



AGENDA
FINANCE AND AUDIT COMMITTEE MEETING

July 21, 2021, 9:00 AM - 12:00 PM

SHAW AUDITORIUM, VANCOUVER ISLAND CONFERENCE CENTRE
80 COMMERCIAL STREET, NANAIMO, BC

SCHEDULED RECESS AT 10:30 A.M.

Pages

1. CALL THE MEETING TO ORDER:

[Note: This meeting will be live streamed and video recorded for the public.]

2. INTRODUCTION OF LATE ITEMS:

3. ADOPTION OF AGENDA:

4. ADOPTION OF MINUTES:

a. Minutes

5 - 12

Minutes of the Finance and Audit Committee Meeting held in the Shaw Auditorium, Vancouver Island Conference Centre, 80 Commercial Street, Nanaimo, BC, Wednesday, 2021-JUN-16 at 9:00 a.m.

5. PRESENTATIONS:

6. DELEGATIONS:

7. REPORTS:

a. Live Fire Training Center Remediation

13 - 17

To be introduced by Tim Doyle, Fire Chief.

Purpose: To provide the Finance and Audit Committee with an update on the repairs needed to the Nanaimo Fire Rescue's Live Fire Training Center facility.

Recommendation: That the Finance and Audit Committee recommend that Council add a Live Fire Training Facility Remediation project in the amount of \$275,300 to the 2021 budget funded from the General Asset Management Reserve Fund.

b. Funding Request for Commercial Street Revitalization Plan

18 - 22

To be introduced by Dale Lindsay, General Manager, Development Services.

Purpose: To provide Council background information on the proposed Commercial Street Revitalization Plan and to seek funding to commence the work in the fall of 2021.

Recommendation: That the Finance and Audit Committee recommend that Council amend the 2021-2025 Financial Plan to add \$150,000 in 2021 for a Commercial Street Revitalization Plan funded from Payment in Lieu of Taxes.

c. Update on Welcome Pole at Sway'a'Lana/Maffeo Sutton Park and Request for Additional Funds

23 - 31

To be introduced by Richard Harding, General Manager, Parks, Recreation and Culture.

Purpose: To provide an update on the project to raise a Welcome Pole at Sway'a'Lana/Maffeo Sutton Park, and to seek Council approval on the proposed location and for additional funds to complete the project in 2021.

Recommendation: That the Finance and Audit Committee recommend that Council:

- a. approve the proposed location of the pole at Sway'a'Lana/Maffeo Sutton Park as identified on Attachment "C" to the staff report; and
- b. amend the 2021-2025 Financial Plan to include an additional \$50,000 for the installation of the Welcome Pole funded from the Strategic Infrastructure Reserve.

d. Community Program Development Grant - Nanaimo Climate Action Hub Society

32 - 44

To be introduced by Richard Harding, General Manager, Parks, Recreation and Culture.

Purpose: To obtain Council approval of a request for a Community Program Development Grant.

Recommendation: That the Finance and Audit Committee recommend that Council approve the request from the Nanaimo Climate Action Hub Society for a Community Program Development Grant in the amount of \$3,000 to assist in funding the Community Climate Circles program.

e. Cancellation of Beban Ductless Split Heat Pumps

45 - 47

To be introduced by Richard Harding, General Manager, Parks, Recreation and Culture.

Purpose: To inform Council of the cancellation of a 2021 project to install ductless split heat pumps to Rooms 4 to 6 at the Beban Social Centre.

f. Nanaimo Operations Center - Phase 2 Environmental Assessment

48 - 55

To be introduced by Bill Sims, General Manager, Engineering and Public Works.

Purpose: To provide a brief update to Council on the status of the Nanaimo Operations Center (Public Works) facility development project, and to request approval to complete a Stage 2 environmental site investigation.

Recommendation: That the Finance and Audit Committee recommend that Council increase the budget for the Public Works Facility: Conceptual Design by \$100,000 to undertake a Stage 2 environmental site investigation funded from Payments in Lieu of Taxes.

g. Ending the B.C. Climate Action Revenue Incentive Program (CARIP)

56 - 62

To be introduced by Bill Sims, General Manager, Engineering and Public Works.

Purpose: To provide Council with Information regarding:

- *the announced end of the B.C. Climate Action Revenue Incentive Program,*
- *implications for the City of Nanaimo, and*
- *recommended next steps.*

Recommendation: That the Finance and Audit Committee recommend that Council send a letter to Premier John Horgan, the Minister of Municipal Affairs, the Minister of Environment and Climate Change Strategy, and the Union of B.C. Municipalities outlining the value of the BC Climate Action Revenue Incentive Program (CARIP) and the implications of the program's end.

h. Sustainability and Emission Reduction Reserve Funds

63 - 65

To be introduced by Shelley Legin, General Manager, Corporate Services.

Purpose: To recommend that Council consolidate the Sustainability and Emission Reduction Reserve Funds and provide a stable annual funding allocation.

Recommendation: That the Finance and Audit Committee recommend that Council:

1. Direct Staff to include in the 2022 – 2026 Draft Financial Plan for Council consideration a new funding strategy for the Emission Reduction Reserve based on an annual allocation of \$165,000.
2. Direct Staff to transfer the balance in the Sustainability Reserve Fund to the Emission Reduction Reserve Fund and return to Council with an updated Emission Reduction Reserve Fund Bylaw that includes

supporting both energy and emission reduction projects and initiatives.

8. OTHER BUSINESS:
9. QUESTION PERIOD:
10. ADJOURNMENT:

MINUTES
FINANCE AND AUDIT COMMITTEE MEETING
SHAW AUDITORIUM, VANCOUVER ISLAND CONFERENCE CENTRE,
80 COMMERCIAL STREET, NANAIMO, BC
WEDNESDAY, 2021-JUN-16, AT 9:00 A.M.

Present: Mayor L. Krog, Chair
Councillor S. D. Armstrong (joined electronically)
Councillor D. Bonner
Councillor T. Brown
Councillor B. Geselbracht
Councillor Z. Maartman
Councillor I. W. Thorpe
Councillor J. Turley

Absent: Councillor E. Hemmens

Staff: J. Rudolph, Chief Administrative Officer
D. Lindsay, General Manager, Development Services
B. Sims, General Manager, Engineering and Public Works
A. Groot, Director, Facilities and Parks Operations
L. Mercer, Director, Finance
L. Wark, Director, Recreation and Culture
J. Bevan, Manager, Culture and Special Events
L. Clarkson, Manager, Recreation Services (joined electronically 10:00 a.m.)
F. Farrokhi, Manager, Communications
W. Fulla, Manager, Business, Asset and Financial Planning
K. Gonzales, Manager, Aquatics (joined electronically)
A. Collins, Recreation Coordinator, Cultural Services
C. Sholberg, Community Heritage Planner
S. Gurrie, Director, Legislative Services (joined electronically)
S. Snelgrove, Deputy Corporate Officer
K. Lundgren, Recording Secretary

1. CALL THE FINANCE AND AUDIT COMMITTEE MEETING TO ORDER:

The Finance and Audit Committee Meeting was called to order at 9:00 a.m.

2. INTRODUCTION OF LATE ITEMS:

- (a) Agenda Item 5(a) – Add PowerPoint presentation titled “Nanaimo Foodshare Food Policy Council”.
- (b) Add scheduled recess at 10:30 a.m.

3. APPROVAL OF THE AGENDA:

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

4. ADOPTION OF THE MINUTES:

It was moved and seconded that the Minutes of the Finance and Audit Committee Meeting held virtually on Wednesday, 2021-MAY-19 at 9:00 a.m. be adopted as circulated. The motion carried unanimously.

5. PRESENTATIONS:

(a) Jen Cody, Nanaimo Foodshare Society, provided a PowerPoint presentation. Highlights included:

- A Food Policy Council is a collaboration between community organizations, local government, and community members
- A Food Policy Council creates opportunities for coordinated and strategic food security planning and action
- Fulfilling the City of Nanaimo's (the City) food security goals outlined in the Official Community Plan
- Nanaimo Foodshare Society willing to dedicate \$5,000 per year towards the coordination of a Food Policy Council, and willing to work with community partners and the City to obtain additional funding to fully support the Food Policy Council
- Requested that the City grant Nanaimo Foodshare Society \$10,000 as bridge funding while additional funding sources are identified
- Anticipate requiring a yearly budget of \$30,000 to support the Food Policy Council

Committee discussion took place. Highlights included:

- The City providing a letter of support requesting the Nanaimo Region Medical Health Officer provide Nanaimo Foodshare \$5,000 annually to contribute to the Nanaimo Food Policy Council
- Progress in identifying other potential funding sources to raise the anticipated yearly budget of \$30,000
- Food security is important in helping create a healthy and livable community
- Addressing funding requested during budget deliberations
- Using the Strategic Infrastructure Reserve as a potential funding source
- Modest investment for significant returns

It was moved and seconded that the Finance and Audit Committee recommend that the City of Nanaimo grant Nanaimo Foodshare \$10,000 as bridging funding while community stakeholders identify additional funding sources. The motion carried unanimously.

6. REPORTS:

(a) Heritage Home Grant Application - 167 Irwin Street

Introduced by Dale Lindsay, General Manager, Development Services.

It was moved and seconded that the Finance and Audit Committee recommend that Council approve a \$1,706.25 Heritage Home Grant to repaint the exterior of the Land “Fernville” Residence at 167 Irwin Street. The motion carried unanimously.

(b) Reopening of Beban Pool

Introduced by Art Groot, Director, Facility and Parks Operations.

Lynn Wark, Director, Recreation and Culture, spoke regarding the reopening of Beban Pool. Highlights included:

- The revised operating schedules offered to the public throughout the pandemic and the re-opening plan previously presented to Council
- Strong demand from a number of user groups and individuals expressing desire to reopen the pool
- Staff propose reopening Beban Pool on 2021-OCT-04 to allow adequate time for hiring and training lifeguards
- Financial implications associated with reopening the pool

Committee discussion took place. Highlights included:

- No indication of another COVID-19 Safe Restart Grant
- Swimming opportunities provided with Bowen Park outdoor pool now open, and lifeguards will be on duty at Westwood Lake Park

Art Groot, Director, Facility and Parks Operations, noted that Beban Pool is currently undergoing improvement work, which influences the earliest possible opening date.

Committee discussion continued regarding:

- Ensuring sufficient staffing levels and back up plan in case of a shortage of lifeguards

Delegation:

1. Nicole Barberie provided a PowerPoint presentation and spoke on behalf of a number of stakeholders, including sports organizations, families, seniors and rehabilitation programs, regarding the need to reopen Beban Pool. She spoke regarding the gap in water safety education for drowning prevention, and the struggle of local sport groups. She urged the City to reopen Beban Pool as early as possible.

Committee discussion took place. Highlights included:

- Newly revised schedule for Beban pool’s reopening

- Ensuring that other sport groups, also affected by the pandemic, be treated in the same manner and reopened as soon as possible

Lynn Wark, Director, Recreation and Culture, noted that all other City facilities are open based on Public Health Orders, and spoke regarding the launch of the Water Safety Education Team.

It was moved and seconded that the Finance and Audit Committee recommend that Council direct Staff to reopen Beban Pool on 2021-OCT-04 providing Provincial Health Orders permit. The motion carried unanimously.

(c) Leisure Economic Access Pass (LEAP) Program Review Recommendations

Introduced by Art Groot, Director, Facility and Parks Operations.

Lynn Wark, Director, Recreation and Culture, spoke regarding the review process for the LEAP Program and outlined some of the recommendations that came from the Advisory Committee on Accessibility and Inclusiveness (ACAI) to improve the program's accessibility.

Committee discussion took place. Highlights included:

- Recommendations made to the program will enhance accessibility
- The nominal financial impact of the LEAP program
- Cost associated with Literacy Central Vancouver Island to revise program materials
- Participation level for the LEAP program in the past
- Extensive discussion during ACAI meetings regarding removing barriers, and improving public awareness of the program
- Financial implication if the cost for the LEAP program were completely covered

It was moved and seconded that the Finance and Audit Committee recommend that Council approve of the program review recommendations provided by the Advisory Committee on Accessibility and Inclusiveness and direct Staff to proceed with Phase 4 of the LEAP Program Review – Implementation. The motion carried unanimously.

(d) Nanaimo Aquatic Centre Mechanical Mezzanine Roof Parapet and Wall Repairs

Introduced by Art Groot, Director, Facility and Parks Operations.

- Additional repairs required on the Nanaimo Aquatic Centre mechanical mezzanine roof and walls
- An additional \$227,000 is needed to address those repairs
- It makes more financial sense to address these issues now as delaying work may result in more damage

It was moved and seconded that the Finance and Audit Committee recommend that Council approve adding \$227,000 to the 2021-2025 Financial Plan to complete the necessary repairs at the Nanaimo Aquatic Centre to be funded by the Facility Development Reserve. The motion carried unanimously.

(e) Rotary Bowl Oval Renewal Project

Introduced by Art Groot, Director, Facility and Parks Operations.

- Accelerating the track surface replacement project at the Rotary Bowl from 2024 to 2021
- Community Works funding is due to expire in 2024, which may cause funding issues for the track replacement if it is not accelerated
- Reducing disruption to the Track and Field Club's events

Committee discussion took place. Highlights included:

- Flexibility of the Community Works Fund and the restrictions of alternative funding sources
- Limit disruption to the Track and Field Club hosting a variety of events
- Completing work while the track is at a lower capacity than usual
- Accelerating this project may result in cost savings

It was moved and seconded that the Finance and Audit Committee recommend that Council approve moving the Phase 2 rubberized track replacement project from 2024 to 2021 in the 2021-2025 Financial Plan funded from the Community Works Reserve Fund. The motion carried unanimously.

(f) Update to the Temporary Public Art Program and Development of the Urban Design Roster

Introduced by Lynn Wark, Director, Recreation and Culture.

Presentation:

1. Allison Collins, Recreation Coordinator, Cultural Services, provided a PowerPoint presentation. Highlights included:
 - Temporary Public Art Program has been running since 2013 and is well loved by the community
 - Outlined a number of changes to the Temporary Public Art Program
 - Shifting to a commission-style structure
 - Increasing artist compensation to be inline with industry standards
 - Proposed Urban Design Roster pilot project, which is a list of artists and designers used as a resource to undertake small projects with the City
 - Roster would provide opportunity to connect with local artists

Committee discussion took place. Highlights included:

- Adjudication process for the Temporary Public Art program
- The decommissioning process and fixed-term in the contract with Temporary Public Art Program artists

- Clarification of the eligibility criteria preventing a corporate structure coming to the City to undertake art projects
- Urban Design Roster valuable for undertaking smaller projects such as manhole covers
- Parameters regarding where art can be placed within the City
- Application and selection process to ensure artists included on the Urban Design Roster have the necessary qualifications
- Urban Design Roster open to a variety of media
- Growing awareness around urban design and aesthetics
- Financial implication of adding \$25,000 to the public art budget

It was moved and seconded that the Finance & Audit Committee recommend that Council consider an increase of \$25,000 to the public art budget during the 2022-2026 financial plan deliberations to support the Urban Design Roster initiative. The motion carried unanimously.

The Finance and Audit Committee recessed at 10:37 a.m.

The Finance and Audit Committee reconvened at 10:51 a.m.

(g) 2021 Resilience Grant Recommendations

Introduced by Lynn Wark, Director, Recreation and Culture.

Julie Bevan, Manager, Culture and Special Events, spoke regarding the 2021 Resilience grants. Highlights included:

- Call for applications for the 2021 Resilience Grant was launched with a deadline of 2021-MAR-01
- Changes in the application
- Forty-one grant applications were received and Staff reviewed applications based on the grant program eligibility and assessment criteria
- Available funds will support seven grants for a total of \$28,559
- Cancellation of other sector events, due to COVID-19, have resulted in an additional amount of unclaimed funds
- Staff recommend the use of these funds towards a further six grant applications

Committee discussion took place. Highlights included:

- Being a resident of Nanaimo is a key eligibility component of this program
- Promotion of the program and bringing awareness of this program to first-time applicants
- Transparency of the grant application decision process

Julie Bevan, Manager, Culture and Special Events, noted that there was an influx of new applications due to shift in eligibility criteria.

Committee discussion continued regarding:

- No complaints have been received regarding the transparency of the current application decision process

It was moved and seconded that the Finance & Audit Committee recommend that Council:

a) approve the 2021 Resilience Grant funding recommendations to allocate existing funds of \$28,559 as follows:

- **Project: Weaving Nature Ceremony and Ancestors**
 - **Applicant Name:** Dave Bodaly
 - **Recommend:** \$4,500
- **Project: Musicians Forum**
 - **Applicant Name:** Elise Boulanger
 - **Recommend:** \$4,379
- **Project: Riverbed Programs**
 - **Applicant Name:** Heather Kai-Smith
 - **Recommend:** \$4,500
- **Project: Digital Issue of Sad Girl Review**
 - **Applicant Name:** Amber R. Morrison
 - **Recommend:** \$3,730
- **Project: EMPATHY: Care for Collective**
 - **Applicant Name:** Sara Robichaud
 - **Recommend:** \$4,400
- **Project: Apples: A Very Gustatory and Cultural Review**
 - **Applicant Name:** Rachelle Stein-Wotton
 - **Recommend:** \$3,300
- **Project: Hul'q'umi'num Course**
 - **Applicant Name:** Eliot White-Hill
 - **Recommend:** \$3,750

b) approve the recommended reallocation of additional unclaimed funds from the 2021 Downtown Event Revitalization Fund and the 2021 Culture and Heritage Project grants to support the 2021 Resilience Grant recommendations of \$22,987 as follows:

- **Project: Digital Music Video Creation**
 - **Applicant Name:** Nicole Arendt
 - **Recommend:** \$3,800
- **Project: The Sun and the Moon – Online Dance**
 - **Applicant Name:** Holly Bright
 - **Recommend:** \$3,800
- **Project: Nanaimo Mastering Service**
 - **Applicant Name:** Arlen Thompson
 - **Recommend:** \$3,800
- **Project: Visual Arts Workshops**
 - **Applicant Name:** Yvonne Vander Kooi
 - **Recommend:** \$3,750

- **Project: Forum Theatre Workshops**
 - **Applicant Name:** Pacific Coast Stage Company
 - **Recommend:** \$4,000
- **Project: Digital Theatre Initiative**
 - **Applicant Name:** Western Edge Theatre
 - **Recommend:** \$3,837

and;

- c) direct Staff to return to the Finance & Audit Committee to report on recommendations for additional 2021 Resilience Grants funding, should further money be returned to the City or unclaimed from the 2021 Downtown Event Revitalization Fund and/or 2021 Culture and Heritage Project grants.

The motion carried unanimously.

7. ADJOURNMENT:

It was moved and seconded at 11:07 a.m. that the meeting adjourn. The motion carried unanimously.

CHAIR

CERTIFIED CORRECT:

CORPORATE OFFICER

DATE OF MEETING JULY 21, 2021

AUTHORED BY TIM DOYLE, FIRE CHIEF

SUBJECT LIVE FIRE TRAINING CENTER REMEDIATION

OVERVIEW

Purpose of Report

To provide the Finance and Audit Committee with an update on the repairs needed to the Nanaimo Fire Rescue's Live Fire Training Center facility. |

Recommendation

That the Finance and Audit Committee recommend that Council add a Live Fire Training Facility Remediation project in the amount of \$275,300 to the 2021 budget funded from the General Asset Management Reserve Fund.

BACKGROUND

Currently, Nanaimo Fire Rescue (NFR) conducts live fire training at NFR's Training Center facility that was constructed in 1985. This training is required to ensure personnel are prepared to respond to fire emergencies and perform their duties safely and effectively.

NFR's Live Fire Training facility has been in place for thirty-six years, has been home to NFR's live fire training, and has hosted external stakeholders who come here to perform live fire training. Unlike many other fire departments, the City of Nanaimo had the forethought to build the Live Fire Training Center in Nanaimo to promote effective training and reduce costs as compared to the training being conducted elsewhere.

As recommended by Herold Engineering, to ensure structural integrity due to the extreme heat that this building experiences during live fire training, the Training Center is inspected every year with a more detailed comprehensive Engineering review performed at five year intervals. |

DISCUSSION

During the most recent comprehensive Engineering review conducted in 2021, Herold Engineering reported that some areas of the building need remediation due to structural damage. Specifically, Herold Engineering stated the following:

- Concrete cracking
- Surface concrete spalling

- Deep concrete spalling
- Exposed reinforced steel
- Loose heat resistant panels
- Corrosion of heat resistant panel suspension framework
- Damaged door and window structures
- Damaged heat resistant panels

Herold Engineering speculates, *“For the existing building, it is likely that most of the damage has started to appear within the last 5 years. Therefore, it is likely reasonable to presume that a new ‘like structure’ will function sufficiently, without the need for repair, for 30 years. However, the term ‘like structure’ is a key aspect to this determination. The current structure was likely designed to the standard of the day (1985), which intentionally or unintentionally provided very good resistance to the negative effects of carbonation. This is due to the large amount of concrete cover (distance between the surface of the concrete and the reinforcing steel) as the walls were provided only one ‘mat’ of reinforcing steel roughly centered within the wall thickness. It may be that if the structure was redesigned today, it may require two mats of reinforcing steel which would substantially decrease the concrete cover and therefore decrease the expected time to first damage. Specific attention will be required to avoid these design pitfalls if the building is to be replaced... I think it is reasonable to say [for the existing building] that the threshold of the repair costs outweighing replacement costs could be reached in approximately 20 years ...”*

Currently, NFR performs live fire training on shift with the exception of a small contingent of in-house instructors that are paid to facilitate live fire training. If Nanaimo does not repair the Training Center and Firefighters are trained outside of the City at a live fire training facility elsewhere, it would require training to be scheduled off shift and Firefighters would be remunerated at our training rate (straight time) in addition to travel costs, instructor costs, food, and facility rental. Additionally, due to the distance from Nanaimo and the costs incurred if we had to abandon a training session, Firefighters would be unavailable to respond to emergencies.

In contrast, if NFR Firefighters are trained on shift in Nanaimo:

- They are available to respond to emergency incidents, albeit somewhat delayed.
- There are no wages associated with the on duty trainees
- There is a higher probability that off duty Firefighters are available for emergency call-in for larger incidents because they're not out of the community training
- When Nanaimo Fire Rescue performs live fire training in Nanaimo, the Fire Department gains the opportunity to perform live fire training with greater frequency because NFR personnel are trained on shift and there are no overtime costs
- In-house expertise is strengthened among our own staff which promotes performance, safety, increased morale and the ability to call upon this experience to enhance our practices

By repairing the Live Fire Training Center, the City also has the opportunity to generate revenues through facility rentals to other fire departments. Likewise, if the Vancouver Island

Emergency Response Academy (VIERA) expands, possibilities to generate additional revenue through new programming supported by NFR's fire training facility could be explored.

FINANCIAL CONSIDERATION

While there is a cost to maintaining a Fire Training Center, the alternative – training Nanaimo Fire Rescue personnel elsewhere is costly. When travel, wages, backfill, emergency response, and other logistical concerns are weighed, the picture becomes clearer. For example, if Nanaimo Fire Rescue were to utilize Comox Fire Training Center, the estimated annual cost would be approximately \$104,700 to train all Firefighters for one session per year.

If the remediation work is not performed, and Nanaimo Fire Rescue wishes to continue training personnel in Nanaimo, alternative facility options have been considered. Firstly, Nanaimo could build a like-for-like structure. This structure would be new and gas training props would be incorporated. The estimated cost for this structure is \$1,238,000 - \$1,299,500 while the gas burning props are estimated to cost \$491,900. Another option would be to build a modular facility and remove the existing structure. A modular facility consists of Sea Cans with gas props incorporated into them. The estimated cost to construct a modular facility and remove the existing facility is \$880,700.

Due to the feasibility of relocating the Fire Training Center to another site, a comprehensive study has not been performed for the following reasons:

- Operational issues with response time
- Off duty training costs similar to training personnel at a facility elsewhere
- The cost associated to demolish the existing Fire Training Center and restore the current site
- Significant real estate costs
- Significant construction costs for a new facility and the accompanying infrastructure to support a Fire Training Center that already exist at the current location such as: fencing, classroom room facilities, storage, washroom facilities, SCBA fill station, and parking.

Lastly, if the remediation work is performed, it puts the current facility in a state of readiness for future conversion to gas. Converting this facility would eliminate the smoke currently produced by burning solid fuels which would be safer for the adjacent community and Public Works. Importantly, if Public works undergoes future development, converting the Live Fire Training facility will strengthen the development potential to utilize the South end of the Public works site due to the elimination of smoke. The estimated cost to convert the current Live Fire facility to gas at a future date is \$491,900 and is not currently part of the 2022 – 2031 Draft Project Plan.]

OPTIONS

1. That the Finance and Audit Committee recommend that Council add a Live Fire Training Facility Remediation project in the amount of \$275,300 to the 2021 budget funded from the General Asset Management Reserve Fund.
 - Advantages
 - Continue to train Firefighters in the City Nanaimo

- Avoid the associated yearly cost to NFR personnel at another facility outside of Nanaimo
 - Strengthened in-house expertise
 - Opportunity to train NFR personnel at a greater frequency
 - Emergency response readiness
 - Lowest cost option
 - Disadvantages
 - Unforeseen repair costs
 - Financial Impact
 - Concrete Repair Work - \$275,300
 - Anticipated increase to the annual maintenance budget in the 2022 - 2026 Draft Financial Plan
 - 2021 - 2025 Financial Plan will be amended at a future date to include the additional project.
2. That the Finance and Audit Committee recommend that Council direct Staff to perform live fire training at a facility outside the City of Nanaimo
- Advantages
 - Meets training objective
 - No facility maintenance costs
 - Disadvantages
 - Annual live fire training costs are significant and outweigh repairing the facility
 - Firefighters are only trained one session per year
 - In-house expertise diminished
 - Future costs are determined by an external provider
 - Financial Impact
 - External Training - \$104,700 approximately

SUMMARY POINTS

- NFR currently performs live fire training in Nanaimo
- Performing live fire training in Nanaimo is a cost saving measure as compared to training elsewhere
- Performing live fire training in Nanaimo gives NFR the opportunity to train personnel at a higher frequency as compared to training elsewhere
- In-house live fire training strengthens department knowledge and practices
- Performing live fire training in Nanaimo keeps first responders in the community and strengthens emergency response if responders are needed
- For future considerations - repairing NFR's Live Fire Training Center will put it in a state of readiness to be converted to gas

Submitted by:

Tim Doyle
Fire Chief |

Concurrence by:

Jake Rudolph
Chief Administrative Officer |

DATE OF MEETING July 21, 2021

AUTHORED BY BILL CORSAN, DIRECTOR, COMMUNITY DEVELOPMENT

**SUBJECT FUNDING REQUEST FOR COMMERCIAL STREET
REVITALIZATION PLAN**

OVERVIEW

Purpose of Report

To provide Council background information on the proposed Commercial Street Revitalization Plan and to seek funding to commence the work in the fall of 2021.

Recommendation

That the Finance and Audit Committee recommend that Council amend the 2021-2025 Financial Plan to add \$150,000 in 2021 for a Commercial Street Revitalization Plan funded from Payment in Lieu of Taxes.

BACKGROUND

Commercial Street is the heart of downtown Nanaimo and together with the Old City Quarter and Victoria Crescent area comprise the downtown core of the City. Commercial Street is an important hub and destination for shopping, dining and events. Commercial Street was recognized by the Canadian Institute of Planners as a “Great Street” in 2011 for the retention of heritage buildings and the unique street scape.

While Commercial Street is well recognized as a regional destination, there is an opportunity to further improve the public realm and help revitalize the overall downtown core. The pavement treatments are worn and tired, the sidewalks are narrow and the overall appearance of the street falls short of today’s standards for a downtown public realm.

Commercial Street and the adjacent streets were last renewed between 1981 and 1985 as part of a downtown revitalization program which saw upgrades to utilities, pavement and street trees. As part of the Vancouver Island Conference Centre project in 2008, the eastern block of Commercial, Terminal and Gordon Street were upgraded.

Council has recently allocated funding for the land acquisition and design work for public realm enhancements in the 500 block of Terminal Avenue for transportation and public realm purposes. This investment is coupled with implementation of the Terminal Nicol Reimagined Plan between Comox and Esplanade. In addition, Council have engaged Dr. Dave Witty and Vancouver Island University to explore redevelopment options for Diana Krall Plaza.

The Downtown Mobility Hub Study has provided guidance leading to the Front Street upgrades that have recently been completed. In addition work has been completed at Esplanade and Victoria Crescent and further work is planned for Bastion and Commercial Street later this year.

In April 2021, the new Downtown Business Improvement Association (BIA) was established providing a voice for the Commercial Street corridor and a strong stakeholder group for the City to work with on this project.

On the development side, the new hotel is under construction at 100 Gordon Street and there are several mixed-use developments planned within the downtown core, including the Telus Project at 400 Fitzwilliam Street and 340 Campbell Street (former Caledonia Clinic).

Given the renewed interest in downtown Nanaimo, particularly Commercial Street; now appears to be the best time to prepare a comprehensive plan to coordinate and steer future investments in this area. This will ensure that Council can leverage and prioritize investments going forward.

DISCUSSION

Staff are recommending that a Commercial Street Revitalization Plan (the "Plan") be prepared. The Plan would be prepared by a multi-disciplinary team of consultants including architects, planners, urban designers, traffic engineers and parking specialists.

The consultant team would engage the local business community and wider public in the development of options for the future of Commercial Street and based on feedback develop a preferred option, phasing and costings for Council.

The work would be able to incorporate existing direction from the Downtown Design Guidelines and Downtown Plan and build on the feedback received to date through the Reimagine Nanaimo public engagement process.

Project Area

Staff propose the study area to encompass the Commercial Street corridor from the intersection of Albert/Wallace/Victoria to the Cenotaph at Dallas Square (Front Street). In addition, streets such as Skinner Street, Bastion and Wharf will be included in the study (Attachment A).

Next Steps

Should the recommendation from the Finance and Audit Committee be endorsed by Council, Staff will issue a Request for Proposals (RFP) for a multi-disciplinary consultant team to prepare a Revitalization Plan for the Commercial Street Corridor.

Staff anticipate the RFP being issued in late July with the responses due at the end of August 2021. The work would commence in September 2021 with a final plan presented for Council's consideration in the spring of 2022.

The Consultant team will prepare a detailed engagement strategy which will include involvement by Council, the new Downtown BIA and the general public.

FINANCIAL CONSIDERATIONS

Staff estimate the Commercial Street Revitalization Plan will cost approximately \$150,000 and be funded from Payment in Lieu of Taxes (PILT) which has a project 2021-DEC-31 balance of \$1,321,274.

OPTIONS

1. That the Finance and Audit Committee recommend that Council amend the 2021-2025 Financial Plan to add \$150,000 in 2021 for a Commercial Street Revitalization Plan funded from Payment in Lieu of Taxes.
 - The advantages of this option: The development of a comprehensive revitalization plan for the Commercial Street Corridor will ensure that future physical improvements made by Council are consistent and can follow a logical phasing manner. The Plan will consolidate existing projects such as the Downtown Mobility Project, the Downtown Transit Exchange and the Diana Krall Plaza plan into one document. The Plan will provide costings for each phase which will enable Council to consider this project in future Financial Plan discussions. The redevelopment of Commercial Street is consistent with Council's 2018-2022 Strategic Plan and the recently endorsed Economic Development Strategy which both note the importance of the downtown core.
 - The disadvantages of this option: Creation of the Plan will require Staff time which could be used for other Council priorities.
 - Financial Implications: Staff estimate the Commercial Street Revitalization Plan will cost approximately \$150,000. Sufficient funding is available in Payment in Lieu of Taxes (PILT) to support this plan.
2. That the Finance and Audit Committee provide alternative direction. |

SUMMARY POINTS

- Commercial Street is the heart of the downtown core and there are several public and private investments occurring in the immediate area.
- The City has a number of document that guide development in the downtown including the Downtown Design Guidelines, Terminal Nicol Reimagined and the Downtown Mobility Hub. Plans are currently being developed for the new downtown Transit Exchange and Diana Krall Plaza.
- A specific revitalization plan for Commercial Street would provide a more detailed framework for investment and pull together current initiatives to help guide future investments in public realm.
- Staff are recommending that a Revitalization Plan be prepared during the fall of 2021 and presented to Council in the spring of 2022.
- Funding for the project is available through Payment in Lieu of Taxes should the Committee wish to recommend advancing the project.

ATTACHMENTS:

ATTACHMENT A: Commercial Street Corridor

Submitted by:

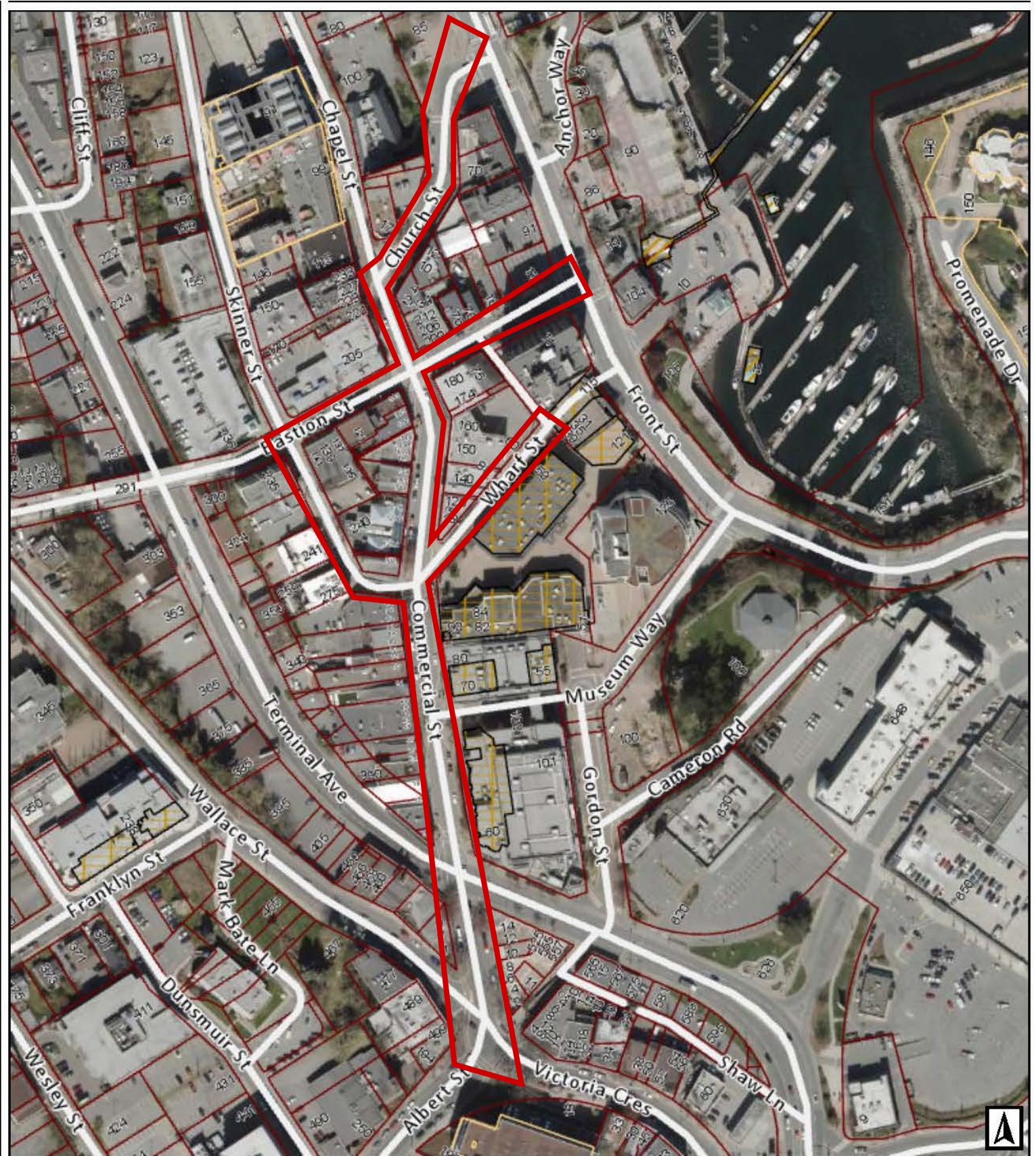
Bill Corsan
Director, Community Development |

Concurrence by:

Dale Lindsay
General Manager, Development Services

Laura Mercer
Director, Finance |

ATTACHMENT A



Commercial Street Corridor

DATE OF MEETING July 21, 2021

AUTHORED BY JULIE BEVAN, MANAGER, CULTURE & EVENTS
PARKS, RECREATION & CULTURE

**SUBJECT UPDATE ON WELCOME POLE AT SWAY'A'LANA / MAFFEO
SUTTON PARK AND REQUEST FOR ADDITIONAL FUNDS**

OVERVIEW

Purpose of Report

To provide an update on the project to raise a Welcome Pole at Sway'a'Lana/Maffeo Sutton Park, and to seek Council approval on the proposed location and for additional funds to complete the project in 2021.

Recommendation

That the Finance and Audit Committee recommend that Council:

- a) approve the proposed location of the pole at Sway'a'Lana/Maffeo Sutton Park as identified on Attachment "C" to the staff report; and
- b) amend the 2021-2025 Financial Plan to include an additional \$50,000 for the installation of the Welcome Pole funded from the Strategic Infrastructure Reserve.

BACKGROUND

At the 2020-DEC-16 Finance & Audit meeting, Staff brought forward a report with letters of support on a proposal for a Welcome Pole at Maffeo Sutton Park, advancing discussions that began in 2018 with Nanaimo Aboriginal Centre, Snuneymuxw First Nation, and Staff. The following motion was approved by Council on 2020-DEC-21:

- a) *allocate the \$50,000 from the Public Art fund budgeted in the year 2020 and 2021 for a permanent artwork at Maffeo Sutton Park to the realization of a Welcome Pole in the park by Snuneymuxw artist Noel Brown;*
- b) *direct Staff to collaborate with the relevant parties, including Snuneymuxw First Nation and Nanaimo Aboriginal Centre, to see this project completed in a respectful way for the benefit of our communities; and*
- c) *direct Staff to report back to Council with final design and location prior to installation of the artwork.*

Snuneymuxw artist Noel Brown was identified as the lead carver for the Welcome Pole and an agreement was established between Mr. Brown and the Nanaimo Aboriginal Centre. Mr. Brown's design was reviewed by the Snuneymuxw Elders Advisory whose feedback and teachings were integrated, and in October 2020 the Elders Advisory approved the design (Attachment A). Since Council provided direction, Staff have been collaborating with all parties involved to further develop plans for raising the Welcome Pole.

DISCUSSION

In December 2020, a prospective installation and celebration was targeted for 2021-JUN-21 to coincide with National Indigenous Peoples' Day. After the cedar log was secured and preliminary carving work began, further clarification of the technical aspects related to installation became clear, resulting in a longer project timeline. At the same time, the artist, and leaders from both Snuneymuxw First Nation and Nanaimo Aboriginal Centre Nation agreed about the importance of community outreach and public celebrations to mark the installation of the Welcome Pole in the park. Taking into account the time needed to complete production of the pole and make preparations for the fitting of its base and installation, as well as the opportunity presented by the easing of COVID restrictions, the new target timeline for completion is September 2021. This timeline will allow for a plan to involve children from local schools in celebrations related to the Welcome Pole.

Identification of Location

On 2021-JUN-02 Staff convened a meeting on-site at Sway'a'Lana/Maffeo Sutton Park. Leaders including the Chief, a Councillor, and the Chief Administrative Officer were in attendance from Snuneymuxw First Nation, alongside the Interim Executive Director, and Director of Programs from Nanaimo Aboriginal Centre. Artist Noel Brown and his partner also participated, as well as technical and project leads on City Staff.

At that meeting, the group reviewed the location and agreed to the appropriateness of the space for the project. Chief Wyse confirmed his approval of the site in the Spirit Square where the *Breaching Orca* currently resides as the ideal location for the Welcome Pole (Attachment C). Guidance from Chief Wyse was also provided regarding the positioning of the pole, facing North East towards the water and rising sun, as well as instructions for any potential location lighting. The Chief also indicated that SFN Staff, CAO Joan Brown, is designated to work with Staff, and the Nanaimo Aboriginal Centre, to continue to develop the plan for installation and celebration of the pole in September 2021.

The sculpture called *Breaching Orca*, by artist Carl Sean McMahon, is in the public art collection of the City and will be relocated to another suitable location. A site near the parking lot and main entrance to Neck Point Park is currently being explored as one possible location.

This project and the request for funding aligns with the goals and principles articulated in existing City plans, including the *Official Community Plan*, the *Community Plan for Public Art (2010)*, *A Cultural Plan for a Creative Nanaimo (2014)*.

FINANCIAL CONSIDERATIONS

As the initiator of the project, Nanaimo Aboriginal Centre secured a grant for the project through Canadian Heritage in the amount of \$38,500, as well as in-kind service and material contributions from Herold Engineering and Mosaic Forest Management (Attachment B). At the 2020-DEC-21 meeting of Council, \$50,000 was committed by the City, including unspent monies in the public art budget from the 2020 budget, after an unsuccessful RFP for a permanent public artwork for Maffeo Sutton Park.

The City's existing financial contribution is directed to a portion of the artist fee, costs related to site preparation, and site finishing work, such as lighting and signage. Once all details about the

site installation became known, and engineering drawings based on the log size were revised, Staff sought quotes on construction. Based on pricing from local construction firms and the finalized plans, a further allocation of funding in the amount of \$50,000 is required to undertake the custom construction of the pole's base, and the raising and installation of the pole at the park.

The total value of the project is estimated at \$160,000, with the bulk of costs associated to the production of the pole and its safe installation. The request for an additional \$50,000 will directly support construction costs and provide for contingency items.

There is currently no remaining funds in the 2021 Public Art budget. Additional funds to support this project would come from the Strategic Infrastructure Reserve.

OPTIONS

1. That the Finance and Audit Committee recommend that Council:
 - a) approve the proposed location of the pole at Sway'a'Lana/Maffeo Sutton Park as identified on Attachment "C" to the staff report; and
 - b) amend the 2021-2025 Financial Plan to include an additional \$50,000 for the installation of the Welcome Pole funded from the Strategic Infrastructure Reserve.
 - The advantages of this option: The Welcome Pole project, undertaken in collaboration with Snuneymuxw First Nation and Nanaimo Aboriginal Centre will be on track for installation in September 2021.
 - The disadvantages of this option: Further funds are required to complete the construction component of the project at the park. This funding will not be available to fund other projects.
 - Financial Implications: An allocation of \$50,000 from the Strategic Infrastructure Reserve will be required to complete the project.
2. That the Finance and Audit Committee recommend that Council provide alternate direction in terms of location for the Welcome Pole.
 - The advantages of this option: Council may wish to select a different location.
 - The disadvantages of this option: Further research will need to be undertaken to explore the feasibility of other sites and agreement on the part of Snuneymuxw First Nation and Nanaimo Aboriginal Centre will need to be sought.
 - Financial Implications: Additional costs may be incurred if another site is selected.
3. That the Finance and Audit Committee recommend that Council choose not to proceed with the project at this time.
 - The advantages of this option: No further funds will be committed.
 - The disadvantages of this option: A partnership has been developed between Snuneymuxw First Nation, the City of Nanaimo, and Nanaimo Aboriginal Centre, with artist Noel Brown. A change in plan will impact the City's relationships.
 - Financial Implications: Funds already allocated to the Welcome Pole can be redirected.

SUMMARY POINTS

- The City of Nanaimo, Nanaimo Aboriginal Centre and Snuneymuxw First Nation are collaborating on a project to raise a Welcome Pole, carved by Noel Brown at Sway'a' Lana/Maffeo Sutton Park.
- The project is supported by in-kind contributions, a grant from Canadian Heritage, and by City of Nanaimo.
- Installation and celebration is being planned for September 2021.

ATTACHMENTS:

ATTACHMENT A: Working drawing by artist Noel Brown
ATTACHMENT B: Letter from Nanaimo Aboriginal Centre
ATTACHMENT C: Correspondence from Joan Brown re: Snuneymuxw approval; and park map with proposed installation location

Submitted by:

Julie Bevan, Manager
Culture & Events

Concurrence by:

Lynn Wark, Director
Recreation & Culture

Richard Harding, General Manager,
Parks, Recreation & Culture

Laura Mercer, Director
Finance Department

ATTACHMENT A



Project Context: Art as an Important Source of Knowledge

In discussing the significance of the Welcome Pole, Snuneymuxw leaders have shared that, *“in its most holistic sense, Snuneymuxw art honours the natural world as the ultimate source of knowledge, wellness, and renewal and as well as a gentle reminder that these great lands touch every aspect of life. In a modern context, the installation of the Welcome Pole is an invitation to the broader community to think more deeply about a way of being that is built on a foundation of humility, connectivity and reciprocity.”*

Telling stories about Snuneymuxw as a living culture by further acknowledging Sway’a’Lana as a historic village site, and raising awareness about the Snuneymuxw peoples’ ongoing sacred connection to the land is an important aspect of undertaking a Welcome Pole project at Sway’a’Lana. The partnership of the City of Nanaimo, Nanaimo Aboriginal Centre and Snuneymuxw First Nation also foregrounds the importance of partnership between Indigenous peoples who come from all Nations, including urban Indigenous populations, and Inuit and Métis, who are an integral part of Nanaimo’s community. Snuneymuxw leaders, leaders from Nanaimo Aboriginal Centre, and Staff are collaborating to create accessible interpretive information to accompany the installation of the Welcome Pole. This important dialogue among partners is intended to create a sense of belonging and pride for Indigenous and non-Indigenous people on this land.

About the Artist

Noel Brown is a renowned artist and a member of the Snuneymuxw First Nation. Brown began carving professionally in 1995 and received inspiration from James Lewis, a prominent Northwest Coast carver. His style has also been guided by the teachings of Richard Baker, Matthew Baker and Darin Lewis. His carvings are on display at the Nanaimo Museum, Vancouver Island University, BC Ferries Departure Bay terminal, and the Nanaimo Cruise Ship terminal.



ATTACHMENT B

NANAIMO ABORIGINAL CENTRE

June 29, 2021

Dear Julie Bevan, Manager of Culture & Events, City of Nanaimo:

This letter confirms our collaboration with the City of Nanaimo, Snuneymuxw First Nation, and artist Noel Brown, towards the creation of a Welcome Pole at Swy-A-Lana / Maffeo Sutton Park.

Having begun discussions about this project in 2018, and sought input from Snuneymuxw Elders and leadership, we look forward to seeing the pole installed in the park in 2021. The time is right for such an important undertaking. This project is intended to honour Snuneymuxw territory, and also communicate a sense of belonging and pride of place for Indigenous people who come from all Nations, including urban Indigenous, Inuit and Metis.

Towards this goal, Nanaimo Aboriginal Centre has secured in-kind contributions from Mosaic Forest Management and from Herold Engineering. We have also secured a grant from Canadian Heritage in the amount of \$38,500, bringing Nanaimo Aboriginal Centre's total financial contribution to the project to \$51,000.

We look forward to celebrating together when the Welcome Pole is raised in the park.

In Friendship,

Ian Kalina
Executive Director

Beth Harry
Project Lead

NanaimoAboriginalCentre.ca

2595 McCullough Road
Nanaimo, B.C. V9S 4M9
250 585 0947

ATTACHMENT C

From: [Joan Brown](#)
To: [Julie Bevan](#)
Subject: RE: request for letter signed by Chief - location of pole
Date: Wednesday, June 02, 2021 2:51:38 PM

Hi Julie:

Thank you for the visit today. Please accept this email as confirmation that Chief Wyse, as per site visit has approved proposed location for the Welcome pole at Swy-a-Lana. Further has suggested that City staff work with myself for the ceremonial protocol. Please note, that the oral tradition is our highest internal protocol.

If you require additional confirmation, please contact me.

Thank you

\jb

From: Julie Bevan <Julie.Bevan@nanaimo.ca>
Sent: Wednesday, June 2, 2021 12:00 PM
To: Joan Brown <joanb@snuneymuxw.ca>
Subject: request for letter signed by Chief - location of pole

Dear Joan:

I have been asked for a letter from the Chief indicating that he supports having the Welcome Pole installed at Swy-a-Lana in the location currently called "Spirit Square" where the Breaching Orca is placed – this is the spot we gathered around today. This is an important part of the package I need to send to senior staff and then to City Council. I'm hopeful that you can help by getting such a letter prepared so we can keep moving forward.

With sincere appreciation for your generous help!

jb

Julie Bevan
Culture & Events | City of Nanaimo
o. 250-755-7545
m. 250-802-3032

CAUTION: This email originated from outside the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.



DATE OF MEETING JULY 21, 2021

AUTHORED BY LAARA CLARKSON, MANAGER, RECREATION SERVICES,
PARKS, RECREATION AND CULTURE

SUBJECT COMMUNITY PROGRAM DEVELOPMENT GRANT – NANAIMO
CLIMATE ACTION HUB SOCIETY

OVERVIEW

Purpose of Report

To obtain Council approval of a request for a Community Program Development Grant. |

Recommendation

That the Finance and Audit Committee recommend that Council approve the request from the Nanaimo Climate Action Hub Society for a Community Program Development Grant in the amount of \$3,000 to assist in funding the Community Climate Circles program.

BACKGROUND

The intent of the Community Program Development Grant is to assist community groups to develop new or expanded programs that provide increased opportunities for residents to participate and connect with community, and to enhance residents' exposure to a variety of experiences.

The grant is intended as seed funding to help get new programs off the ground or to expand existing programs with the hope that the programs become self-sustaining. It is not intended to be long-term operational funding or funding for capital expenditures. A total budget of \$15,000 is available through this fund with applications accepted by November 1 for Spring/Summer programs and May 1 for fall/winter programs, or as funds remain available. |

DISCUSSION

A total of one Community Program Development Grant applications were received prior to the acceptance deadline of 2021-MAY-01 for the intake period of 2021 fall/winter programs. Staff review all applications based on program eligibility and assessment criteria.

Staff reviewed the application submitted by the Nanaimo Climate Action Hub Society with a request of \$3,000 to assist in funding the Community Climate Circles program to be held primarily in the City of Nanaimo and also in the Regional District of Nanaimo, Ladysmith and Port Alberni (Attachment A).

The Nanaimo Climate Action Hub Society is a newly formed organization with a purpose to advance solutions that reflect the urgency of the climate emergency through advocacy, local

initiative and collaboration with other organizations. The grant application is for a proposed new program outlined in Attachment A, called Community Climate Circles. This is a pilot project in which neighbouring families support each other as they work to reduce their household climate pollution. The Climate Circles will provide an educational opportunity for families to learn about various grants and incentives that are available such as, but not limited to, how to increase home energy efficiency, install a heat pump or purchase an electric vehicle. The circles are planned to take place in City of Nanaimo (75%), as well as RDN (15%), Port Alberni and Ladysmith (10%).

Staff determined that this application successfully met all of the grant criteria (Attachment B) and are recommending that Council approve the request for grant funding. |

FINANCIAL CONSIDERATIONS

Each year, a total of \$15,000 is allotted for the Community Program Development Grant fund and a total of \$3,500 has been allocated so far in 2021.

The Nanaimo Climate Action Hub Society is requesting \$3,000 in grant funding from the City of Nanaimo to support their program, Community Climate Circles, with a total estimated project budget of \$16,000. |

OPTIONS

1. That the Finance and Audit Committee recommend that Council approve the request from the Nanaimo Climate Action Hub Society for a Community Program Development Grant in the amount of \$3,000 to assist in funding the Community Climate Circles program.
 - The advantages of this option: Meets the goal of helping community groups with an expanded program to increase opportunities for residents to participate and connect in the community.
 - The disadvantages of this option: None identified.
 - Financial Implications: If approved, the remaining balance of \$8,500 would remain available for future 2021 requests for Community Program Development Grant funding.
2. That the Finance and Audit Committee recommend that Council deny the Community Program Development Grant received from the Nanaimo Climate Action Hub Society.
 - The advantages of this option: The grant funds would remain available for future grant applications.
 - The disadvantages of this option: The application from a community group that meets all criteria would not be approved.
 - Financial Implications: If denied, the remaining balance of \$11,500 would remain available for future 2021 requests for Community Program Development Grant funding. |

SUMMARY POINTS

- Funding of \$15,000 is allocated yearly for Community Program Development Grants.
- The application from the Nanaimo Climate Action Hub Society to assist funding the Community Climate Circles program successfully meets the grant criteria.
- If approved, a balance of \$8,500 would remain in the 2021 Community Program Development Grant fund.

ATTACHMENTS:

ATTACHMENT A: Application for the Community Program Development Grant from Nanaimo Climate Action Hub Society.

ATTACHMENT B: Evaluation Form for the Community Program Development Grant. |

Submitted by:

Laara Clarkson
Manager, Recreation Services |

Concurrence by:

Lynn Wark
Director, Recreation and Culture

And by:

Richard Harding
General Manager, Parks, Recreation and Culture

And by:

Laura Mercer
Director, Finance |

ATTACHMENT A

RECEIVED

APR 30 2021

DEPARTMENT OF
PARKS, RECREATION AND ENVIRONMENT

City of Nanaimo Community Development Program Grant Application 2021

c/o Nanaimo Parks, Recreation and Culture, 500 Bowen Road, Nanaimo, BC V9R 1Z7

Legal Name of Organization: Nanaimo Climate Action Hub Society

Mailing Address: [REDACTED]

Postal Code: V9 [REDACTED]

Telephone #1: [REDACTED]

Telephone #2:

Email: [REDACTED]

Contact Person: Dr. Heather Baitz

Position: President, Nanaimo Community Climate Hub Society

Society Registration Number:

Corporation information number [REDACTED]

Business number [REDACTED]

Is your society in good standing with the Registrar: Yes

Fiscal year for grant: July 2021 to July 2022

Total grant requested for fiscal year: \$3,000

Total budget for fiscal year: \$16,000

Has your organization applied for other City of Nanaimo funding? If so, please list the type and amount of funds requested for next year.

<u>Name of Grant</u>	<u>Amount Requested</u>	<u>Amount Approved</u>
n/a		

In your application, please answer all questions and include the information requested:

1. Name of Project or Program: **Community Climate Circles**
2. Times and Dates: July-December 2021
3. Location: Nanaimo (City and Regional District), Port Alberni and Ladysmith
4. Target Market and Age of Participants: 312 people of various ages

5. From where will participants come? (Last year's actual numbers if project or program was held previously: New projects or programs please estimate)

<u>Program Highlights</u>	<u>Age Groups</u>	<u>Attendance</u>
Community Climate Circles 1 circles 10 participants each, average family 2.5 people = 25 people 12 circles = 300 people + 12 Trainers = 312 people engaged in total People will be from the City of Nanaimo, RDN, Port Alberni and Town of Ladysmith (open to all, initial intention is to start with the City of Nanaimo)	Children and adults, all ages can be included	312
Expected attendance		312

6. Is any other organization providing a similar service? No

7. Is this a new program? Yes

8. How long has your organization existed in Nanaimo?

The organization was launched November 20, 2020. A link to the launch event:

<https://www.nanaimoclimateaction.org/social-media.html>

9. Briefly outline the purpose or mission of your organization:

Information about the Nanaimo Climate Action Hub can be found on line at

<https://www.nanaimoclimateaction.org>

The purpose of the Nanaimo Climate Action Hub is to advance solutions that reflect the urgency of the climate emergency through advocacy, local initiatives, and collaboration with other organizations. We are a Community Climate Hub, building public support for political leadership on climate change in partnership with Climate Reality Project Canada.

The Nanaimo Climate Action Hub is a non-profit, non-partisan, grassroots, membership driven organization working in the community to effect change locally and globally. We collaborate with other groups in Nanaimo and beyond, connecting people to people, people to knowledge, and people to action in response to the climate crisis. The programs and services we provide are to work with elected officials, community leaders and local citizens in the interest of fighting the climate emergency. The initiative for which we are seeking funding is to establish Community Climate Circles, which will support local families as they work to reduce their climate pollution.

Nanaimo Climate Action Hub is entirely volunteer based. Incorporated on January 27, 2021, its Directors are: Don Giberson, Heather Baitz, Doug Fraser, Samantha Gilbert, William Woolverton, Guy Dauncey, Bonnie Huynh, Patti Grand, Maria Mikaela Sumile, and Tian Liang.

10. What programs in the past has your organization produced/sponsored?

	Year	Program and Location	# Attending
1.	2020	Launch event (online) November 21, 2020 with elected officials, local artists, and climate activists	75
2.	2021	Working with the City to support the approval of funding for a sustainability manager, doughnut economics and funding of active transportation infrastructure	60 emails to city council in support of initiatives
3.	2021	Building Connections for Local Climate Solutions (online) January 29, 2021: Talks by 10 local organizations with an interest in climate solutions	100
4.	2021	Campaign to encourage Nanaimo City to call on the BC government to follow through on Old-Growth Strategic Review recommendations	77 emails to city council
5.	2021	<p>Speaker Series: Nanaimo and RDN Solutions to the Climate Emergency. Our aim is to learn more about existing local policies and best practices in BC so that we can be well prepared to advocate for the strongest possible local solutions.</p> <ol style="list-style-type: none"> 1) Cycling and Infrastructure, Apr 6 2) Walkable Neighbourhoods, Apr 17 3) Solid Waste Emissions, May 4) Food Footprint, May 5) Buildings Retrofits and Step Codes, Jun 3 6) Transit, June 7) Carbon Sinks, September 8) Electric Vehicle Infrastructure and Incentives, October 9) Car sharing, fall 2021 	20-25 attendees per presentation to date

Please also include the following information:

11. One to two typed pages outlining a summary of your idea.

The grant will support a pilot project through which 12 people will be trained to become Community Climate Connectors, and then to establish 12 Community Climate Circles in which neighbouring families support each other as they work to reduce their household climate pollution, focused mainly on their home energy use, transportation, food, and wastes.

During a Circle, families will be given details about the various grants and incentives that are available to increase home energy efficiency, install a heat pump or purchase of an electric vehicle, and they will have an opportunity to ask questions to address uncertainties.

The pilot project will test and improve the training, the Circles, and the follow-up support needed as families work to reduce their emissions. The long-term goal is to train a sufficient number of Community Climate Connectors to reach every household in the RDN, and later in the whole of BC. The project is volunteer-led by local author and climate organizer Guy Dauncey, and by local citizens who are volunteering to move it forward.

We believe that many residents are concerned about the climate emergency, but they don't know where to start. They lead busy lives, and they care, but they don't have time to research and organize.

This grassroots initiative will allow families to engage with people they know and trust - their neighbours. It will meet people where they are, and support their efforts, not judge or debate the nature of the climate emergency. We believe that this approach will bring positive individual action that will contribute to the RDN's and the City of Nanaimo efforts to meet the challenge of the climate crisis.

We think that the program would support the City with its' efforts outlined in the 2019 CARIP report in enhancing public education and awareness to consider and adapt to climate change (page 14). The City has recently published a climate change resilience strategy [https://www.nanaimo.ca/docs/social-culture-environment/sustainability/climate-change-resilience-strategy-\(2020\).pdf](https://www.nanaimo.ca/docs/social-culture-environment/sustainability/climate-change-resilience-strategy-(2020).pdf) which calls for the City to act as a partner with residents etc (Page 4), we believe that our Community Climate Circles program directly ties with the objectives in the Strategy (page 27), (specifically 4.3.1. 4.3.2. 4.3.7 and 6.2.4)

12. For what purpose do you plan to use this City fund? (Please be specific and note that capital expenditures are not permitted.)

The City funding portion of the project would be directed towards hiring a Community Climate Circles Coordinator to set up the program. The Coordinator will establish the training and 12 people will train to become Community Climate Connectors. Each will run a Community Climate Circle engaging ten households, representing 25 people. In total, 312 people (12 Connectors and 300 neighbours).

Each of the 12 Community Climate Connectors will be a volunteer, and they will use the training they receive to run a Community Climate Circle. Within each Circle, family members will participate as a volunteer, learning the skills and know-how to reduce their climate pollution. Volunteers will also be involved in organizing the training, and hosting the Zoom or in-person meetings, depending on pandemic public health guidance.

13. How will your idea benefit Nanaimo?

Residents who participate will also benefit from increased contact between neighbours, less loneliness, and reduced home heating and transportation expenses. A variety of other unanticipated benefits may emerge as neighbours begin to work together towards a shared goal of doing what they can to tackle the climate emergency.

14. How will your program be marketed?

The program will be marketed through local media, the network that has been established through the Nanaimo Climate Action Hub (mailing list of over 230 people and relationships with 10 other local organizations) and through the connections of the Climate Community Connectors (listed below).

15. How will you evaluate the success of the program?

It is critical to program growth that results and impacts are measured. We are working to establish connections with VIU and UVic to develop a tool to monitor and track progress of the changes made in each Circle. We want to ensure that the tool is user friendly and not onerous. We have researched other tools (Saanich, BC Hydro and others) and we believe that with the support of an academic backer we will be able to find a tool that can monitor the success of the program. Monitoring will also inspire commitment of existing members and grow the program, since people are drawn to successful initiatives.

16. Include a detailed budget, outlining all revenues including sources and expenditures.

• Pilot Project Leader (part-time, 3 months)	\$7,800
• Prototype Circles Training Leader fee	\$350
• Community Climate Circles Training Costs	\$1200
• Zoom annual membership for meetings	\$240
• Website development	\$500
• Advertising to recruit 12 Community Climate Connectors	\$2,000
• Video development to promote and explain the project	\$1960
• Printed support materials for use in Circles	\$1950
○ Total:	\$16,000

Revenues (if grant applications are successful):

• RDN Community Grant	\$3,000
• City of Nanaimo Community Program Development Grant	\$3,000
• Plugin BC EV Community Outreach Grant	\$10,000
○ Total	\$16,000

17. Include a financial statement for your organization for the previous calendar year.

This is the first year of operation for the Nanaimo Climate Action Hub, and we are currently in the process of setting up a bank account. In order to reduce barriers to participation for all local residents, there is no fee to become a member of the Nanaimo Climate Action Hub. We plan to request donations from members twice per year to cover basic operating expenses. Below is our record of expenditures to date (paid for by members, to be reimbursed once we request and receive individual donations).

Amount	Date of transaction	Description of expense
25.02	Jan 2, 2021	list-serve hosting setup fee (Electric Embers, US\$15.00)
130.00	Jan 27, 2021	Society registration
40.32	Jan 31, 2021	Registration of nanaimoclimateaction.org domain
94.08	Jan 31, 2021	Weebly upgrade to allow use of custom domain
9.79	Feb 19, 2021	list-serve monthly hosting fee (Electric Embers, US\$7.50)
19.31	Apr 16, 2021	list-serve monthly hosting fee (2 months Electric Embers, US\$15.00)

18. Include a list of the organizers identifying the roles and names of the people in those roles/functions.

Nanaimo Climate Action Hub Directors:

Don Giberson, Heather Baitz (President), Doug Fraser, Samantha Gilbert, William Woolverton (Vice President), Guy Dauncey, Bonnie Huynh, Patti Grand, Maria Mikaela Sumile (Treasurer), and Tian Liang (Secretary).

Climate Community Connectors Team members:

- Guy Dauncey. Project Leader. Author, ecofuturist, organizer, Fellow of the Royal Society for the Arts; Honorary Member of the Planning Institute of BC. Founder of the BC Sustainable Energy Association. Co-founder of the BC Climate Emergency Network.
- Dr. Heather Baitz, Clinical Psychologist. Clinical Instructor, UBC Department of Psychiatry.
- Chris Baitz, stay-at-home father. Robotics teacher, BC Institute of Technology
- Ruth Malli, retired Chief Administrative Officer, Town of Ladysmith
- John Manson, retired municipal engineer
- Eileen Page, professional executive and leadership coach
- Brenda Stewart, retired teacher
- Gail Morton, retired teacher
- Jim Wright, retired farmer

PLEASE NOTE: A final report and financial statement (1 – 3 pages maximum) must be submitted within 60 days of the conclusion of the project or program. Failure to do so may result in rejection of any new application.

Freedom of Information and Protection of Privacy Act (FOIPPA) Information on this form is done so under the general authority of the Community Charter and FOIPPA, and is protected in accordance with FOIPPA. Personal information will only be used by authorized staff to fulfill the purpose for which it was originally collected, or for a use consistent with that purpose. Submissions may be included within a future publicly available Council Report, which will be available for viewing on the City's website.

Program Revenue Budget

Name of Activity: Community Climate Circles Sponsored by: Nanaimo Climate Action Hub Society

- Please provide your best estimate of the revenues and costs of the project or program for which a grant is requested. Additional headings to better describe your revenues and expenses for your particular activity are permitted. You may use either your own budget form or this one.
- Definitions: Earned revenues are usually generated directly by a project or program and often include income from booth, table, rentals, sales of advertising in a program, admission tickets or on-site cash donations from the public, and the net proceeds of concessions or sales.

- Fundraising revenues are usually generated from sponsorships, in-kind supplies and services, individual donations before or after the event.

YEAR		YEAR
Actual 20__ (Previous Year if applicable)	Revenue Item	Projected 2021-22 To be completed for application
	<i>Earned Revenue</i>	
	Admissions/Ticket Sales	0
	Concession/Merchandise Sales (net)	0
	On-site cash donations	0
	Advertising income	0
	Rentals	0
	Other	0
	Total Earned Revenue	0
	<i>Fundraising Revenue</i>	
	Individual Donations	0
	Cash Sponsorships	0
	Fundraising Events	0
	Other	0
	Total Fundraising Revenue	0
	<i>Government Revenue</i>	
	Municipal Grants (RDN and City of Nanaimo)	6000
	Provincial Grants	0
	Federal Grants	0
	Other Emotive Community Outreach Incentive Program (General EV awareness, multiple communities)	10000
	Total Government Revenue	16000
	Total Revenues	Line A 16000

If you are receiving in-kind support not included above, please identify the source donor and include an estimate of the dollar value:

Source

\$ Value

Program Expenses

YEAR		YEAR
Actual 20____ (Previous Year if applicable)	Expense Item	Projected 2021-22 To be completed for application
	Administration & Communication Costs	
	Program Coordinator: 13 weeks, 20 hours/week = 260 hours @ \$30/hour	7,800
	Office Staff: including estimated hours worked	0
	Insurance Costs	0
	Fundraising expenses (please specify)	0
	Volunteer expenses (please specify)	0
	Honorarium for trial training leader	350
	Training costs (12 x \$100)	1,200
	Marketing and publicity (please specify)	
	Website development	500
	Advertising	2,000
	Zoom annual membership	240
	Video creation	1,960
	Printed materials	1,950
	Total Administration & Communications Cost	6,650
	Project or Program Costs	
	Facility / Venue Rental	0
	Equipment rental (tents, stage, lights, sound, etc.)	0
	Artists, performers, cultural program contributors: fees or honoraria	0
	Technical Staff	0
	Materials and Supplies	0
	Permits	0
	Municipal Services	0
	Police Costs	0
	On Site costs (signs, garbage cans, toilets, power, etc.)	0
	Performer and on-site volunteer services; (travel, food, t-shirts, etc).	0
	Other (please give details)	0
	Total Production & Events Costs	0

	Total Expenses	Line B	16000
	Net	(Line A minus Line B)	0

ATTACHMENT B



COMMUNITY PROGRAM DEVELOPMENT GRANT EVALUATION CHECKLIST

APPLICANT: Nanaimo Climate Action Hub Society DATE: May 1, 2021

CRITERIA	MEETS CRITERIA	DOES NOT MEET CRITERIA	COMMENTS
A. Provides experiential or educational opportunities	✓		educational information on grants and incentives for families regarding emissions
B. Definable community benefit	✓		
C. Potential for sustainability / long-term benefit	✓		aligns with City of Nanaimo's goals regarding climate change resilience strategy
D. Potential to offer short-term (youth) employment	✓		utilizing volunteers
E. Does not receive other funds from CON	✓		
F. New applicant	✓		
G. Program operates within the CON	✓		75% in City (approx) and also Port Alberni, RDN, Ladysmith
H. New program OR expanded program	✓		
I. Sound organizational structure	✓		they are in their first year of operation but have a board
J. Applicant is a non-profit organization	✓		
K. Budget & financial statements provided			budget yes, financial statements no. they are new so there aren't any to provide

RECOMMENDED FOR FUNDING (Y/N): Y

AMOUNT: \$3,000

OR:

NO GRANT RECOMMENDED (Y/N): _____ DOES NOT MEET CRITERIA: _____

EVALUATOR: Laara Clarkson POSITION: Manager, Recreation Services

DATE OF MEETING JULY 21, 2021

AUTHORED BY ART GROOT, DIRECTOR, FACILITY AND PARKS OPERATIONS
PARKS, RECREATION & CULTURE

SUBJECT CANCELLATION OF BEBAN DUCTLESS SPLIT HEAT PUMPS

OVERVIEW

Purpose of Report:

To inform Council of the cancellation of a 2021 project to install ductless split heat pumps to Rooms 4 to 6 at the Beban Social Centre.

BACKGROUND

The City of Nanaimo is committed to implementing appropriate measures which reduce energy use and emissions and lessen negative impact on the environment.

The City has a goal of reducing its' 2007 corporate GHG emissions by at least 45% before 2030, aligning with the Intergovernmental Panel on Climate Change (IPCC) recommendation to limit the increase in the Earth's average temperature to 1.5C.

In 2018, Staff commissioned a study of the heating and cooling system at Beban Social Centre to review its condition and to review options for replacement and possible improvements. The original system is unable to quickly change between heating and cooling. The concept was to update the system to be able to make that switch faster and to provide individual controls for Rooms 1-8 at this community recreation centre. The project was split over a 3-year period, starting in 2020 and finishing in 2022.

DISCUSSION

In mid to late 2019, after reviewing the 10-year capital plan, it became apparent that there was a need for a larger review of the heating and cooling plants at two of the City's major recreation centres. This need was based on the amount of upcoming individual HVAC (heating, ventilation and air conditioning) projects at both the Nanaimo Aquatic Centre and the Beban Park Recreational Complex.

In early 2020, a feasibility study was undertaken for both locations for heating and cooling plant upgrade options. The review has included looking at the compatibility of alternative energy sources, geothermal, electrification, and standard equipment replacements.

During the study and review period, Staff determined it best to put any significant upgrade projects on hold in the near future to ensure that should a more significant HVAC system upgrade or replacement occur, the equipment would be compatible with the potentially new system. Next, we will be to review the results of the study with senior leadership, and with Council to determine the most appropriate HVAC system replacements for these City facilities.

As such, the ductless split HVAC projects at the Beban Social Centre, originally scheduled for 2020, 2021, and 2022 were cancelled and some of the 2021 funds have been reallocated to cover other project budget shortfalls.

FINANCIAL CONSIDERATIONS

The following amounts were budgeted for the multi-year project of the installation for Ductless Split Heat Pumps at the Beban Social Centre:

YEAR	AMOUNT BUDGETED	LOCATION
2020	\$162,000	Rooms 1 – 3
2021	\$162,000	Rooms 4 – 6
2022	\$108,000	Rooms 7 – 8
TOTAL:	\$432,000	

To date \$82,602 of the \$162,000, 2021 project budget has been reallocated to three projects including:

A. 25 Victoria Rd (OV Theatre) Envelope Restoration: \$57,602

The original contract was for the building envelope upgrade for the north and west façade of 25 Victoria Road. The direct award value relates to project changes as a result of the unknown existing building condition that were uncovered after removing the existing siding. The first phase was completed in 2014 and this work finalises the exterior renovation and envelope upgrade. Changes include:

- Additional stone cladding, metal roofing, and changes to the geometry as a result of existing façade concealing the original building face;
- Replacement of rotted wood framing on west elevation;
- Repairs to vertical crack in concrete masonry units at jog in the wall on the north elevation;
- Removal of vermiculite; and,
- Additional attic ventilation required.

Other changes include; removal and reinstallation of the sign, additional pot lights in soffit area, addition of a hose bib, and installation of an anti-loitering device.

Original budget: \$340,225 Revised budget: \$410,225 (total budget transfer was \$70,000)

Justification: these activities were part to the required work, and could not be separated out without significant implications to project cost, and potential for risk and liability to the City.

B. Beacon House Community Centre on Protection Island: \$25,000

This 2021 project is the continuation and conclusion of the community centre renovation project that began with Phase One in 2016. Work includes:

- Bathroom renovations, including the creation of an accessible washroom;
- Complete kitchen renovation where the Protection Island Lions are purchasing and supplying all of the appliances;
- Flooring replacement;
- Lighting upgrades; and,
- Electrical upgrades.

Original budget: \$67,463 Revised budget: \$92,463

Increased budget is required to cover higher material costs and unexpected COVID-19 project impacts.]

SUMMARY POINTS

- Beban Social Centre Ductless split HVAC projects were cancelled in 2020, 2021, and 2022.
- In early 2020, a feasibility and low carbon electrification study was undertaken for both the Nanaimo Aquatic Centre and the Beban Park Recreation Complex, for heating and cooling plant upgrade options.
- Available funds for 2021 were used to increase budgets for projects at the OV Theatre (25 Victoria Rd) and at the Beacon House Community Centre on Protection Island.

Submitted by:

Art Groot
Director, Facility & Parks Operations |

Concurrence by:

Richard Harding
General Manager, Parks, Recreation & Culture

Laura Mercer
Director, Finance |

DATE OF MEETING JULY 21, 2021

AUTHORED BY POUL ROSEN, DIRECTOR, ENGINEERING

SUBJECT NANAIMO OPERATIONS CENTER – PHASE 2 ENVIRONMENTAL ASSESSMENT

OVERVIEW

Purpose of Report

To provide a brief update to Council on the status of the Nanaimo Operations Center (Public Works) facility development project, and to request approval to complete a Stage 2 environmental site investigation.

Recommendation

That the Finance and Audit Committee recommend that Council increase the budget for the Public Works Facility: Conceptual Design by \$100,000 to undertake a Stage 2 environmental site investigation funded from Payments in Lieu of Taxes.

BACKGROUND

At the September 16th, 2020 Finance and Audit meeting, Council allocated \$200,000 for the development of architectural concept and cost estimate for the renewal of the Public Works facility. A copy of the report is attached for additional background.

The Nanaimo Public Works Yard is the operational nerve center for provision of many City services including:

- Sanitation - Garbage, Recycling and Compost
- Roads Maintenance - Snow and Ice control, signs and road markings
- Water Supply - dam operations, reservoir and pump station controls
- Water distribution – maintenance, new construction and response to breaks
- Sanitary Sewer – maintenance, inspection and repairs
- Storm Sewer – maintenance, inspection and repairs
- Fleet Maintenance – corporate fleet sustainment
- Capital Project - construction, inspection and project management
- Purchasing and Stores (Corporate Services) – corporate buying and inventory controls

These services are provided out of a facility originally constructed in the 1960's and added to over the years, largely with temporary trailer style units. Some of the buildings within Public Works have exceeded their expected useful lives and no longer provide the safety, space, security or functionality required. These issues and limitations are constraining the ability of the City to continue to provide the services as Nanaimo grows. Furthermore, the older buildings and temporary units do not provide a suitable work environment, which impacts recruitment and retention.

Given that many of the systems and individual facilities at Public Works were created long ago under previous regulatory requirements, there are aspects that do not meet current regulations or community or Staff expectations. An example is the vehicle wash-down facility which doesn't comply with current environmental best practices or standards.

To meet the existing and growing needs of the City, it is necessary to renew and upgrade the Public Works facility. The architectural concept will create a fit for purpose, utilitarian type of facility to put the City in a good position for the future to continue to provide and sustain its services. The improved facility would include provision for some Parks Operations Staff to muster at the same location, allowing enhanced collaboration and a reorganization of Parks Operations facilities. The new Public Works facility could be termed Nanaimo Operations Center (NOC) to reflect its multi-disciplinary nature.

DISCUSSION

The Architectural Concept and Cost Estimate work is in progress. Staff engaged a series of specialist consultants to assist with aspects such as architectural, geotechnical, environmental and cost estimating. The process includes development of a master plan for the site that includes both new buildings and systems, as well as repurposing and upgrading existing structures. The goal is to create an overall facility that meets the utilitarian needs of the organization and will be able to support the growth and provision of services for the foreseeable future, while being adaptable to changes, such as fleet electrification.

Development of the NOC creates an opportunity and a need to adjust existing Parks Operations facilities. Parks Operations Staff are currently located at the Parks Yard on Prideaux Street and the old GNWD offices on Nanaimo Lakes Road. The NOC Project would relocate all Staff from Nanaimo Lakes Rd to Labieux Road and some of the Staff from Prideaux Street. The Prideaux Street Yard was originally constructed for the City of Nanaimo Public Works Department and was in use before amalgamation. Since amalgamation, the Prideaux Street Yard became the Parks Operations Yard. Parks has since outgrown that facility and now occupies both the old GNWD offices and the Prideaux Street Yard. The Prideaux Street Yard would house a revised complement of Parks Staff and would need to be renovated to accommodate changes, and the buildings at the Annex would be demolished and site would be repurposed. The scope of those upgrades and changes will be included in the business case for the NOC.

A business case is being prepared for the NOC, along with secondary impacts for Council's consideration, as part of this year's Financial Planning Cycle.

Environmental Site Investigations

As with any substantial project, there are a number of risks with redevelopment of the Public Works site. For this site, since the use has been industrial and in operation for about 50 years, there is a risk of contaminated soils. To provide a clear picture of this risk, an environmental (contaminated sites) Stage 1 assessment was undertaken. The Stage 1 assessment identified four areas around the site where potential contamination might exist. The locations identified include:

1. Flush truck disposal area
2. Salt storage
3. Fleet maintenance shop
4. Fuel pumps/storage

While Staff do not expect extensive contaminated soils, the significance of the risk normally warrants a considerable financial contingency to be built into the budget. The purpose of a Stage 2 environmental site investigation is to take samples and determine whether contamination is actually present. If the Stage 2 environmental site investigation shows there is little or no contamination, it would allow us to carry less risk contingency, thus lowering the project budget. Also, the Stage 2 investigation is required should the project proceed.

The cost for the Stage 2 environmental site investigation is expected to be approximately \$60,000; however, an additional \$40,000 is required for contingency to allow additional drilling if contamination is found and needs to be mapped out. The amount required to proceed with the Stage 2 environmental site investigation is \$100,000.

Financial Considerations

Council previously allocated \$200,000 to fund the conceptual design and cost estimate for an upgraded Operations Facility. Should Council support the recommendation, funding of the environmental site investigation in the additional amount of \$100,000 could be funded from Payments in Lieu of Taxes (PILTs).

OPTIONS

1. That the Finance and Audit Committee recommend that Council increase the budget for the Public Works facility: Conceptual Design by \$100,000 to undertake a Stage 2 environmental site investigation funded from Payments in Lieu of Taxes.
 - The advantages of this option: This option would allow the City to better understand the risk associated with a potential project at Public Works. This would also allow for more accurate budgeting or potential borrowing, since less risk contingency would be required.
 - The disadvantages of this option: If no future upgrades occur at the Public Works site, the mapping of the contaminated soils would not have been necessary. This disadvantage seems unlikely to materialize.
 - Financial Implications: Should Council support this option, funding of the environmental site investigation in the amount of \$100,000 could be funded from

Payments in Lieu of Taxes (PILTs). The 2021-2025 Financial Plan will be amended to include stage 2 of this project.

2. That Council decline to proceed with a Phase 2 environmental site investigation at Public Works.
 - The advantages of this option: it requires less cost now and retains the PILT funding for other uses.
 - The disadvantages of this option: The environmental conditions at Public Works would remain unknown. If there is contamination there, it could migrate over time making matters worse. If and when upgrades do occur at the Public Works site this investigation would still need to be completed.
 - Financial Implications: The budget for the development of the Nanaimo Operations Center would need to include significant contamination risk funds, which might unnecessarily raise the projected cost of the project. |

SUMMARY POINTS

- The City's Public Works Yard on Labieux Road is outdated and operating beyond its capacity and is in need of considerable upgrade and renewal.
- The development of a detailed business case is underway and will be presented to Council as part of the Financial Planning process.
- The proposed changes will include an adjustment of work location for some Parks Staff that allows for an increase in efficiency and amalgamation of shared facilities.
- The development of the Public Works site requires identification of contaminated soils, so they can be dealt with, appropriately, if they exist.
- A Stage 2 environmental site investigation would provide clarity around the existence and location of potential contamination.
- The completion of a Stage 2 environmental site investigation would allow more accurate budgeting of any potential project at Public Works.

ATTACHMENTS:

Attachment A - Copy of report from the September 16, 2020 Finance and Audit meeting. |

Submitted by:

Poul Rosen
Director, Engineering |

Concurrence by:

Bill Sims
General Manager, Engineering and Public
Works

Laura Mercer
Director, Finance |



Staff Report for Decision

DATE OF MEETING SEPTEMBER 16, 2020

AUTHORED BY POUL ROSEN, DIRECTOR, ENGINEERING

SUBJECT PUBLIC WORKS FACILITY UPGRADES

OVERVIEW

Purpose of Report

To provide Council with background on the status of the Public Works facility, and present options for further consideration.

Recommendation

That the Finance and Audit Committee recommend that Council allocate \$200,000 from the existing 2020 - 2024 Financial Plan to further develop an architectural concept and cost estimate for renewal of the Public Works facility.

BACKGROUND

The City of Nanaimo Public Works Yard at 2020 Labieux Road consists of eight primary buildings on a 4.8 Hectare site, as well as a number of secondary structures and facilities. The majority of the original buildings were built in the 1960's, have exceeded their expected useful life, and no longer provide the utility, security or space needs of the organization. In addition, given the age of the buildings, seismic design when constructed, would have been incidental at best. This has implications for both Staff safety during an earthquake, and post disaster usability. Public Works is deemed an essential service and emergency responder, and it is critical to maintain operations after a major disaster.

The facility is currently the primary workspace, office, shop and storage for the following work units:

Public Works

- Sanitation
- Fleet
- Roads and Traffic
- Water Supply and Distribution
- Wastewater

Engineering

- Project Management Group
- Construction Crew

Finance

- Purchasing
- Stores

To better understand the current opportunities and needs of Public Works, a space needs assessment was completed. That assessment outlined a long term vision for the yard that includes:

- renewal of all the buildings,
- security and controls enhancement,
- space upgrades, and
- potential consolidation of work units from other sites such as, Parks Operations and/or Engineering.

To make potential upgrades manageable and affordable, they have been broken down into phases. The first phase is envisioned to include the:

- fleet maintenance shop,
- refueling facility,
- demo old shop, and
- install temporary trailers for offices.

This first phase would provide the needed space and reliability for fleet maintenance, as well as renew the refueling station and provide additional needed space (although temporary) for offices.

The fleet maintenance shop is where the City repairs or services all vehicles, trucks and equipment, including garbage trucks, fire trucks, heavy equipment, passenger vehicles, tractors, mowers, etc. The shop is not large enough inside to accommodate a number of the bigger vehicles for repairs or maintenance. Also, there isn't enough shop bays (work area) to accommodate the volume of work at times, meaning that mechanics are required to conduct their work outside, potentially in the freezing cold, snow, or blazing sun on some of the larger vehicles. Conducting delicate repairs outside, with cold fingers, is certainly less than ideal.

A seismic evaluation of the shop was completed, and deemed to have a "high" seismic risk on a number of aspects. This has implications for both Staff safety in the shop, and the City's ability to respond to a disaster. From a post disaster standpoint, continuing to sustain the fleet during a response and recovery phase is critical, and may not be possible without the shop in operation.

Detailed condition assessments of each of the buildings and systems, are in process and the findings will be included in future discussions. This will ensure a complete picture of the condition of the facility and will help planning and prioritizing piecemeal upgrades if needed.

The second phase of an upgrade could include the:

- main administration building,
- crew operational space,
- storage, and
- site work.

The third and last phase, includes a number of yard upgrades, including purchasing/stores that would make consolidation of work places possible, enhance security and controls on materials/stores and complete the overall yard vision.

The next steps include:

- refining the scope,
- development of an architectural concept for initial phases, and
- cost estimate.

At this early point in the process, the costs for the project are not simple to predict, and much more refinement is necessary to provide a reliable number. All efforts will be made to ensure that a new facility will meet the current and near future operational requirements, but will be very utilitarian. |

DISCUSSION

To ensure the Public Works facility continues to be able to provide the basis for many of the services the City provides, and that it remains a safe and efficient work environment; it will require significant renewal in the near future. In order to develop a better understanding of the costs associated, it is necessary to develop an architectural concept and cost estimate. This will enable more complete planning and budgeting. |

The cost for the next step in developing the project is expected to be \$200,000. Funding for this can be found within the existing 2020 – 2024 Financial Plan. There is a drainage project that has been cancelled and re-budgeted in a future year.

OPTIONS

1. That Council allocate \$200,000 from the existing 2020 - 2024 Financial Plan to further develop an architectural concept and cost estimate for Public Works.
 - The advantages of this option: it will allow further development of plans for the necessary upgrades to Public Works and provide a clearer picture of the costs.
 - \$200,000 from the existing 2020 - 2024 Financial Plan will be allocated to this project.
2. That Council provide alternative direction to Staff.

SUMMARY POINTS

- Public Works facility is the workspace from which many critical City services are provided, often on an emergency basis.
- The majority of the buildings at Public Works were built in the 1960's, have exceeded their expected useful life, and no longer meet the functional, utility, security or space needs of the organization.
- The next step in the process of renewing the facility is to develop an architectural concept and cost estimate.
- Any potential upgrades to Public Works will have a utilitarian focus.

ATTACHMENTS:

Attachment A – Site Map
Attachment B – Site Photos

Submitted by:

Poul Rosen
Director, Engineering

Concurrence by:

Laura Mercer
Director, Finance

Bill Sims
General Manager, Engineering and Public Works

DATE OF MEETING JULY 21, 2021

AUTHORED BY SCOTT PAMMINGER, INFRASTRUCTURE PLANNING AND
ENERGY MANAGER

SUBJECT **ENDING THE B.C. CLIMATE ACTION REVENUE INCENTIVE
PROGRAM (CARIP)**

OVERVIEW

Purpose of Report

To provide Council with Information regarding:

- the announced end of the B.C. Climate Action Revenue Incentive Program,
- implications for the City of Nanaimo, and
- recommended next steps.

Recommendation

That the Finance and Audit Committee recommend that Council send a letter to Premier John Horgan, the Minister of Municipal Affairs, the Minister of Environment and Climate Change Strategy, and the Union of B.C. Municipalities outlining the value of the BC Climate Action Revenue Incentive Program (CARIP) and the implications of the program's end.

BACKGROUND

The B.C. Climate Action Revenue Incentive Program (CARIP) is a conditional grant program that provides funding to local governments that have signed onto the *B.C. Climate Action Charter* equal to 100 percent of the carbon taxes they pay directly to support local government operations. The program encourages investment in climate action.

Since 2007, 187 of 190 Municipalities, Regional Districts, and the Islands Trust have signed up and provided the Province with a comprehensive database of municipal, corporate energy and emission reduction projects, and community climate actions implemented at the local level.

On May 11, 2021, the Deputy Minister and Assistant Deputy Minister, for the local government division of the Ministry of Municipal Affairs, called a meeting with all Municipal and Regional District Chief Administrative Officers (CAO) to announce the end of CARIP. Local governments have been informed that 2020 will be the last reporting year, with the final grant paid to local governments in 2021.

A follow-up e-mail, Attachment A, stated CARIP was ending as the Province was shifting resources toward the CleanBC Program, with a priority toward reducing pollution, boosting energy-efficient solutions and building a low carbon economy. The Province added that "just as local governments' actions on climate solutions have evolved in the past decade, (the Province) is responding with new funding programs and tools". These actions and programs include:

- Updating the BC Action Climate Toolkit and the Green Communities Committee Carbon Neutral Framework.
- Investing \$110M in combined provincial and federal funding to help local governments and Indigenous communities develop energy efficiency and clean energy projects through the Investing in Canada Infrastructure Program CleanBC Communities Fund.
- Working with the federal government to assess the climate impacts of all major infrastructure being funded under the Investing in Canada Infrastructure Program to reduce GHG emissions and increase resilience to climate change, which benefits communities and creates jobs.
- Boosting active transportation infrastructure with \$18M through the Ministry of Transportation and Infrastructure.
- Making sure commuters can get out of their cars with historic investments in public transit, such as the Broadway Subway Line and free transit for kids 12 and under starting this September.”]

DISCUSSION

The City of Nanaimo has participated in CARIP since signing the Climate Action Charter in 2007, and has benefited from more than \$1.3M over the last 10 years.

The funding has been directed to the City’s Sustainability Fund which has been used to fund a range of projects that fall within the Climate Action Charter mandate, including:

- Buildings, Parkades and Parking Lots – Light Emitting Diode (LED) lighting upgrades;
- Buildings – Heating, Ventilating and Air Conditioning (HVAC) system recommissioning studies and system upgrades; and
- Installation of new innovative technology aimed at improving performance, efficiency, and reducing greenhouse gas emissions.

The Sustainability Fund has provided the City with stable, predictable funding, which has helped the City immensely in planning and leveraging other funds to complete an impressive list of energy conservation and emission-reduction related projects.

As the City moves toward meeting its GHG targets, we understand that we would pay less carbon tax, and as a result, receive less of a CARIP refund over time. Staff believe that maintaining consistent funding for climate and energy reduction projects remains vital. Many other communities are expressing concern for the loss of this funding from the Province, considering the lack of an alternative program that can provide communities with consistent and reliable base-funding, without relying on more competitive funding streams and programs.

In response to this concern, Council could send a letter (draft in Attachment B) to the Province outlining the value of CARIP and the implications of the program’s end. The letter advocates for the Province to engage with local governments in the design and implementation of a replacement program that offers consistent funding that is comparable to or greater than currently provided by CARIP. The new program should be used for climate action (mitigation and adaptation), tied to a requirement for an annual report on progress towards climate goals, and should be in place to be received by Municipalities in 2022.

CARIP has been a valuable source of consistent and dedicated funding over the last decade, allowing municipalities to take action on energy conservation and emissions reduction by undertaking key projects and leveraging funding from larger climate related grants. The hope is that coordinated action among Municipalities and UBCM, a replacement program can be developed that will continue to provide the consistent funding while building on a new set of criteria that continues to propel the City of Nanaimo toward its zero emissions goals. |

OPTIONS

1. That the Finance and Audit Committee recommend that Council send a letter to Premier John Horgan, the Minister of Municipal Affairs, the Minister of Environment and Climate Change Strategy, and the Union of B.C. Municipalities outlining the value of the BC Climate Action Revenue Incentive Program (CARIP) and the implications of the program's end.
 - The advantages of this option: Sending a letter to the Province voicing the City's concern over the loss of CARIP will add weight to the concerns raised by other local governments in BC that rely on CARIP to fund their climate action projects. Asking to work together to develop an alternative fund through UBCM, provides an opportunity to maintain funding into the future.
 - The disadvantages of this option: No major disadvantages noted.
 - Financial Implications: The City of Nanaimo has participated in CARIP since 2007 and has benefited from more than \$1.3M in funding, going towards Municipal buildings and parking facilities throughout the City. If the Province does not establish a similar program to provide consistent funding for the City's energy and climate-action projects by 2022, then Staff will need to bring forward a resource request to Council as part of the 2022 budget to maintain the necessary funding to effectively deliver on the City's committed Energy and GHG reduction goals.
 2. That Council does not send the letter provided as Attachment B.
 - The advantages of this option: City Staff time and resources are directed toward other priorities that it has greater control over.
 - The disadvantages of this option: Not voicing the City's concern to the Province will add less weight and support to the efforts by other local governments that are raising concern and wanting to work together to establish a replacement fund to CARIP.
 - Financial Implications: By not voicing concern over the loss of the CARIP funding, the City will not be showing a leadership role which could help influence how the Province decides whether it establishes a replacement fund. Staff will need to make a budget request to Council as part of the 2022 budget to maintain the Sustainability Fund. |
- The B.C. Climate Action Revenue Incentive Program, a conditional grant program in place since 2007 encouraging investment in climate action, is ending in 2021.

- The Province's CleanBC Program is responding with new funding programs and tools.
- The lack of an alternative program to provide communities with consistent and reliable base-funding, without relying on more competitive funding streams and programs, is a concern.

ATTACHMENTS:

Attachment A: Email re: Climate Action Revenue Incentive Program Reporting for 2020 from Assistant Deputy Minister, Local Government Division, Ministry of Municipal Affairs.

Attachment B: Draft Letter to Premier John Horgan, the Minister of Municipal Affairs, the Minister of Environment and Climate Change Strategy, and the Union of B.C. Municipalities

Submitted by:

Scott Pamminger
Manager, Infrastructure, Planning & Energy

Jennifer McAskill
Manager, Facility Asset Planning

Concurrence by:

Poul Rosen
Director, Engineering

Bill Sims
General Manager, Engineering & Public Works

Attachment A

From: "INFRA MUNI:EX" <INFRA@gov.bc.ca>

Date: May 11, 2021 at 12:40:15 PM PDT

To: "INFRA MUNI:EX" <INFRA@gov.bc.ca>

Re: Climate Action Revenue Incentive Program (CARIP) Reporting 2020

Many thanks to all who joined Deputy Minister Okenge Yuma Morisho and me on today's call about the Climate Action Revenue Incentive Program (CARIP), please accept our apologies for the technical difficulties on the call that some experienced. This email includes the information that was shared during the call. We want to emphasize that local governments throughout British Columbia have shown great leadership on climate action. The province is committed to working with local governments to reach our climate goals and make life better for people across British Columbia.

For those who were unable to attend or hear due to some technical difficulties on the call, I wish to inform you and your staff that the CARIP will be wrapping up in the 2021/22 fiscal year. During this final program year, local governments will be required to complete and submit the 2020 Carbon Tax Calculation Form. **This will be the only reporting requirement.**

All program information is available on the [Ministry of Municipal Affairs' CARIP webpage](#). In particular, we encourage you to review the CARIP [Program Guide](#) for 2020 prior to completing the 2020 [Carbon Tax Calculation Form](#).

CARIP Reporting Requirement

1. **2020 [Carbon Tax Calculation Form](#) (submission deadline: August 6, 2021)**

Complete and submit a signed electronic version of the form to INFRA@gov.bc.ca. This form requires Financial Officer certification.

The end of the CARIP program should not be interpreted as the Province pulling back from the productive relationship we have and we look forward to working with UBCM, through the Green Communities Committee, to support the goals of the Climate Action Charter.

Under CleanBC, the Province of British Columbia has put a priority on reducing pollution, boosting energy-efficient solutions and building a low-carbon economy. Local governments will continue to be a key partner in our collective efforts to address the challenges of a changing climate, playing a specific and important role in British Columbia's climate goals.

Just as local governments' actions on climate solutions have evolved in the past decade, our government is responding to support you with tools and funding programs such as:

- Updating the BC Action Climate Toolkit and the Green Communities Committee Carbon Neutral Framework.
- Investing \$110 million in combined provincial and federal funding to help local governments and Indigenous communities develop energy efficiency and clean energy projects through the Investing in Canada Infrastructure Program CleanBC Communities Fund.
- Working with the federal government to assess the climate impacts of all major infrastructure being funded under the Investing in Canada Infrastructure Program to reduce GHG emissions and increase resilience to climate change, which benefits communities and creates jobs.
- Boosting active transportation infrastructure with \$18 million through the Ministry of Transportation and Infrastructure.
- Making sure commuters can get out of their cars with historic investments in public transit, such as the Broadway Subway Line, and free transit for kids 12 and under starting this September.

Budget 2021 commits \$11 million in new funding to help local governments plan for compact, energy- efficient communities, directly supporting the Climate Action Charter's commitment to create complete, compact, energy-efficient rural and urban communities. We look forward to working with all local governments through UBCM and the Green Communities Committee on how to support greener and more livable communities.

Building on record investments in CleanBC, the Province will continue to strengthen our work with local governments and support the Climate Action Charter.

If you have any questions, please contact the Ministry of Municipal Affairs at (778) 698-3243 or INFRA@gov.bc.ca.

Kind regards,

Tara Faganello
Assistant Deputy Minister, Local Government Division
Ministry of Municipal Affairs

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Attachment B

The Honourable John Horgan, MLA
Premier of British Columbia
Office of the Premier
PO Box 9041 Stn. Prov. Govt.
Victoria BC V8W 9E1

The Honourable Josie Osborne, MLA
Minister of Municipal Affairs
PO Box 9056 Stn. Prov. Govt.
Victoria BC V8W 9E2

The Honourable George Heyman, MLA
Minister of Environment and Climate Change Strategy
PO Box 9047 Stn. Prov. Govt.
Victoria BC V8W 9E2
Councillor Brian Frenkel

President, Union of B.C. Municipalities
Local Government House
525 Government Street
Victoria BC V8V 0A8

Dear Premier John Horgan:

Re: B.C. Climate Action Revenue Incentive Program (CARIP)

At its meeting of July 26, 2021, Nanaimo Council resolved to write you to detail its concern for *“the impact of cancelling the Climate Action Revenue Incentive Program (CARIP) and the need for a swift replacement that provides consistent, non-application funding to allow the City of Nanaimo and other municipalities to continue their work at a scale that can deliver on the Provincial CleanBC Plan and City’s Greenhouse Gas and energy reduction Plans.”*

Withdrawal of provincial funding for climate action through CARIP was unexpected in light of the provincial commitment to climate action outlined by CleanBC and the Federal government’s renewed climate commitments to United Nations Climate Change Conference (COP26). Local governments were not consulted in this decision.

CARIP was a critical source of consistent, dedicated funding, allowing municipalities, including Nanaimo, to take action on climate change by funding key emission-reducing projects, and leveraging larger climate related grants. In addition, many municipalities rely on CARIP funding

for Staff positions to deliver these projects. This has led to over a decade of projects and consistent provincial data provided to CARIP on climate action at the municipal level.

The City of Nanaimo has undertaken a number of significant emission-reducing projects as a result of the CARIP funding, amounting to a reduction of 1,396 tonnes CO₂e.

Nanaimo is concerned with the lack of comparable replacement program to provide a consistent reliable funding source for municipal climate action, and the shift towards solely competitive funding streams and programs. Competitive programs require additional Staff effort and financial resources to prepare applications with no guarantee of success. Grant programs typically rely on top-up funding from the local government. In the absence of CARIP or a similar source of consistent funding, many municipalities will be limited in their ability to apply for such competitive programs. This level of uncertainty makes it difficult to plan for, and implement climate actions that span multiple years.

Cessation of CARIP funding is coming at a time of particular uncertainty. Removing dedicated climate action funding will create a shortfall that is unlikely to be met by many local governments through the municipal tax base.

Nanaimo Council respectfully requests that the Province engage with local governments on the swift replacement of CARIP with a program that provides consistent, non-application based funding tied to annual climate reporting. This will allow municipalities to continue their work at a scale necessary to address the Climate Emergency and deliver on CleanBC and Municipal Climate Plan goals.

Sincerely,

Leonard Krog
Mayor

p.c.: T. Faganello, Assistant Deputy Minister, Local Government Division, Ministry of Municipal Affairs

DATE OF MEETING JULY 21, 2021

AUTHORED BY WENDY FULLA, MANAGER BUSINESS, ASSET AND FINANCIAL PLANNING

SUBJECT SUSTAINABILITY AND EMISSION REDUCTION RESERVE FUNDS

OVERVIEW

Purpose of Report

To recommend that Council consolidate the Sustainability and Emission Reduction Reserve Funds and provide a stable annual funding allocation.

Recommendation

That the Finance & Committee recommend that Council:

1. Direct Staff to include in the 2022 – 2026 Draft Financial Plan for Council consideration a new funding strategy for the Emission Reduction Reserve based on an annual allocation of \$165,000.
2. Direct Staff to transfer the balance in the Sustainability Reserve Fund to the Emission Reduction Reserve Fund and return to Council with an updated Emission Reduction Reserve Fund Bylaw that includes supporting both energy and emission reduction projects and initiatives.

BACKGROUND

The City currently has two statutory reserves that support energy and/or emission reduction projects and initiatives, the Sustainability Reserve Fund and the Emission Reduction Reserve Fund.

The Sustainability Reserve Fund supports plans as well as projects and initiatives that meet established payback criteria and reduce the City's energy consumption or lower greenhouse gas emissions (GHG's). The funding source for this reserve has been the allocation of funding the City receives under the Provincial Climate Action Revenue Incentive Program (CARIP). 2017 - 2019 average CARIP funding was \$137,350. Examples of projects funded from this reserve include REALice at the arenas eliminating the need for hot water when building and resurfacing ice, LED lighting projects at multiple City facilities and HVAC upgrades to reduce energy consumption.

The Emission Reduction Reserve Fund supports projects, plans and initiatives that reduce the City's CO2 emissions. The funding source for this reserve is a calculated amount based on the GHG's calculated as part of the CARIP reporting at \$25/tonne, funded from general revenue. 2019 - 2021 average contribution was \$42,800 (2019 - \$74,625, 2020 - \$46,450, 2021 - \$7,225).

Examples of projects funded from this reserve include electric vehicles for Building Inspectors, CleanBC Better Homes Rebate Program and heating plant studies for Nanaimo Aquatics Centre and Beban Complex |

DISCUSSION

|On 2021-MAY-11 the City was advised that the Ministry of Municipal Affairs is wrapping up CARIP in the 2021/2022 fiscal year. 2020 will be the last reporting and final grant payments for 2020 will be issued in late summer 2021. This means effective 2021-JAN-01 with the elimination of the CARIP program the City no longer has an identified funding source for the Sustainability Reserve.

Funding for the Emission Reduction Reserve has been declining since 2018. In 2021, \$46,500 was budgeted funded from general revenue; however, the actual contribution was \$7,225 based on 2020 GHG's calculated as part of CARIP. With the onset of garden waste collection, credits for organic diversion have increased substantially, resulting in lower GHG's for the calculation of the contribution to the reserve. In 2020, lower energy use at facilities due to COVID further lowered GHG's contributing to the significantly lower than budgeted contribution in 2021. Without a reasonable annual contribution the funding will not allow for larger scaled projects or initiatives to be funded from the reserve.

With no identified funding stream for the Sustainability Reserve Fund, consolidating the two reserves and allocating an annual contribution will provide a more sustainable funding source for project planning. The Bylaw for the Emission Reduction Reserve Fund would be revised to include projects and initiatives that reduce energy or GHG's and support City infrastructure projects. Initiatives that help the City address its energy and GHG reduction goals would be included as well.

FINANCIAL CONSIDERATIONS

The projected closing balances at 2021-DEC-31 for the Sustainability Reserve Fund is \$433,601 and \$141,265 for the Emission Reduction Reserve Fund.

Changing the contribution strategy to an annual allocation would increase the budget for the Emission Reduction Reserve Fund from \$46,500 in 2021 to \$165,000 in 2022 or approx. 0.10% property tax increase. The \$165,000 would match the amount Council currently allocates annually to the Housing Legacy Reserve. |

OPTIONS

- |1. That the Finance & Committee recommend that Council:
 1. Direct Staff to include in the 2022 – 2026 Draft Financial Plan for Council consideration a new funding strategy for the Emission Reduction Reserve based on an annual allocation of \$165,000.
 2. Direct Staff to transfer the balance in the Sustainability Reserve Fund to the Emission Reduction Reserve Fund and return to Council with an updated Emission Reduction Reserve Fund Bylaw that includes supporting both energy and emission reduction projects and initiatives.

- The advantages of this option:
 - i. With the funds combined into one reserve and a steady contribution stream this would provide a more sustainable funding source to advance projects and initiatives.
 - ii. Changing the funding source from a calculated amount to a fixed annual contribution provides for a steady funding stream for project planning.
 - iii. Provides funding to replace the elimination of the CARIP program which allows the City to support energy and GHG reduction goals.
 - Financial Implications: The 2022 – 2026 Draft Financial Plan will increase the 2020 budget for the contribution to the Emission Reduction Reserve Fund from \$46,500 in 2021 to \$165,000 in 2022 or approx. 0.10% property tax increase for Council consideration.
2. That Finance and Audit Committee recommend that Council direct Staff to maintain the current funding strategy for the Emission Reduction Reserve Fund.
- The disadvantages of this option:
 - i. No additional funds will be contributed to the Sustainability Reserve Fund at this time.
 - ii. Funding to the Emission Reduction Reserve Fund will not be significant enough to support larger scaled projects or initiatives.
 - Financial Implications: No increase to the 2022 draft budget.
3. That the Finance and Audit Committee provide alternative direction to Staff. |

SUMMARY POINTS

- The CARIP program which provides funding for the Sustainability Reserve Fund has ended.
- Contributions to the Emission Reduction Reserve Fund are declining.
- Consolidating the Sustainability Reserve Fund and Emission Reduction reserve and allocating an annual fixed contribution will provide a more sustainable funding source to advance projects and initiatives.

Submitted by:

Wendy Fulla
Manager, Business, Asset and Financial
Planning |

Concurrence by:

Laura Mercer
Director, Finance

Shelley Legin
General Manager, Corporate Services |