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**SUBJECT                    INVESTING IN CANADA INFRASTRUCTURE PROGRAM**

## **OVERVIEW**

### **Purpose of Report**

To obtain a Council resolution for one application under the Community, Culture, and Recreation Stream of the Investing in Canada Infrastructure Program for the 2019-JAN-23 application deadline. |

### **Recommendation**

That Council provide direction on which capital project they will endorse for application under the Community, Culture, and Recreation Stream of the Investing in Canada Infrastructure Program.

## **BACKGROUND**

The Investing in Canada Infrastructure Program is a program aimed at creating long-term economic growth, building inclusive and sustainable communities, and supports a low carbon green economy. The Community, Culture and Recreation Stream of this program will help communities address their infrastructure needs while improving access to and quality of cultural, recreational and community spaces. This program is available to local governments, Indigenous applicants, and not-for-profit organizations.

This program will target projects that can be completed in five to six years following approval. Funding is provided by a cost share between the federal and provincial government and their combined contribution can be up to 73.33%. Stacking rules apply to this funding. Therefore 73.33% is the maximum that could be funded from senior government sources including the Gas Tax Community Works Funds received by the City of Nanaimo annually.]

## **OPTIONS**

### **1. | Youth Park**

Strong desire for a Youth park has been expressed by Nanaimo youth for quite some time. This project has also received strong support from community partners including the Harewood Neighbourhood Association and the Nanaimo Skateboard Association. A Youth park was one of six phases of improvements identified in a plan for park improvements for the Harewood Centennial Park. The plan came about with public involvement which obtained insight into the needs, desires, preferences and values of the general public and identified stakeholders.

The Youth Park would provide a space for young people who are not necessarily able to participate in organized sport due to cost barriers, and a place to enjoy outdoor activities. This Youth Park also coincides with Parks, Recreation and Culture Master Plan 2005 which identified a need for the development of youth parks and youth oriented indoor and outdoor activities.

- **Budget Implication:** Currently the Harewood Youth Park is in the Draft 2019-2023 Financial Plan in years 2019 and 2021 at a total cost of \$779,240. A successful application would allow us to accelerate the 2<sup>nd</sup> phase of the project, currently budgeted in 2021, and allow the redirection of Community Works funds to other projects.

## 2. Port Theatre Community Performing Arts Centre

The Port Theatre Community Performing Arts Centre has been a vision of the Port Theatre Society for years. The objectives of this project are to provide affordable, suitable, and accessible space for a diverse set of community users and local and touring performance artists as well as encourage creative diversity. The Performing Arts Centre will include 50-240 seat, flexible-built performance space and two separate rehearsal spaces available to the community.

There is specific support for the Performing Arts Centre in the 2014-2020 Cultural Plan. It is also referenced in the City's 2016-2019 Strategic Plan Update which identifies Cultural Vitality as a pillar of sustainability. The City committed \$4.6 million to assist the Port Theatre in achieving this vision in 2014.

The project budget is \$21.2 Million, including a risk-based contingency. Based on the early stage of schematic design, staff's degree of confidence is that the project could be between 17% less and 25% more than this amount.

- **Budget Implication:** A project budget of \$21.2 million would make the City eligible for a grant up to \$15.5 million. The remaining \$5.7 million would be funded by the City of Nanaimo's \$4.6 million committed contribution, and the Port Theatre's \$2 million line of credit (secured by the City of Nanaimo). The City's contribution would require short term borrowing with debt servicing costs funded from property taxation. This will result in a cumulative property tax increase of approximately 1% spread over a three year period. Final debt servicing costs and impact on property taxation will be determined by the interest rate in effect at the time of borrowing. If this project is selected Council will be required to approve the first three readings of a borrowing bylaw resolution before the application deadline. In addition, the Performing Arts Centre will result in increased operating costs of the Port Theatre. This may result in a request from the Port Theatre Society to increase the annual operating subsidy currently provided by the City.

## 3. Maffeo Sutton Playground

In 2017, Council passed a motion for City staff to work with the Nanaimo Child Development Centre, Rotary Club of Nanaimo, and other community partners, to develop a plan for Maffeo Sutton Park playground as the majority of the playground and surfacing has reached end of life and does not meet safety standards. The motion was to design this park to be all inclusive and appeal to people of all ages and abilities. To create this space, in addition to traditional play elements, it will include; significant seating areas,

planting, public art, public circulation routes, and interpretive materials. It will also be themed to reflect the traditional First Nations territory.

The current plan involves three phases of construction, and given design stage and cost estimate requirements of the grant program, we would be applying for only the first two phases of this project. Phase I of the project focuses on inclusive play for 5-12 year olds. Phase II focuses on equipment for 2-5 year olds, and a central plaza and adjacent picnic area.

- **Budget Implication:** The cost for Phase I and II have been estimated at \$1 million. This would make the City eligible for up to \$730k of grant funding towards the project. Currently the City has budgeted \$400k towards Phase I of the Maffeo Sutton Playground project in the 2018-2022 Financial Plan. The 2019-2023 Draft Financial Plan includes an additional \$100k towards Phase I thanks to the donation from the Children's Health Foundation. This would leave \$230k of the City's funding set aside for this project available to expedite Phase III of this project or for another priority project.
4. That Council decline to endorse applications for the projects above under the Community, Culture, and Recreation Stream of the Investing in Canada Infrastructure Program. |

#### **SUMMARY POINTS**

- The Community, Culture, and Recreation Stream of the Investing in Canada Infrastructure Program provides up to 73.33% funding for eligible project costs.
- The City may submit one application.
- Applications are due by 2019-JAN-23. |

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