

DATE OF MEETING SEPTEMBER 16, 2019

AUTHORED BY NANCY SKEELS, PROPERTY AGENT, REAL ESTATE

**SUBJECT 195 AND 191 FOURTH STREET CO-MANAGEMENT AGREEMENT
DISPOSITION – NANAIMO SEARCH AND RESCUE**

OVERVIEW

Purpose of Report

To obtain Council approval to issue a 25-year co-management agreement to the Nanaimo Search and Rescue for the continued operation of the Nanaimo Search and Rescue at 195 and 191 Fourth Street.

Recommendation

That Council:

1. approve a 25-year co-management agreement with the Nanaimo Search and Rescue at 195 and 191 Fourth Street; and
2. authorize the Mayor and Corporate Officer to execute the agreement.

BACKGROUND

In 2009, the City of Nanaimo (the “City”) entered into a five-year lease agreement with the Regional District of Nanaimo (RDN) for Nanaimo Search and Rescue (NSAR) to occupy a portion of the City-owned Harewood Activity Centre at 195 and 191 Fourth Street (the “Property”). The RDN leased the space on behalf of NSAR and pays \$24,000 per annum in rent to the City. The agreement was renewed for an additional term of five years and expired on 2019-JAN-31.

NSAR is a non-profit group of volunteers dedicated to provide urban and rural search and rescue services to the public in the Nanaimo area. The organization has seen an increase in call volume in recent years and needs to expand and update their operations centre.

NSAR has secured an anonymous donation of \$1,000,000 for a new or renovated facility for their operations. In addition, NSAR has secured a grant of \$150,000 for capital improvements.

In 2016 and 2017, NSAR were looking to relocate due to the limitations with its current operations centre at the Property. The Property has limited internal space for the storage of vehicles and equipment; lack of office and classroom space; and insufficient parking for members’ vehicles when members are responding to incidents or during training activities.

During this time, options to relocate NSAR to the former Greater Nanaimo Water District (“GNWD”) offices at 1050 Nanaimo Lakes Road or to the land adjacent to the former water reservoir on the GNWD lands at 1151 Nanaimo Lakes Road were explored.

At the 2017-JUL-10 Council meeting, Staff were directed to commence lease negotiations with NSAR to relocate to the former GNWD office lands at 1151 Nanaimo Lakes Road and that Staff should return to Council for formal approval once lease negotiations were complete.

Upon receiving Council approval to begin negotiations on the former GNWD office location, NSAR conducted their due diligence, including a siting study, preliminary drawings, and a cost estimate for the project. The project came back at an estimated \$2,000,000 for the new facility. In the summer of 2018, NSAR approached the RDN to secure funding for the project, but was unsuccessful.

NSAR has since met with City Staff and has requested that their existing funding be directed to the 195 and 191 Fourth Street in exchange for a 25-year co-management agreement.

DISCUSSION

Staff are requesting Council enter into a co-management agreement based on the following terms:

- Address: 195 and 191 Fourth Street
- Operator: Nanaimo Search and Rescue
- Form of Agreement: Unregistered
- Use: Nanaimo Search and Rescue Operations
- Rent: \$24,000 per annum
- Term: 25 years
- Commencement Date: 2019-OCT-01
- Termination Date: 2044-SEP-31

The City and NSAR will work together to create a 'Facility Plan' that outlines the phasing of the proposed building upgrades and to map out who is responsible for the various components of investment and maintenance. Staff will work with NSAR to identify the level of resourcing required by the City. The Facility Plan study is anticipated to cost \$40,000 and the cost is to be shared by the City and NSAR. The Facility Plan will be completed by 2021-OCT-01.

Staff have published a Notice of Intent to enter into a 25-year co-management agreement in the local newspaper, as required under Section 26 and 94 of the *Community Charter*.

Council is being asked to approve the co-management agreement to allow Staff and NSAR to move forward on the Facility Plan.

OPTIONS

1. That Council:
 1. approve a 25-year co-management agreement with the Nanaimo Search and Rescue at 195 and 191 Fourth Street; and
 2. authorize the Mayor and Corporate Officer to execute the agreement.
 - The advantages of this option: Support for NSAR will be seen as a positive move of Council by the community. Entering into the agreement will enable NSAR and the City to work together to create the Facility Plan for the Property. NSAR has indicated a desire to work with the City to rehabilitate and modernize the existing facility. The \$1,150,000 donation and grant to NSAR will be used towards the rehabilitation.
 - The disadvantages of this option: A portion of the Harewood Activity Centre is intermittently used by groups other than NSAR. If NSAR were granted a 25-year co-management agreement for the entire property, the other users would need to be accommodated in another City facility.
 - Financial Implications: The Facility Plan study is anticipated to cost \$40,000, with the cost to be shared by the City and NSAR. The City's share of the Facility Plan will be paid for by the Parks, Recreation & Culture annual budget.
2. That Council deny a 25-year co-management agreement with the Nanaimo Search and Rescue at 195 and 191 Fourth Street.
 - The advantages of this option: Not signing the co-management agreement would enable Council to explore other options for the property, such as housing or a new recreation centre.
 - The disadvantages of this option: NSAR provides a valuable service to the community, and without a long-term agreement, it is unclear where they will operate from in the long run. Ultimately, the Property will require seismic upgrades and improvements to the various mechanical systems in the building at a cost entirely paid by the City.

SUMMARY POINTS

- NSAR currently occupies a portion of the Harewood Activity Centre at 195 and 191 Fourth Street. The building is leased from the City by the RDN for NSAR.
- NSAR requires a more modern, updated facility to accommodate the increased levels of service the group is providing to the community.
- NSAR has a private donor and a grant with a total value of \$1,150,000 that could be used to construct a new facility or to rehabilitate the existing facility.
- Following two years of due diligence on a new facility at the former GNWD lands offices, NSAR has indicated a desire to work with the City to rehabilitate and modernize the existing Harewood Activity Centre.
- Council is being asked to approve the 25-year co-management agreement with NSAR.

- If approval is received, the City and NSAR will work together to create a ‘Facility Plan’ that outlines the phasing of the proposed building upgrades and to map out who is responsible for the various components of investment and maintenance. The Facility Plan will be completed by 2021-OCT-01.]

ATTACHMENTS:

ATTACHMENT A: Co-Management Agreement

Submitted by:

Bill Corsan
Director, Community Development

Concurrence by:

Dale Lindsay
General Manager, Development Services

Richard Harding
General Manager, Parks, Recreation &
Culture

Laura Mercer
Director, Finance