT's operating budget for 2005 and explained that in order to provide full services for 2005, NALT is requesting that the City and RDN each contribute \$30,000. towards operating costs.
- they have also received a \$30,000. grant from the Provincial Gaming Commission, which has reduced the amount of their funding requests.
- they will continue to investigate other ways and sources to secure funding, including the development of a native plant nursery in Cassidy and other revenue opportunities.
- in summary, for ten years NALT has provided services to the City and RDN, working with residents, businesses and government to protect and enhance the environmental values of the area, and to secure a legacy of green space within the City and the RDN, and this continues to be their goal.

It was moved and seconded that the presentation be received. The motion carried unanimously.

It was moved and seconded that the funding request from the Nanaimo Area Land Trust be referred to the Budget process. The motion carried unanimously.

- (b) Mr. Fred Rockwell and Mr. Nelson Wong, Nanaimo Ballroom Dance Society, 5978 Cody Place, Nanaimo, B.C. inviting Council to be an Island Fantasy Ball Grand Patron and consider a grant of \$2,500. or a waiver of rental, set-up and take-down charges at Beban Park for this event.

Mr. Rockwell and Mr. Wong were previously authorized to address Council.

Mr. Rockwell stated that:

- he is Chair of the Sponsorship Sub-Committee for the Island Fantasy Ball (IFB), and Mr. Wong is Chair of their Organizing Committee, as well as a local dance instructor and DanceSport coach.
- he is asking the City to become one of only two Grand Patrons of this event.
- competitive ballroom dancing, which is now called DanceSport, is both physically and mentally demanding.
- Nanaimo has produced championship contenders who vie for the privilege of competing at national or international events.
- any profit from the IFB is used to support amateur dancing in Nanaimo, including subsidizing the rental of practice space for competitors.
- on 2005-MAY-14 the 13th Annual Island Fantasy Ball will be held at Beban Park.
- this year, in addition to a full slate of open amateur competitions and the BC Closed Events, for the first time ever on Vancouver Island they will have the *Canadian Closed Ten Dance Championship*.
- Island Fantasy Ball 2005 will be spectacular and they expect well over their usual attendance of 500.
- with the recently approved New Nanaimo Centre and the work being done to attract cruise ships to Nanaimo, as well as the upcoming 2010 Olympics, the time is right for the City to market itself and be seen as supporting amateur sport.
- they feel that being a Grand Patron of IFB 2005 is an ideal way to do both, and he outlined the benefits that the City would receive.
- on behalf of the Organizing Committee, he invited the City to be one of only two Grand Patrons for 2005.

- the level of support needed to achieve Grand Patron status would be \$2,500., but they would gladly accept an in-kind donation of the space and any set-up and take-down services.
- based on last year's rates, this would amount to about a \$2,900. savings for them, but it would be considerably less cost to the City.
- if ever there was a year for the City to promote itself to local, regional and national audiences through the Island Fantasy Ball, this is the year.

It was moved and seconded that the presentation be received. The motion carried unanimously.

It was moved and seconded that the funding request from the Nanaimo Ballroom Dance Society be referred to the Parks, Recreation and Culture Commission Budget process. The motion carried unanimously.

- (c) Mr. Lorne Hildebrand and Mr. Doug DeProy, Nanaimo Dive Association, 2507 Quill Drive, Nanaimo, B.C., requesting a funding grant in 2005.

Mr. G. D. Berry, City Manager advised that this delegation was postponed until the 2005-JAN-24 Council Meeting.

- (d) Ms. Sandra Thomson, The Port Theatre Society, 125 Front Street, Nanaimo, B.C., supporting the Parks, Recreation and Culture Commission's request that Council provide \$100,000. in the 2005 – 2009 Financial Plan for Capital Completion Projects at the Port Theatre.

Ms. Thomson was previously authorized to address Council.

Mr. Bill Scott, Vice President of the Port Theatre stated that:

- the Port Theatre opened in 1998, and since then it has been a great success - if we measure success in terms of awards, attendance, satisfaction of all those who attend their events, volunteer support, membership, peer review and finally, employees.
- the Budget to opening night was great; they had great sight lines, fantastic acoustics, but little else.
- since 1998 they have spent over \$600,000. on improvements to this City facility, and to continue this growth and success they have put a five-year budget.
- the capital plan is in place and their presentation will deal with the immediate and critical issues.

Ms. Thomson gave a PowerPoint presentation and stated that:

- the original plan was that the theatre building would be finished during construction, including all equipment and public areas.
- the annual management fee charged to the City by the Society was to be approximately 33 percent of annual revenue, but has in fact averaged less than 30 percent for the past six years.
- the Endowment Fund was to grow over time and be large enough by 2016 that the annual interest would replace the City operating grant.
- the reality is that the building and the theatrical systems were not finished at the time of construction.

- the Port Theatre Society has been operating with the original management fee and trying to finish the theatrical systems at the same time.
- the Endowment Fund growth has slowed as the \$1. Capital Development Fund (CDF) and private donations have been redirected to capital projects.
- the Capital Development Fund is the \$1. that is charged on every ticket that is sold; the Endowment Fund is now at \$93,794.; no other City building has such an endowment fund.
- since 1999, the Society has donated almost \$675,000. to City capital assets; these funds could have gone into the Endowment Fund had the building been finished.
- the building and theatrical systems are unfinished and the partnership relationship they share with the City needs to be enhanced.
- they have therefore developed a six-year capital plan that will see the Port Theatre contributing \$1. per ticket out of Capital Development Fund to capital items (approximately \$65,000. per year), and they will also continue to seek donations from individuals, corporations, foundations and service clubs for specific capital items.
- the six-year capital plan calls for the City to allocate \$100,000 per year for six years to the building that is owned by the City, specifically for capital items.
- this will see the theatrical systems and the physical plant completed and upgraded in an orderly, planned, cost-effective manner.
- the Port Theatre operations are a success, but the physical plant needs attention.
- the taxpayers of Nanaimo are benefiting from this cost-effective partnership.
- the six-year capital plan is reasonable and affordable.
- the Port Theatre will continue its efforts to secure additional annual funding from the RDN areas that are not currently contributing.
- the taxpayers of Gabriola Island, Cedar, Extension and Lantzville are contributing on an annual basis.

Mr. Bruce Holiday, Director of Technical Services stated that:

- he gave a breakdown of the areas where they have been spending the money.
- in each year there are physical plant issues, which include maintaining the heating and cooling systems, finishing the flooring in the theatre, replacing light fixtures, etc.
- the audio system is very technology driven and they need to keep current for their clients.
- there is a line item in the budget every year for lighting as they were about \$700,000. short in the initial lighting system.
- they have been unable to use more than about 50 percent of the infrastructure in the original building as they do not have the equipment to plug in yet.
- rigging and drapery is another big item that has needed completing since the start.
- there have also been a lot of small items from the beginning, such as a loading ramp to unload trucks.
- their proposed budget has been broken into large chunks - the physical plant, audio, lighting, and stage and rigging systems.
- all these systems need to be completed, then we'll need to upgrade them already.

- this plan takes into account capital completion, capital upgrade and capital replacement over a staged, regular process.

It was moved and seconded that the presentation be received. The motion carried unanimously.

It was moved and seconded that the funding request from the Port Theatre Society be referred to the Budget process. The motion carried unanimously.

- (e) Other delegations pertaining to the City of Nanaimo 2005 - 2009 Financial Plan.

Mr. Adrian DeJong addressed Council regarding the 2005-2009 Financial Plan.

Mr. DeJong stated that:

- he had submitted an alternate presentation to the Conference Centre which did not require the borrowing of \$30 Million, and wanted to find out if his proposal was worthy of consideration, but has not heard anything.
- as nothing was publicized before the Referendum took place, he didn't realize he could do such a thing.
- seeing that some new condominiums downtown are actually being sold before they are built, he had proposed pre-selling space within the conference centre so people would save 25 percent on the use of a room or conference space.
- they would also have input on the type of space they would like.
- he proposed it be built over the highway as that would give access to the ground below, so we could study it.
- this is a heritage site, and we wouldn't have to tear any buildings down.
- he asked that Council not spend the \$30 Million as he believes it isn't needed.
- he enquired whether it was possible to do a feasibility study on this issue before we commit ourselves completely to spending \$30 Million of taxpayers money?

It was moved and seconded that the presentation be received. The motion carried unanimously.

4. PROCLAMATIONS:

- (a) Ms. Joanne Keating, Door to Door Campaign Coordinator, Vancouver Island & Powell River Area, Heart and Stroke Foundation, #4B – 91 Front Street, Nanaimo, B.C., requested that the month of February 2005 be proclaimed "HEART MONTH" in the City of Nanaimo.

It was moved and seconded that the month of February 2005 be proclaimed "HEART MONTH" in the City of Nanaimo. The motion carried unanimously.

- (b) Ms. Lindy Edgett, Area 13 Governor, District 21 Toastmasters, #37 - 25 Pryde Avenue, Nanaimo, B.C., requested that the week commencing 2005-FEB-06 to 2005-FEB-12 be proclaimed "TOASTMASTERS INTERNATIONAL WEEK" in the City of Nanaimo.

It was moved and seconded that the week commencing 2005-FEB-06 to 2005-FEB-12 be proclaimed "TOASTMASTERS INTERNATIONAL WEEK" in the City of Nanaimo. The motion carried unanimously.

- (c) Ms. Pam Wallace, President, Vancouver Island Cooperative Preschool Association, 50 Marler Drive, Victoria, B.C., requested that the week commencing 2005-FEB-13 to 2005-FEB-19 be proclaimed "PARENT PARTICIPATION PRESCHOOLS WEEK" in the City of Nanaimo.

It was moved and seconded that the week commencing 2005-FEB-13 to 2005-FEB-19 be proclaimed "PARENT PARTICIPATION PRESCHOOLS WEEK" in the City of Nanaimo. The motion carried unanimously.

5. ECONOMIC DEVELOPMENT STANDING COMMITTEE: *(Supplemental)*

The following items were considered by the Economic Development Standing Committee at its Meeting held Monday, 2005-JAN-10:

Delegations:

- (a) Mr. Jerry Pink and Ms. Michelle Hynes, Tourism Nanaimo, provided a presentation regarding the success of the Visitor Information Program which ran on BC Ferries during the Summer of 2004.

It was moved and seconded that the information be received. The motion carried unanimously.

Tourism Nanaimo:

- (b) Proposed Scope of Services to be Provided to the City

Committee's Recommendations: That Council:

1. endorse the proposed scope of services to be delivered by Tourism Nanaimo to the City; and,
2. support Tourism Nanaimo's request for \$30,000. in additional funds for 2005 and that this item be referred to the 2005 budget process for consideration.

It was moved and seconded that Recommendation No. 1 of the Economic Development Standing Committee be adopted. The motion carried unanimously.

It was moved and seconded that Recommendation No. 2 of the Economic Development Standing Committee be adopted. The motion carried unanimously.

Information Only Items:

- (c) Minutes of the Economic Development Standing Committee Meeting held 2004-NOV-15.

It was moved and seconded that the Minutes be adopted. The motion carried unanimously.

6. PARKS, RECREATION AND CULTURE COMMISSION:

The following items were considered by the Parks, Recreation and Culture Commission at its Meeting held 2004-NOV-24:

- (a) Nanaimo Athletic Commission Event Fees and Charges

Recommendation: The Parks, Recreation and Culture Commission recommends that Council:

1. approve the proposed new fee structure for the Nanaimo Athletic Commission as outlined on Schedule "A" attached; and further,
2. consider giving first three readings to "NANAIMO ATHLETIC COMMISSION BYLAW AMENDMENT BYLAW 2005 NO. 5746".

It was moved and seconded that the recommendation of the Parks, Recreation and Culture Commission be adopted. The motion carried unanimously.

7. CITY MANAGER'S REPORT:

CORPORATE SERVICES:

FINANCE:

- (1) 2005 - 2009 Financial Plan

Mr. B. E. Clemens, Director of Finance, gave a PowerPoint presentation regarding the 2005 - 2009 Financial Plan.

The 2005 - 2009 Financial Plan is being presented tonight for Council's information. Meetings to review the Plan have been scheduled as follows:

Monday, 2005-JAN-10	7:00 p.m.	Council Chambers	Regular Council
Monday, 2005-JAN-24	7:00 p.m.	Council Chambers	Regular Council
Monday, 2005-FEB-07	7:00 p.m.	Council Chambers	Regular Council

One purpose of these scheduled meetings is to allow the public the opportunity to address Council with their comments about the budget. Staff have advertised in the local papers in order to solicit public input at these meetings. Additional meetings may be scheduled if so directed by Council.

Council must adopt the new Financial Plan before the annual Tax Rates Bylaw is approved in May. However, Staff proposes to introduce the 2005 - 2009 Financial Plan Bylaw at the January 24th meeting. Staff would normally recommend that Council pass the Financial Plan bylaw prior to the end of the year. This year, the process is later than usual due to the November 20th referendum. Staff also have updated the plan to include the effect of the CUPE collective bargaining agreement that was reached in late November. Although the wage settlement did not have an impact on the overall budget beyond what had been predicted, it affects most cost centres, and took some time to update the budget document. Council will have an opportunity to review and amend the Plan before the Tax Rates Bylaw is approved in May.

Complete budget packages, including information on current and recommended higher service levels, as well as the proposed 2005 - 2009 capital budget, have been provided to Council and will be available to the public at City Hall. Draft budget information will also be available on the City's website.

Highlights of the proposed 2005 Budget follow:

- Estimated \$1,200,000. in tax revenue from new growth (compared to \$1,455,443. in 2004)
- Overall property tax increase of 3.6%
 - residential property tax increase of 3.8%
 - all other classes will have a property tax increase of 3.3%
- User fees:
 - no change proposed for water or garbage rates
 - 10% decrease in sewer rates
- \$600,000. in higher service level requests are recommended by the City Manager and are included in the 2005 Budget (see below for details).

When Council approved the Five-Year Financial Plan in May 2004, the Plan included an anticipated 3.3 percent overall increase in property taxes for 2005. Although the budget presented to Council tonight contains a 3.6 percent overall increase, the first draft of the budget for 2005 came in much higher than previously estimated. Before presenting it to Council, Staff has done considerable work to bring it to this stage. With the additional revenue from Provincial traffic fines, the budget is able to accommodate a number of higher service levels and still remain at the projected increase for 2005 (the additional 0.3 percent increase is related to the New Nanaimo Centre).

The significant change to the Five-Year Plan from one year ago is the New Nanaimo Centre. Approximately \$70 Million in public funds is spread out over three sites: Commercial Street, Foundry/Civic Arena site and Third Street arenas. Financing these projects over the next five years will require the use of most of the City's discretionary reserves. In the case of the arenas and the park expansion, some of the work is proposed to be done before all of the funding is received, i.e. the sale of the condos on the Foundry site as predicted. This will require the City to

borrow money, either from water or sewer reserves, or by way of a temporary borrowing bylaw. Council of course has some discretion to delay some components of the proposed work.

It was also necessary to review the capital program and defer some major capital expenditures. The Departure Bay walkway, which was previously included in the budget (although severely underfunded) has now been removed from the Five-Year Plan.

With the reduction in the reserve balances, Staff recognized a need to maintain some limited funding for property acquisitions. The Five-Year Plan now contains \$600,000. per year funded from general revenue for property acquisition. This was previously funded from reserves. This amount will permit Council to deal with the smaller property acquisition issues that surface during most years.

A major addition to the draft budget in future years is the projected opening of a new fire hall in Chase River in 2008. The capital costs will be incurred in 2007, with the projected \$2.1 Million per year operating cost being phased in over 2008-2009. The operating costs are based on the staffing levels for the existing Dorman Road Fire Hall. Like most major budget items, this would not be implemented without specific Council review and approval.

Staff has submitted higher service level requests in excess of \$1.1 Million (Appendix I). The City Manager has recommended that \$600,000 in higher service requests be referred to the new Protective Services Committee in 2005 to consider and make recommendations on allocation. The detailed budget package, with the overall tax increase of 3.6 percent includes the additional \$600,000. in new programs as recommended, however no action will be taken to implement these changes until the Protective Services Committee has completed its deliberations and Council endorses the recommendation.

The Budget assumes that the City of Nanaimo will continue to receive a share of gaming revenue from the casino, in spite of the fact that there is no long-term agreement in place with the Province. Approximately \$1.4 Million has previously been allocated by Council to ongoing programs and is not available for new spending in 2005. Staff's recommendation is for the remainder of the Casino Revenue money to be used to fund the New Nanaimo Centre and related costs.

Several years ago, Council directed that reductions should be made to the major industry tax rate due to the fact that the City's major industry tax rate was much higher than the provincial average for cities (161 percent of the provincial average in 1993). Similarly, Council set the objective of reducing the City's commercial tax rate relative to other B.C. municipalities.

Since 1999, major industry and commercial tax rate reductions have been achieved through Council's adoption of a 'tax shift option'. The tax shift option recognized Council's desire to bring major industry and commercial property tax rates to the provincial average. The tax shift program was based upon the premise that most of the demand for increased levels of funding in the City's yearly budgets (police, fire, pools, theatre, etc.) comes from the residential sector.

Under the plan, and independent of any other tax level changes, residential property taxes will increase by 0.5 percent each year until the tax shift is completed in 2006. Without this option, the tax increases included in this budget package for 2005 would be 3.6 percent for all classes.

In spite of the ongoing tax shift policy, the major industry tax rate in 2004 is 103 percent of the provincial average for cities, up from 99 percent in 2003. The commercial property tax rate has risen to 122 percent of the provincial average in 2004. Without the tax shift, this would be even higher.

The effect of the recommended increase of 3.6 percent in residential property taxes, combined with a decrease in sewer user fees, is shown on Appendix II. For a typical home assessed at \$180,000. in 2004, the overall increase would be \$42.02, or about a 2.3 percent increase in municipal taxes and user rates.

As noted earlier in this report, the *Community Charter* requires that operating and capital budgets be prepared on a five-year timeline. The full Five-Year Financial Plan is provided in Council's budget package. The estimated annual property tax increase for this period is:

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Residential	3.8%	2.7%	5.0%	4.4%	3.0%
Commercial	3.3%	2.2%	5.0%	4.4%	3.0%
Industrial	3.3%	2.2%	5.0%	4.4%	3.0%
Total	3.6%	2.5%	5.0%	4.4%	3.0%

Recommendation: That Council receive the report.

It was moved and seconded that the report be received. The motion carried unanimously.

DEVELOPMENT SERVICES:

PLANNING:

Councillor McNabb vacated the Council Chamber due to a perceived conflict of interest as his brother owns property in the area.

(2) Development Permit No. DP000292 - 6350 McRobb Avenue

Ellins Architect Inc. on behalf of Georgia View Village Ltd. is requesting a Development Permit to construct a 16-unit multi-family (townhouse) development with eight two-storey buildings.

The subject property was recently rezoned to RM-3 (Townhouse) as part of an overall development plan for the vacant lands south of McRobb Avenue. The site is bordered by a townhouse project to the west, a proposed high-rise (RM-7) site to the south, and a medium density (RM-5) site to the east. Between the subject

property and the adjacent high-rise site is a proposed public walkway providing access opportunities to the commercial centre from the broader development and the neighbourhood beyond. Opposite the property to the north is an existing (The Terraces) townhouse development. The application has been reviewed by Staff and the Design Advisory Panel (DAP) and is now ready for review and approval.

The site configuration proposes two variances to yard setbacks:

1. Required Front Yard Setback (McRobb Avenue)

The required front yard setback of 6 metres (19.68 feet) is varied to 4.27 metres (14 feet) for two buildings to allow the streetscape to be compatible with the Pinewood Lane development. The proposed variance is 1.73 metres (5.68 feet).

2. Required Rear Yard Setback (Abutting the Internal Pedestrian Walkway)

The required rear yard setback of 10.5 metres (34.5 feet) is varied to six metres (19.69 feet) for two buildings and to 4.27 metres (14 feet) for two buildings to allow for a strong building edge along the internal pedestrian walkway. Although the bylaw identifies this as a rear yard, it has been designed as a front yard for those units facing the public walkway, placing a stronger presence on the trail.

The proposed landscape concept plan shows individual unit walkways to the street and to the internal pedestrian walkway. The addition of this feature further enhances the single-family feel of this multi-family development and an openness to the neighbourhood.

The Design Advisory Panel, at its meeting held 2004-NOV-25, recommended "that DP000292 be approved, including the variances, subject to looking at planting small scale trees between the driveways to break up the double wide driveway aprons, providing some form of street lighting (for the internal lane), having a path access to the walkway for the units located on the north and bringing out the entrance trellises from the garages slightly so they are seen first rather than the garages."

The applicant concurs with most of the Design Advisory Panel recommendations and has made the necessary changes. The applicant has declined to introduce the small-scale trees between the driveways due to poor conditions for survival and not working with the proposed landscape plan. City Staff concurs with the applicant's approach given the site conditions. City Staff concurs with the remaining DAP recommendations and the changes the applicant has made, and recommends that the project, with variances, be approved and further recommends that Council authorize the Development Permit.

Recommendation: That Council authorize a Development Permit for the construction of a 16-unit multi-family project at 6350 McRobb Avenue.

It was moved and seconded that the recommendation be adopted. The motion carried unanimously.

Councillor McNabb returned to the Council Chamber.

(3) Development Permit No. DP000306 - 1250 Stewart Avenue

The City has received an application for a Development Permit from Nanaimo Harbour City Marina to allow for the concrete surfacing of an existing works yard; and the installation of an oil/water/sediment separator and stormwater outfall. The area in question has been used as a repair and storage area for boats at Nanaimo Harbour City Marina by the present owner, since prior to 1990. This property is within Development Permit Area No. 23 (Watercourses), as designated by the City's Official Community Plan, and as such, a development permit is required.

The subject property fronts Newcastle Channel and is owned by Nanaimo Harbour City Marina. A portion of this property is owned by the Nanaimo Port Authority and is leased from the Nanaimo Port Authority by the applicant. The Nanaimo Port Authority has approved this project. The applicant is proposing to concrete the repair area and direct all the storm water, repair debris (i.e. paint chips, etc.) and oils to a catch basin equipped with an oil/water/sediment separator with a discharge to the ocean. The oil/water/sediment separator will be maintained annually.

The existing graveled area, including the foreshore, has been negatively impacted by past land use practices. Accordingly, there is minimal riparian vegetation. There are no negative impacts on local fish habitat and the marine environment expected as a result of the proposed project and the proposed works are considered by Staff to be a significant improvement to the existing conditions. The proposed concrete surface will contain the repair debris and fluids from the operation and direct them to the proposed oil/water/sediment separator. The stormwater outfall from the oil/water/separator will be located within the existing riprap to avoid any disturbance and impact on the marine foreshore. The Department of Fisheries and Oceans Canada has been consulted on this proposed project and has no objections.

It is Staff's opinion that the improvements proposed by the property owner not only benefit Nanaimo Harbour City Marina, but also benefit the marine environment.

Recommendation: That Council approve Development Permit No. DP000306 for 1250 Stewart Avenue to permit construction of a concrete surface of an existing works yard, and the installation of an oil/water/sediment separator and stormwater outfall.

It was moved and seconded that the recommendation be adopted. The motion carried unanimously.

PERMITS, BYLAW AND PROPERTY SERVICES:

(4) City Lease of Federal Lease Area FL210 for Park Purposes

The City entered into negotiations with the Nanaimo Harbour Commission for a 20-year lease agreement for Federal Lease Area FL210 in the mid-1980's in order to permit construction and maintenance of works, structures, facilities at Swy-a-Lana Park and Lagoon.

At its meeting of 1988-JUN-27, Council authorized a 20-year lease commencing January 1, 1986 and expiring December 31, 2005. The lease provides for renewal for a further 20 years upon one year's notice.

Staff has provided formal written notice of the City's intention to renew and confirm its delivery and receipt by Nanaimo Port Authority, December 24, 2004. Staff require Council to confirm its intention to exercise the option to renew.

The salient terms of the renewal lease are as follows:

Rent:	\$10.00 for the term
Commencement:	January 1, 2005
Expiry:	December 31, 2025
Insurance:	Comprehensive general liability insurance not less than \$2,000,000 per occurrence.
NPA Reservation:	NPA reserves rights of access to the Foundry site and its lands at 50 Arena Street for itself, invitees, tenants and licencees.
Use:	Public park purposes.
Routine Maintenance:	The City is responsible for all maintenance/repairs.
Major Repairs:	The City and the Port Authority shall split costs of major repairs.

Accordingly, Staff seek Council's formal confirmation of its intention to proceed with the renewal of the subject lease of Federal Lease Area 210.

Recommendation: That Council confirm its direction to Staff to exercise its option to renew the lease of FL210 from the Nanaimo Harbour Commission (formerly the Nanaimo Port Authority) for a further 20-year term.

It was moved and seconded that the recommendation be adopted. The motion carried unanimously.

(5) Approval of the Expropriation of a Half-Interest of 70 Commercial Street

Under the *Expropriation Act*, Council acts as the expropriating authority and the approving authority. Council's authorization is required in the expropriation process to proceed with expropriation and to subsequently approve the expropriation. At Council's meeting of October 15th, 2004, Council authorized that the expropriation of a ½ interest in 70 Commercial Street proceed. "EXPROPRIATION BYLAW 2004 NO. 5736" was adopted October 18, 2004 to authorize the expropriation. Notice of the expropriation was registered in the Land Title Office under Number EW156706

on November 24th, 2004 and subsequently served on the owner's then solicitor. Upon delivery of the Expropriation Notice, the owner of the ½ interest has a 30 day period in which to serve the expropriating authority with a Notice of Inquiry, a process that reviews the expropriation to determine whether or not it is necessary.

An expropriation cannot receive approval until the period for Notice has expired or the inquiry has been completed.

The period for the owner to request an inquiry has expired and the owners have not delivered a Notice of Inquiry. Accordingly, given that the expropriation remains necessary for the assembly of the lands for the New Nanaimo Centre site, Staff seek Council approval, in its capacity of approving authority, of the expropriation registered on title of the subject property as Expropriation Notice EW156706.

Recommendation: That Council approve the expropriation of a ½ interest in Lot A, Section 1, Nanaimo District, and of the bed of Commercial Inlet, Nanaimo Harbour, Plan 42010 (70 Commercial Street) as provided in Expropriation Notice dated October 21, 2004, registered under number EW156706.

It was moved and seconded that the recommendation be adopted. The motion carried.

Opposed: *Councillor Sherry*

(6) Unresolved Building Deficiencies/Illegal Suites/Grow Operations

The following property(ies) have been found to have unresolved building deficiencies/illegal suites/grow operations:

- (a) 1950 Island Diesel Way
Property Owner(s): K & K Mfg Inc
1389 Waller Avenue
Winnipeg, MB R3T 3P2
Building Deficiency: Illegal construction

Recommendation: That Council, by resolution, pursuant to Sections 72 and 73 of the *Community Charter*, order the owner(s) to remove the storage containers within thirty (30) days and that any cost incurred by the Municipality be recovered pursuant to the *Community Charter*.

Acting Mayor Sherry inquired if there was anyone in attendance who wished to speak to the report pertaining to 1950 Island Diesel Way.

No one in attendance wished to make representation with respect to this matter.

It was moved and seconded that the recommendation be adopted. The motion carried unanimously.

(7) Unresolved Building Deficiencies/Illegal Suites/Grow Operations
(Authorization to place Section 57 Notice on title)

The following property(ies) have unresolved building deficiencies in contravention of "BUILDING BYLAW 1988 NO. 3220" and "ZONING BYLAW 1993 NO. 4000":

- (a) 1045 Estuary Lane
Property Owner(s): Brent Sidney Kaufmann
Brenda Ann Kaufmann
1045 Estuary Lane
Nanaimo, B.C. V9R 6N5
Building Deficiency: Construction without a valid building permit

Recommendation: That Council, by resolution, instruct the Deputy Manager of Corporate Administration to file a Notice respecting the above property(ies) in the Land Title Office under Section 57 of the *Community Charter*.

Acting Mayor Sherry inquired if there was anyone in attendance who wished to speak to the report pertaining to 1045 Estuary Lane.

No one in attendance wished to make representation with respect to this matter.

It was moved and seconded that the recommendation be adopted. The motion carried unanimously.

(8) Unsanitary Premises

The following property(ies) have been identified as having unsanitary premises:

- (a) 461 Albert Street
Property Owner(s): Chanan Singh Sandhu
2918 Hammond Bay Road
Nanaimo, B.C. V9T 1E2
- (b) 5973 Broadway Road
Property Owner(s): Audrey D. Spandier
5973 Broadway Road
Nanaimo, B.C. V9V 1C9
- (c) 1608 Bowen Road
Property Owner(s): Gina Mayer
1680 Maple Bay Road
Duncan, B.C. V9L 5N7

- (d) 3032 Barons Road
Property Owner(s): Cosco International Trading Corp
7 - 3331 Vicking Way
Richmond, B.C. V9V 1X7
- (e) 1691 Boundary Avenue
Property Owner(s): Manuel N. Maia
23 Cilaire Drive
Nanaimo, B.C. V9S 3C9
- (f) 2008 Bowen Road
Property Owner(s): Margaret B. Belesky
2008 Bowen Road
Nanaimo, B.C. V9S 1H4
- (g) 13 Gillespie Street
Property Owner(s): David Negrin
830 Beaufort Drive
Nanaimo, B.C. V9S 2C6

Recommendation: That Council, pursuant to "PROPERTY MAINTENANCE BYLAW 1990 NO. 3704" and amendments thereto, direct the owner(s) of the above property(ies) to remove from the premises those items as set out in the resolutions within fourteen (14) days, or the work will be undertaken by the City's agents at the owner(s) cost.

Items (b), (e) and (g):

Mr. G. D. Berry, City Manager advised that Items (b), (e) and (g) had been pulled from the agenda.

Items (a), (c), (d) and (f):

Acting Mayor Sherry inquired if there was anyone in attendance who wished to speak to the reports pertaining to unsightly premises.

No one in attendance wished to make representation with respect to these matters.

It was moved and seconded that the recommendation be adopted for Items (a), (c), (d) and (f). The motion carried unanimously.

(9) Nuisance Property(ies)

The following nuisance property(ies) have been identified:

- (a) 13 Gillespie Street
Property Owner(s): David Negrin
830 Beaufort Drive
Nanaimo, B.C. V9S 2C6
Building Deficiency: Derelict house, garage and shed

Recommendation: That Council, by resolution, pursuant to Section 73 of the *Community Charter*, direct the owner(s) to secure the buildings to City of Nanaimo standards within fourteen (14) days, and that any cost incurred by the Municipality be recovered pursuant to Section 17 of the *Community Charter*.

Mr. G. D. Berry, City Manager advised that this item had been pulled from the agenda.

COMMUNITY SERVICES:

ENGINEERING AND PUBLIC WORKS:

(10) Project 4 Machleary – Franklyn Infrastructure Upgrading

Tenders were called for Project 4 Machleary – Franklyn Infrastructure Upgrading on 2004-NOV-23.

Four tenders were received by the Deputy Manager of Corporate Administration on Tuesday, 2004-DEC-14 and opened in the Board Room, City Hall at 2:00 p.m.

1.	Knappett Industries Ltd.	\$2,241,687.00
2.	Hazelwood Construction Services (1999) Inc.	\$2,458,405.84
3.	Hub Excavating Ltd.	\$2,533,000.00
4.	Fournier Excavating Ltd.	\$2,745,925.36

The tenders have been checked. Arithmetical errors were found and corrected in tenders from Knappett Industries Ltd. and Hazelwood Construction Services (1999) Inc. All other tenders were correct. These errors were minor and considered to not affect the tender process.

The low tender of \$2,241,687. is within the City's capital budget.

Recommendation: That Council award the contract for Project 4 Machleary - Franklyn Infrastructure Upgrading to the low tenderer, Knappett Industries Ltd., for the low bid of \$2,241,687.

It was moved and seconded that the recommendation be adopted. The motion carried unanimously.

CORPORATE SERVICES:

CORPORATE ADMINISTRATION:

(11) New Nanaimo Centre Advisory Committee Appointee (*Supplemental*)

At the "In Camera" Meeting of Council held earlier this evening, Council appointed former Mayor Joy Leach to serve as an at-large member of the New Nanaimo Centre Advisory Committee for the remainder of the three-year term, ending 2005-DEC-31.

Recommendation: That Council ratify the appointment of former Mayor Joy Leach as an at-large member of the New Nanaimo Centre Advisory Committee for the remainder of the three-year term, ending 2005-DEC-31.

It was moved and seconded that the recommendation be adopted. The motion carried.

Opposed: *Councillor Sherry*

8. INFORMATION ONLY ITEMS:

- (a) Report from Mr. R. J. Reimer, Revenue Manager/Collector, re: 2004, 2003, 1997 and 1996 Assessment Roll Adjustments.

It was moved and seconded that the Information Only Report be received. The motion carried unanimously.

9. INTRODUCTION OF BYLAWS:

- (a) "NANAIMO ATHLETIC COMMISSION BYLAW AMENDMENT BYLAW 2005 NO. 5746" (To amend the Fee Schedule for the Nanaimo Athletic Commission Bylaw.)

It was moved and seconded that "NANAIMO ATHLETIC COMMISSION BYLAW AMENDMENT BYLAW 2005 NO. 5746" pass first, second and third readings. The motion carried unanimously.

10. CORRESPONDENCE:

- (a) Facsimile dated 2004-NOV-12 from Mayor Mel G. Rothenburger, City of Kamloops, requesting Council support the attached resolution regarding the *Heroes of Confederation Project*.
- (b) Letter dated 2004-DEC-17 from the Honourable James S. Peterson, Minister of International Trade, Ottawa, responding to Mayor Korpan's letter dated 2004-OCT-22 regarding the *North American Free Trade Agreement* (NAFTA).

- (c) Email dated 2004-DEC-19 from Mr. Gordon Ryall, Assistant Manager, Port Place Liquor Store, requesting that Council write to the Provincial Government and the B.C. Liquor Board asking not to close the B.C. Liquor Store located in the Port Place Mall.

It was moved and seconded that the Correspondence be received. The motion carried unanimously.

Item (c):

It was moved and seconded that Council write to the Provincial Government and the B.C. Liquor Control and Licensing Branch asking them not to close the liquor store at Port Place Mall in favour of another liquor store in Nanaimo. The motion carried.

Opposed: *Councillors Cantelon, Manhas, Tyndall*

11. NOTICE OF MOTION:

- (a) Vancouver Island Electricity Generation Project at Duke Point - Councillor Brennan

Councillor Brennan put forward the following Notice of Motion for consideration at the Regular Meeting of Council to be held 2005-JAN-24:

“That Council consider rescinding its position made on 2002-FEB-11 to support the Vancouver Island Electricity Generation Project and its essential components of a new natural gas generation plant.”

12. CONSIDERATION OF LATE ITEMS / OTHER BUSINESS:

- (a) Travel Expenses - Councillor Brennan

Councillor Brennan requesting authorization for travel expenses to attend the *Managing Public Policy Dispute* workshop at the University of Victoria on 2005-JAN-26.

It was moved and seconded that Councillor Brennan be authorized to attend the *Managing Public Policy Dispute* at the University of Victoria on 2005-JAN-26. The motion carried unanimously.

- (b) FCM Coordinated Assistance of the Tsunami Victims - Councillor Holdom

It was moved and seconded that Staff be directed to investigate what would be involved by participating in FCMs coordinated attempt for assistance to the communities affected by the Tsunami. The motion carried.

Opposed: *Councillor McNabb*

13. DELEGATIONS PERTAINING TO ITEMS NOT ON THE AGENDA:

- (a) Mr. Steven Earle, B.C. Sustainable Energy Association, 686 Western Acres Road, Nanaimo, B.C., regarding *Green Building Policies*.

Mr. Earle was previously authorized to address Council.

Mr. Earle stated that:

- over the past several decades, many North American cities have adopted green building policies.
- as Nanaimo is about to embark on a number of significant development projects, they feel it is critical for the City to establish building policies that will protect our environment.
- a green building is one that incorporates the best available practices for both energy and water conservation, and protection of groundwater resources.
- a green building is one that uses materials efficiently, such as recycled material; and one that uses materials that can in turn be recycled.
- it is also one that doesn't burden the transportation system and the network of roads.
- a green building certainly costs more to build, but those costs will be recovered by significantly lower energy costs, lower maintenance costs, higher value and usability of the building and less environmental impact.
- a green building policy is a set of guidelines that new, or newly renovated City-owned buildings would be expected to meet.
- it is also a set of incentives that private developers would be encouraged to meet, as well as being a public education program.
- one of the earliest adoptions of a green building policy in North America was by San Diego in 1997 and then Portland followed in 2001.
- last Summer the City of Vancouver adopted a green building policy, which applies to civic-owned buildings, and to some special projects like the False Creek development, with guidelines for the private sector.
- they feel the most important reason for the City of Nanaimo to adopt a green building policy is reduced costs for energy and maintenance, as well as a reduced impact on the environment.
- Vancouver Island has an energy issue; we are on our own in terms of energy and we need to ensure that we have energy sustainability by not over-using the energy we have.
- some of the other benefits include:
 - increased building appeal and usability; green buildings tend to be more appealing than other buildings and are certainly designed to be more healthy for their occupants.
 - Nanaimo would gain increased recognition as a forward-looking City if we had a green building policy in place, and adhered to it.
 - there would be reduced demand on the water supply and reduced risk to our precious groundwater supplies.
 - decreased traffic and increased use of public transportation.
- they feel we should adopt a green building policy now because of the major construction projects that are planned; this is the time to ensure that we do them properly and make them as environmentally acceptable as possible.

- the Regional District of Nanaimo is in the process of developing a green building policy, and this could be done in concert with them.
- on behalf of the BC Sustainable Energy Association and the taxpayers of Nanaimo, he urged Council to adopt a formal green building policy for the City.

It was moved and seconded that the presentation be received. The motion carried unanimously.

It was moved and seconded that the presentation regarding green building policies be referred to the Advisory Committee on the Environment, with a view to developing a policy for all public buildings. The motion carried unanimously.

- (b) Mr. Jeff Myers, Pristine Power, to summarize the Duke Point Power Project and inform the public about the meeting sponsored by the B.C. Utilities Commission scheduled for Saturday, 2005-JAN-15 at the Coast Bastion Inn.

Mr. Myers was previously authorized to address Council.

Mr. Myers stated that:

- Pristine Power is a power project development based in Calgary.
- they are very proud of the Duke Point Power Project which, after a year-long competitive process, was selected by B.C. Hydro to be the most cost-effective solution to meet Vancouver Island's long-term need for dependable power capacity.
- the underwater cable that currently services the Island is due to be de-commissioned in 2007, and this project replaces that cable with a high degree of reliability.
- this is a \$280 Million project that will provide economic benefits for the City of Nanaimo, including about 200 construction jobs during the construction phase, and estimate that about \$40 Million will be spent here locally during that phase.
- the construction phase would start this Spring and go through to the in-service date that they have guaranteed to BC Hydro of May, 2007.
- it will contribute about \$6 Million locally each year that they operate, and estimate they will pay \$2 Million per year in property taxes.
- Duke Point Power will also protect the environment - they are very proud of the fact that the project will be one of the cleanest facilities of its kind in North America.
- they have given BC Hydro their environmental assessment certificate which will allow them to construct and operate the plant.
- this plant will not adversely affect air quality or have any long-term health effects.
- there will also be no noticeable noise or visual impacts from this plant.
- they believe this project is a local solution to a local problem; furthermore, they believe they will deliver significant local benefits.
- based on the tax roll, they will probably be number three in terms of total tax revenues.
- they are currently before the BC Utilities Commission, who is the final arbiter of the project.
- the BCUC will be commencing a public process with an open house at the Coast Bastion Inn this Saturday, 2005-JAN-15 at 9:30 a.m.
- in order to participate in the process, it is recommended that parties register with the Commission offices in Vancouver, either by calling (604) 687-6789, or online at www.bcuc.com.

- the BCUC will also have a two-week hearing in Vancouver, commencing Monday, 2005-JAN-17.
- a decision is expected to be rendered by mid-February.
- they feel this has been a fair process by BC Hydro and they are ready to build and be part of the community here.

It was moved and seconded that the presentation be received. The motion carried unanimously.

14. ADJOURNMENT:

It was moved and seconded at 9:00 p.m. that the meeting terminate, with the next Meeting of Council to be held Monday, 2005-JAN-24, commencing at 7:00 p.m. in the Council Chamber, City Hall. The motion carried unanimously.

M A Y O R

CERTIFIED CORRECT:

DEPUTY MANAGER,
CORPORATE ADMINISTRATION