

DATE OF MEETING | MAY 30, 2022 |

AUTHORED BY | DEANNA WALKER, FINANCIAL ANALYST  
ART GROOT, DIRECTOR, FACILITY & PARKS OPERATIONS  
BILL CORSAN, DIRECTOR, CORPORATE & BUSINESS  
DEVELOPMENT |

**SUBJECT                      STRATEGIC PRIORITIES FUND CAPITAL INFRASTRUCTURE  
STREAM**

## **OVERVIEW**

### **Purpose of Report**

To provide Council with information on potential projects for the Strategic Priorities Fund Capital Infrastructure Stream and obtain a Council resolution supporting an application under this program stream. |

### **Recommendation**

That Council

- a) Direct staff to submit an application to the Strategic Priorities Fund Capital Infrastructure Stream for the Westwood Lake Phase 2 project and that Council commits staff to providing overall grant management; and
- b) Amend the 2022-2026 Financial Plan to add the Westwood Lake Phase 2 project to 2023/2024 for \$1,800,000 funded from the Strategic Priorities Fund

## **BACKGROUND**

The Strategic Priorities Fund (SPF) Capital Infrastructure Stream is an application based funding program, which pools a portion of the annual Canada Community Building Fund (CCBF) for strategic investments that are considered large in scale, regional in impact, or innovative and support the CCBF national objectives of productivity and economic growth, a clean environment, and strong cities and communities. This is the third intake of the SPF program, which will see an investment of up to \$100 million to support infrastructure projects in communities across the province. The program is available to all local governments in British Columbia, outside of Metro Vancouver.

The Capital Infrastructure Stream of this fund targets projects that can be started no later than two years after grant approval, and completed no later than five years after grant approval. The program can contribute 100% of the cost of eligible activities, to a maximum of \$6 million. While stacking rules do not apply specifically to the SPF program, it is recommended that any other grant programs being considered for joint funding are consulted. For example, programs under the Investing in Canada Infrastructure (ICIP) do not permit stacking with SPF funding. Timing of the funding announcements are not defined with the program guidelines.

The grant application deadline is **2022-JUN-30**.

## **DISCUSSION**

Staff have short listed **four** projects for consideration under the current funding stream. The City can submit one application.

### **Westwood Lake Phase 2**

Westwood Lake Park has consistently seen annual increased use by diverse user groups and special events. More recently, during the COVID-19 Pandemic, demand for outdoor recreational space and activities has also increased. Providing public access to waterfront areas has been a priority for many years for the City of Nanaimo, and has continued to be a top priority by residents surveyed throughout the ReImagine Nanaimo process. Public feedback was sought on the draft Phase One Westwood Lake Park Amenity improvement options. These options focused on updates to the main entrance off Westwood Road, the First Beach and parking area, and the location formerly occupied by the Caretaker House.

Westwood Lake Phase 2 is an enhancement to the waterfront and will feature three raised grass picnic areas along the northern edge of the expanded beach area, as well as the addition of an amenity building, which would include universally accessible washrooms, lifeguard room, storage space for events and special needs equipment. Each picnic area is retained by means of seat walls that are punctuated by stairs to improve beach access. The amenity building will be set off the path to create a small plaza. A pass through path will provide direct access from the building to the beach, and an additional path through the planting area adjacent to the parking lot enhances pedestrian circulation.

Westwood Lake Phase 2 is not included in the approved 2022-2026 Financial Plan. Estimated costs for Phase 2 are \$1.8 million. The proposed grant application would provide 100% funding for the implementation of the suggestions received during ReImagine Nanaimo.

### **Stadium District Phase 2**

The Stadium District encompasses the new medium sized stadium with Artificial Turf Field, Serauxmen Stadium, the Rotary Bowl and joint amenities.

Ongoing improvements in recent years at Serauxmen Stadium have included baseball stadium lighting, new outfield fencing, outfield fence padding, infield and outfield renovations, and new seating. Bleacher seating was also planned under this first phase of the project, but has so far been delayed.

All of the rubberized surfaces at the Rotary Bowl were replaced in 2021, resulting in Class 2 Certification, which means the new track surfaces meet World Athletic Standards allowing for national and international level events to be held.

The development of a centralized entrance and event plaza area, improved onsite amenities, washroom and change room improvements, a temporary media and coaching booth, and the installation of perimeter fencing and safety netting allow for multiple venues to be used at the same time at the Stadium District.

Stadium District Phase 2 would feature bleacher seating, a permanent press/media booth, additional washrooms, change rooms, storage areas, as well as multi use spaces for user groups and event attendees.

The Stadium District Phase 2 project is not included in the approved 2022-2026 Financial Plan. Total costs for Phase 2 have been estimated to be up to \$5 million. The proposed grant application would provide 100% funding for the implementation of the suggestions received during ReImagine Nanaimo.

### **Commercial Street Reimagined**

Downtown is the heart of Nanaimo. It is the traditional meeting place, commercial centre and transportation hub for our community. Commercial Street was recognized as one of the Great Places in Canada due to its mix of historical buildings and lively commercial activity.

The City has made significant investments in Commercial Street over the past 10 years with the construction of the Vancouver Island Conference Centre, securing the new Marriot Hotel and acquiring key redevelopment sites at Commercial and Terminal Ave.

While Commercial Street has many positive attributes, the public realm has become tired and there is an opportunity to refresh this important area of downtown. The City, downtown stakeholders and the public have created an action plan to enhance the public realm space on Commercial Street. The action plan incorporates features such as public art, surface finishes, street trees and lighting. The draft City Plan recognizes the downtown as the main urban growth node for Nanaimo and Commercial Street has an important role to play for festivals, parades, dining and shopping. Commercial Street is linked to the proposed downtown transportation hub which will connect Nanaimo with other centres on the island as well as the lower mainland.

The Commercial Street Reimagined project is a multi phased project with total estimated costs in the range of \$8 million to \$12 million.

Due to timing of the expected grant announcement, and funding stacking rules, Staff are recommending the grant application is prepared for the Terminal Ave to Bastion St section of Commercial Street Reimagined for a total of \$3 million. This project has not been included in the approved 2022-2026 Financial Plan.

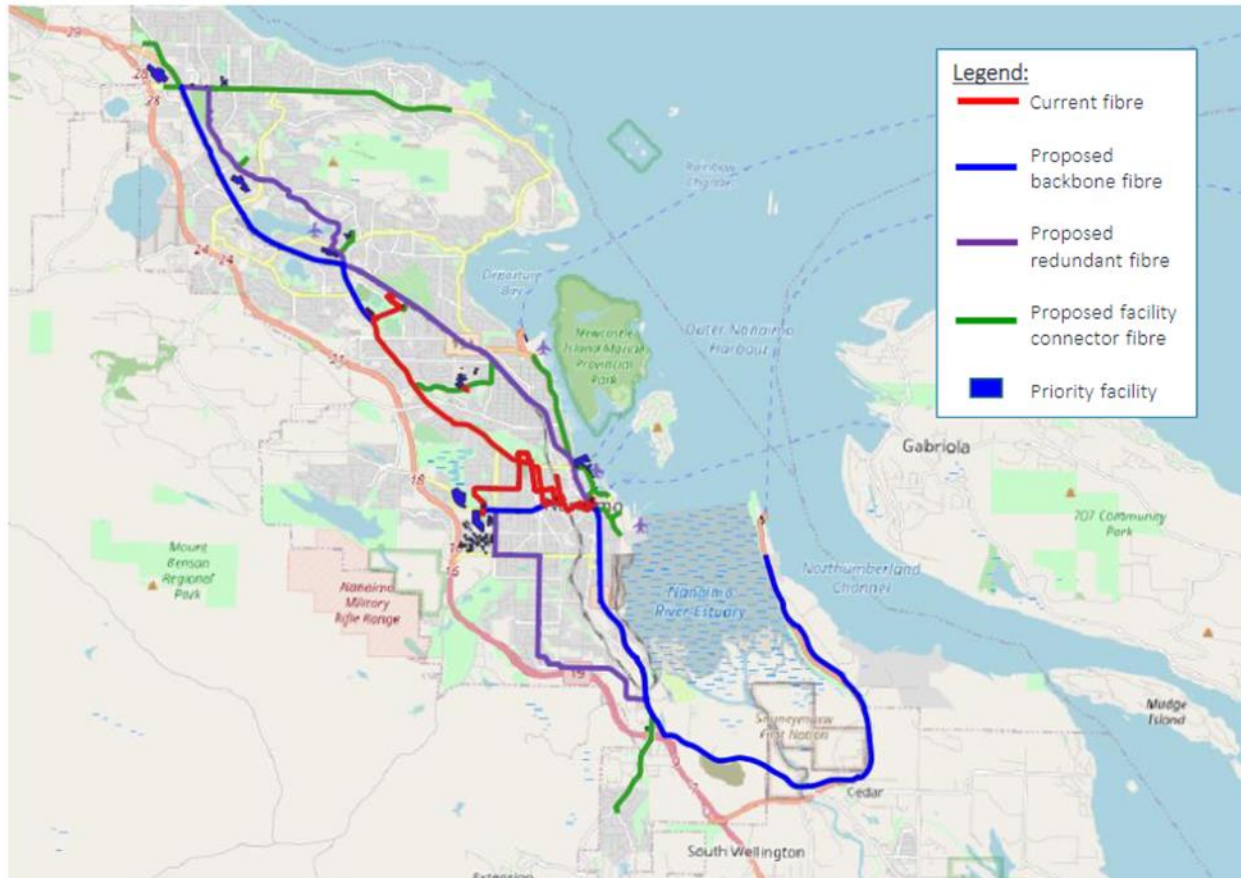
### **Broadband Connectivity**

In 2021, staff from the City of Nanaimo developed a Telecommunications Strategy to help guide future decision making around investment in critical broadband fibre optic infrastructure. The Strategy sets out a number of recommendations to enable the City to accelerate the digital transformation to become an Intelligent City.

There is broad consensus that demand for connectivity will continue to increase rapidly – both for the City itself, and for citizens, businesses and visitors. As the City and its partners move to remote health services, intelligent traffic systems, smart water and energy management, online education, virtual and augmented reality, industrial automation the need for high quality, fast connection through fibre will be required.

A key recommendation within the strategy is for the City to invest and expand on its own fibre network to service high priority facilities. In addition, the Strategy recommends connecting key

public partners to the network such as Vancouver Island University, the Hospital, libraries, schools and the Regional District of Nanaimo. Future growth of the network would enable the City to consider the creation of a standalone utility to provide private internet access to the community and local businesses.



The fibre optic network has been developed in alignment with the Reimagine Nanaimo process and will be implemented in accordance with the policies of the new City Plan. The fibre network supports the City’s vision for a connected downtown core with residential and mixed use corridors linking each of the secondary urban centres including Chase River, the hospital, Vancouver Island University, Country Club, North Nanaimo Town Centre and Woodgrove.

The Strategy calls on the creation a 20km fibre backbone in the community from which redundant routes (17km) and facility connector routes (800 m) can be established over time. It is anticipated that the Fibre Optic network will take 5 years to complete, commencing in the summer of 2023.

Estimated costs of this project are \$5.4 million. The approved 2022-2026 Financial Plan includes \$30,000 a year for Broadband Network expansion for the years 2023 to 2026 for a total of \$120,000.

Other projects discussed but not brought forward to Council are listed in Appendix A. |

## **FINANCIAL CONSIDERATIONS**

### **Westwood Lake Phase 2**

Westwood Lake Phase 2 is not currently in the 2022-2026 Financial Plan. Estimated costs of this project are \$1.8 million.

The 2022-2026 Financial Plan would be amended to include Westwood Lake Phase 2 contingent on a successful grant application. The proposed grant application would apply for funding of 100% of the project budget.

### **Stadium District Phase 2**

The Stadium District Phase 2 project is not included in the approved 2022-2026 Financial Plan. Total costs for Phase 2 have been estimated to be up to \$5 million.

If the grant application is successful, the 2022-2026 Financial Plan would be amended to include Stadium District Phase 2. The Strategic Priorities Fund would provide 100% funding.

### **Commercial Street Relmaged**

The Commercial St Relmaged project is not in the approved 2022-2026 Financial Plan. Estimated costs to complete the suggested section, Terminal Ave to Bastion St, are \$3 million.

If the grant application is successful, the 2022-2026 Financial Plan would be amended to include the Terminal Ave to Bastion St section of Commercial St Relmaged, funded 100% from the Strategic Priorities Fund program.

### **Broadband Connectivity**

The approved 2022-2026 Financial Plan includes \$30,000 a year from 2023 to 2026 for a total of \$120,000 for expansion of the Broadband Network. Estimated costs to implement the Broadband Connectivity project as described in this report are \$5.4 million.

The 2022-2026 Financial Plan would be amended to include \$3,780,000 for the increased scope of this project until 2026 contingent on a successful grant application. The remaining \$1,620,000 would be added to years 2027 and 2028. The proposed grant application would apply for funding of 100% of the project budget. If the grant application is successful, the \$120,000 included in the approved 2022-2026 Financial Plan would be available to be used for other City projects. |

## **OPTIONS**

### **1. That Council**

- a) Direct staff to submit an application to the Strategic Priorities Fund Capital Infrastructure Stream for the Westwood Lake Phase 2 project and that Council commits to staff providing overall grant management; and
- b) Amend the 2022-2026 Financial Plan to add the Westwood Lake Phase 2 project to 2023/2024 for \$1,800,000 funded from the Strategic Priorities Fund

- The advantages of this option: A successful grant application would expedite the transformation of Westwood Lake, incorporating many of the ideas contributed by the residents of Nanaimo through the ReImagine Nanaimo process.
- The disadvantages of this option: There would be scheduled interruptions to the access of the Park during the construction period.
- Financial Implications: The Westwood Lake Phase 2 project is not currently funded in the 2022-2026 Financial Plan. If the grant application is successful, the project would be 100% funded by the Strategic Priorities Fund program, and the 2022–2026 Financial Plan would be amended to include the project.

## 2. That Council

- a) Direct staff to submit an application to the Strategic Priorities Fund Capital Infrastructure Stream for the Stadium District Phase 2 project and that Council commits to staff providing overall grant management; and
  - b) Amend the 2022-2026 Financial Plan to add the Stadium District Phase 2 project to 2023, 2024 and 2025 for \$5,000,000 funded from the Strategic Priorities Fund
- The advantages of this option: The ongoing development of the Council supported designation of this district as a medium stadium site will continue to be realized. Phase 2 improvements would enhance the community's experience at the stadium, both as a player or as a spectator.
  - The disadvantages of this option: Construction may interrupt regular seasons and accommodations would need to be made during the construction periods.
  - Financial Implications: The Stadium District Phase 2 project is not currently funded in the 2022-2026 Financial Plan. If the grant application is successful, the project would be funded 100% by the Strategic Priorities Fund program, and the 2022–2026 Financial Plan would be amended to include the project.

## 3. That Council

- a) Direct staff to submit an application to the Strategic Priorities Fund Capital Infrastructure Stream for the Commercial Street Reimagined project and that Council commits to staff providing overall grant management; and
  - b) Amend the 2022-2026 Financial Plan to add the Commercial Street Reimagined project to 2023/2024 for \$3,000,000 funded from the Strategic Priorities Fund.
- The advantages of this option: A successful grant application would expedite the transformation of the downtown core and Commercial St.
  - The disadvantages of this option: A successful grant application would not fund the entire project, which is estimated between \$8 - \$12 million.
  - Financial Implications: The Commercial Street Reimagined project is not currently funded in the 2022-2026 Financial Plan. If the grant application is successful, the project would be funded 100% by the Strategic Priorities Fund program, and the 2022–2026 Financial Plan would be amended to include the project.

4. That Council

- a) Direct staff to submit an application to the Strategic Priorities Fund Capital Infrastructure Stream for the Broadband Connectivity project and that Council commits to staff providing overall grant management; and
  - b) Amend the 2022-2026 Financial Plan to add the Broadband Connectivity project to 2023, 2024, 2025 and 2026 for \$3,780,000 funded from the Strategic Priorities Fund.
- The advantages of this option: A successful grant application would allow the City to invest and expand on its own fibre network to service more high priority facilities over a shorter period of time.
  - The disadvantages of this option: None expected.
  - Financial Implications: Grant funding is for 100% of eligible costs. If the grant application is successful, the project would be funded 100% by the Strategic Priorities Fund program, and the 2022–2026 Financial Plan would be amended to include \$3,780,000 for the project for years 2023 to 2026. The remaining \$1,620,000 would be added to years 2027 and 2028. The \$120,000 included in the approved 2022-2026 Financial Plan would be available to be used for other City projects.
5. That Council provide alternative direction to staff for a project to submit an application to the Strategic Priorities Fund Capital Infrastructure Stream. ]

**SUMMARY POINTS**

- The Strategic Priorities Fund Capital Infrastructure Stream provides 100% funding for eligible project costs.
- The City may submit one application for this funding.
- Applications are due by 2022-JUN-30

**ATTACHMENTS:**

Appendix A ]

**Submitted by:**

Deanna Walker  
Financial Analyst

Art Groot  
Directory, Facility & Parks Operations

Bill Corsan  
Director, Corporate & Business Development

**Concurrence by:**

Bill MacKay  
Director, IT/CIO

Bill Sims  
General Manager, Engineering & Public Works

Richard Harding  
General Manager, Parks Recreation and Culture

Laura Mercer  
Director, Finance