

**MINUTES**  
SPECIAL FINANCE AND AUDIT COMMITTEE MEETING  
SHAW AUDITORIUM, VANCOUVER ISLAND CONFERENCE CENTRE,  
80 COMMERCIAL STREET, NANAIMO, BC  
WEDNESDAY, 2022-NOV-30, AT 9:00 A.M.

---

Present: Mayor L. Krog  
Councillor S. Armstrong  
Councillor T. Brown  
Councillor H. Eastmure  
Councillor B. Geselbracht (joined electronically)  
Councillor E. Hemmens  
Councillor P. Manly  
Councillor J. Perrino  
Councillor I. Thorpe (joined electronically)

Staff: J. Rudolph, Chief Administrative Officer  
D. Lindsay, General Manager, Development Services/Deputy Chief Administrative Officer  
B. Sims, General Manager, Engineering and Public Works  
R. Harding, General Manager, Parks, Recreation & Culture  
L. Bhopalsingh, Director, Community Development  
B. Corsan, Director, Corporate and Business Development  
A. Groot, Director, Facilities and Parks Operations  
L. Mercer, Director, Finance  
P. Rosen, Director, Engineering  
T. Pan, Manager, Sustainability  
D. Blackwood, Manager, IT Technical & Client Services (joined electronically)  
J. McAskill, Manager, Facility Asset Planning  
P. Stewart, Manager, Engineering Projects  
W. Fulla, Manager, Business, Asset and Financial Planning  
T. Webb, Manager, Communications  
J. Rose, Manager, Transportation  
A. Lang, A/Manager, IT Application Services  
T. Doyle, Fire Chief  
J. Le Masurier, Deputy Fire Chief - Administration  
G. Whiting, Deputy Fire Chief, Operations  
V. Bowering, Executive Assistant  
S. Gurrie, Director, Legislative Services  
A. Mac Coll, Steno, Legislative Services  
A. Chanakos, Recording Secretary

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

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

2. INTRODUCTION OF LATE ITEMS:

- (a) Agenda Item 4(a)(8) Introduction of Items for Council Discussion – Replace Next Steps slide with an updated slide.

3. APPROVAL OF THE AGENDA:

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

4. PRESENTATIONS:

a. 2023 Department Business Plan Presentations

1. 2023-2027 Department Business Plan Highlights

Introduced by Laura Mercer, Director, Finance.

- The 2023-2027 Draft Project Plan includes \$305 million in projects with project funding coming primarily from reserve funds
- Major projects include:
  - Harewood Centennial artificial turf field
  - Loudon Park improvements
  - Commercial Street redesign project
  - \$5.6 million budgeted for property purchases
- New projects for 2023 include:
  - CCTV cameras in Port of Nanaimo Centre
  - Unallocated pedestrian improvements
  - Corporate Asset Management Software Project (CAMS)
  - Harewood Centennial artificial turf field
  - Loudon Park improvement project
- Funding has been confirmed for two projects:
  - \$202,000 in developer contributions for an outdoor learning centre at Beban Complex
  - \$3.1 million in grants and \$500,000 from SD68 for Harewood Centennial Artificial Turf Field
- Projects awaiting funding includes:
  - \$4.1 million for Nanaimo Aquatic Centre (NAC) mechanical upgrades
  - \$3.2 million for Millstone Trunk North Sewer
  - \$495,000 for Beban Park Trail
- General Revenue Funding for 2023 increased to \$8 million with an annual 5% increase to 2027 to align with inflation
- Expected closing balances in reserves for 2023 are \$140.5 million with the majority accounted for by plans or regulations
- Flexibility in reserves is needed to account for changing costs and unexpected projects

- Borrowing increase is expected beginning in 2032 for the Wellcox Secondary Access, and is the only external borrowing outside of the five-year plan

Committee and Staff discussion took place. Highlights included:

- Generally long-term borrowing is used, with short-term borrowing used for sanitation equipment and property purchases
- The City is only allowed to borrow a certain amount per capita
- Internal borrowing has few options for extra funds
- Extra funds in Development Cost Charge Bylaw (DCC) drainage funds are used to fund some sewer shortfalls
- Short-term borrowing is a shorter process, while long-term borrowing requires public approval and extra steps and can take upwards of a year

Laura Mercer, Director, Finance, continued the presentation. Highlights included:

- Based on 2021 financial statements, the annual debt servicing limit is \$47.2 million
- The City has four emerging major capital projects at various stages, not yet included in the 2023-2027 budget, including:
  - Nanaimo Operations Centre (NOC)
  - Police Operations Building – Future Phases
  - Waterfront Walkway
  - South End Community Centre
- Staff are in final stages of Asset Management Plan and are beginning work on 20 Year Investment Plan update
- Updated plan will show more complete information and inflation costs
- Replacing assets at end of life keeps operating costs lower by avoiding repair costs
- Critical projects are funded earlier in 10 year plan, others are spread out among the 10 years
- Non-financial constraints include staffing levels and the contract market which can lead to delays

Ting Pan, Manager, Sustainability, provided a presentation regarding sustainability initiatives. Highlights included:

- Home Energy Assessment Rebate Program first started in 2018
- High levels of participation in the program were seen in 2022 with 110 rebates given out, compared to 30-40 per year previously
- Annual budget is \$14,000 with all funds being claimed as of November
- Upper Step Code and Greenhouse Gas (GHG) Requirements program being introduced by the province this month for new buildings
- Nanaimo E-Mobility Strategy will develop a strategy to identify barriers and opportunities for wider adoption of electric vehicles and e-bikes
- The City targets to reduce emissions by 50% in eight years

Committee and Staff discussion took place. Highlights included:

- The Climate Action Plan is integrated into City Plan and will be presented early 2023
- Actions are in Green Nanaimo section of City Plan and many proposed projects are identified in the Action Plan
- 1.3% of registered vehicles in the City are electric vehicles (EV)
- Looking at ways to increase EV numbers, including EV charger rebates for condos/apartments

Abe Lang, A/Manager, Information Technology Application Services, provided a presentation regarding the Information Technology Department. Highlights included:

- The Development Services Approvals online application project is a grant-funded project with work beginning in 2023
- The existing online application process was developed quickly in response to COVID but is labour intensive and difficult to track
- Grant funding timeline requires implementation by August 15, 2023
- Replacement of the City's current Enterprise Resource Planning Software (SAP) is expected to take place in 2023-2024
- CAMS is a new software application used to track work orders, service requests and inspections of City assets
- The City is currently using contracted services for fleet tracking

Poul Rosen, Director, Engineering, provided a presentation regarding Engineering & Public Works projects. Highlights included:

- Project planning process is about two years from start to finish
- Process can be sped up but is often more costly and less efficient
- Project timing cycle and budget cycle don't always align
- Construction costs for 2023 are 20% higher than Staff budgeted for in 2022
- A 15% budget adjustment was applied to all projects to account for rising costs
- Projects are bundled where possible to save costs
- Primary project drivers include:
  - Asset management to keep services going
  - Level of risk for not doing a project
  - Growth in the community
  - Strategic projects
  - Opportunity to fit into other projects
- 17 projects worth about \$23 million were delayed from 2022 due to market capacity and third-party delays, and will be part of carryover process
- Over 100 projects worth about \$40 million are scheduled to start in 2023
- Over \$200 million in projects are budgeted for in the five-year plan
- Notable changes from 2022-2026 Utilities Plan include:
  - Invermere Rd Utility Upgrades

- Three Sewer DCC projects
  - Jingle Pot Watermain
- Delaying these three projects leads to increased risk of infrastructure failure
- Notable changes from 2022-2026 Transportation Plan include:
  - Terminal Trench Asset Renewal/Upgraded Active Mobility
  - Stewart Ave – Terminal to Cypress Active Mobility Upgrades
  - Wakesiah Corridor Mobility Upgrades
- There are fewer transportation projects scheduled for the next five years compared to past five years due to inflation, loss of community works funding, and an increase to the Pedestrian Unallocated Funding from \$300,000 to \$1 million
- 2023-2027 Transportation Projects include:
  - \$6.5 million in Active Transportation network upgrades, with many being attached to larger projects
  - \$18 million in Road network upgrades
  - \$31.8 million for renewal of existing infrastructure
- \$300,000 allocated annually by Council for pedestrian upgrades
- Albert and Fourth Complete Street Phase 2 is a continuation of Active Transportation corridor from Vancouver Island University (VIU) to downtown
- Due to permits and supply chain issues, the S-curve section of the Albert Street Project was not finished and additional funding is needed in 2023
- Due to inflation, Midtown Gateway project was split into 2 phases
- Phase 1B of Commercial Street Upgrades will be complete in 2023
- These upgrades are difficult to fund without Community Works funding
- Staff are conducting a study to look at functional design to facilitate phasing of the upgrades which will provide an opportunity to develop grant applications to aid in funding

Committee and Staff discussion took place. Highlights include:

- Phase 2B of Commercial Street Upgrades Project is part of key budget drivers as it is included in general revenue increase for 2023 budget
- Funds may be available from the Strategic Infrastructure Reserve
- Council needs to consider how much revenue from property taxation should be used to fund projects
- Priority of projects should be considered first, not how projects are funded
- Commercial Street Project is an opportunity to create a street that is usable by all members of the City

Poul Rosen, Director, Engineering, continued the presentation. Highlights included:

- Fifth and Bruce Street intersection currently operates as a four-way stop but will be meeting warrant for signalization
- Bowen Road Rehab consists of asphalt renewal for one of the major arterials for the City

- Adding bike lanes to Northfield-Meredith stretch would cost an additional \$750,000 not currently budgeted for
- Midtown Water Supply Phase 1 and 2 will continue through 2023-2024
- Comox Road/Wall Street Intersection Upgrade will replace aging signal infrastructure
- Hammond Bay Utilities Project is being driven by a sewer capacity need for upstream growth within the catchment
- Project provides an opportunity for surface improvements at two intersections driven by asset management needs
- Road restoration work provides the opportunity to add bike lanes and sidewalks but additional funding would be required

Committee and Staff discussion took place regarding lack of sidewalks at the South End of Hammond Bay Road, challenges of undertaking that work, and the minimal benefits versus cost.

Poul Rosen, Director, Engineering, continued the presentation. Highlights included:

- Millstone Trunk Sewer covers about 30% of the City's sewage
- The City has been completing projects to improve its capacity over the years; the next stretch is Westwood Road scheduled in 2024
- Townsite Area Utilities is an asset management-driven concurrent project bundled into one neighbourhood and is a large, multi-year project
- Midtown Water Supply Phase 3 will aid in bringing water up to a new proposed reservoir near Vanderneuk Road
- This project provides an opportunity on Rutherford Road to improve active transportation and is included in Capital Plan
- Towers Reservoir Upgrade Project is driven by storage requirements and an aging sub-standard reservoir serving the College Heights area

Committee and Staff discussion took place. Highlights included:

- Staff are considering if the charge duration on each specific EV is sufficient to provide City with necessary services
- The City's goal is to reduce GHGs but to also maintain operational functionality
- Each replacement vehicle is reviewed for fit-for-purpose, and Staff continue to look for opportunities to downsize the City's fleet
- A fleet utilization study is planned for 2023 to determine each department's fleet requirements
- Replacing larger vehicles for smaller EVs where possible is the goal, and vehicle sharing between departments is also being considered
- Multi-year projects are budgeted for each year, if a project is not completed on time, funds are carried forward

The Finance and Audit Committee recessed the meeting at 10:26 a.m.

The Finance and Audit Committee reconvened the meeting at 10:42 a.m.

Art Groot, Director, Facility & Parks Operations, provided a presentation regarding Facility Projects. Highlights included:

- Facility and Parks Operations is responsible for operating, maintenance and capital projects in other departments of the City, including Police, Fire Rescue, Public Works, parkades, administration buildings, and cultural facilities
- A large portion of projects are maintenance projects to keep facilities operating
- As part of Nanaimo's Downtown Safety Action Plan, recommendations include improving safety of downtown and safety assessments of public spaces
- Recent safety review of parkades recommended upgrades and the addition of security cameras
- Upgrades for Port of Nanaimo Centre & Harbour Front Parkade are scheduled for 2023
- Facility maintenance projects are scheduled for the Police Operations Building, Police Annex Building, Service and Resource Centre and City Hall
- Upgrades to Fire Station #'s 2, 3, 4 and 7 are operational and maintenance related
- Vancouver Island Conference Centre (VICC) will receive upgrades to current systems and existing assets

Jennifer McAskill, Manager, Facility Asset Planning, continued the presentation. Highlights included:

- A Facility Asset Management Strategy is being developed to help staff prioritize needs within the organization
- Staff will review and update Energy Conservation and Management Policy and Green Building Policy
- Intend to complete assessment of larger facilities in 2022 and smaller facilities in 2023
- Corporate Asset Management Software will be used to help track maintenance requests to aid Staff in forecasting of replacing equipment

Art Groot, Director, Facility & Parks Operations, continued the presentation. Highlights included:

- 2022 Project Highlights are a combination of operational, renewal, replacement and partnership projects
- Projects and improvements are influenced by need, as well as community and committee input
- Accessibility mat at Departure Bay was a huge success, additional mats will be installed at Loudon Park & Westwood Lake Park in 2023

Committee and Staff discussion took place regarding the newly purchased steam machine and its ability to remove weeds without the use of chemicals, as well as the debris loader which removes leaves in a safer, more efficient manner.

Art Groot, Director, Facility & Parks Operations, continued the presentation. Highlights included:

- 2022 introduced a revised Urban Design Roster, as well as Temporary Public Art Programs, including Poet Laureate, street banners, utility box wraps and manhole covers
- In 2021 Staff presented Outdoor Learning Space concept to council, with an updated design development budget of \$50,000 in 2022
- Preliminary concept designs were reviewed by Advisory Committee on Accessibility and Inclusiveness, and it was suggested that entry points, sidewalks and play equipment were as accessible as possible, including for wheelchairs
- Outdoor Learning Space would primarily be utilized by early years, after school, summer, adult and family programming, and is currently in capital plan for 2027
- Annual Programs and Studies provide information required to plan for annual operations, as well as provide input for 5–10-year Capital Plan
- Facility lighting upgrades occur as needed to reduce energy usage and costs
- In 2021 Beban Park Complex had second highest natural gas and fourth highest electricity consumption within facilities
- Current HVAC equipment is outdated with many components being at or near useful operational expectation
- Feasibility study is needed to investigate opportunities to renew HVAC equipment for optimal use
- Optimization study was done in 2022 for NAC and found there was a significant opportunity for heat recovery available
- Council directed Staff to apply for the CleanBC Communities Fund grant, and results are expected in summer of 2023
- NAC HVAC upgrade work is contingent on grant approval which would provide \$4.1 million in funding
- Stadium District improvements include:
  - Bleacher seating at Q'unq'inuqwstuxw Stadium with integrated media and coaching booth
  - Parking lot improvements
  - Bull pens
  - Possibility of replacing the field with artificial turf
- Port Theatre window replacement was a major accomplishment for the theatre, with many more upgrades planned in the next five years to extend facility operation as well as enhance user group and guest experiences
- Loudon Park improvements including a new paddling & rowing centre, washrooms and playground improvements
- Rotary Club of Nanaimo North and Long Lake Flatwater Training Centre Society are raising funds for boat storage, rowing training space and rowing dock
- Designs for Harewood Centennial Artificial Turf Field are under review by key stakeholders and users, and should advance to 95% stage this week, with anticipated completion date of August 2023



- New fields will allow for 3,000 hours of use per field annually vs 300 hours on the natural field
- Phase 1 of Westwood Lake Park Project was officially awarded last week, with anticipated completion before summer 2023
- \$1.8 million was budgeted for Phase 2, including a universal amenity building and beach enhancements
- A grant application has been submitted to help reduce costs
- Marie Davidson BMX track replacement has been rescheduled to go back out to tender, pending updates from Staff, user groups and the Project Team
- Trail Redevelopment Projects are budgeted for annually to improve various aspects of trails, and for ongoing upkeep to ensure trails are safe and usable
- Sport Courts need replacing every 3-5 years based on usage
- Harewood Covered Lacrosse Box surface gets slippery in wetter season; Staff are looking at scuffing up surface to make it anti-slip rather than surface replacement
- Projects not included in the Financial Plan have been identified by community groups, specialized user groups, Staff and consultants and would require further design and discussion to proceed to next steps

Committee and Staff discussion took place regarding hearing challenges in the Shaw Auditorium, leaf removal practices, and cost variation for the Neck Point Washrooms project.

The Finance and Audit Committee recessed at 11:24 a.m. to proceed with the Special Council Meeting.

The Finance and Audit Committee reconvened at 1:30 p.m.

## 2. Vancouver Island Regional Library

Introduced by Bill Corsan, Director, Corporate & Business Development.

Ben Hyman, Executive Director, Vancouver Island Regional Library, presented a PowerPoint to the Finance and Audit Committee. Highlights included:

- Vancouver Island Regional Library (VIRL) has been in operation for 86 years
- Fifth largest district in the province and tenth largest in the country
- Nanaimo is the heart of VIRL operations, including administration offices, fleet and delivery infrastructure
- North End distribution branch was built in the early 80's and now also houses the administrative staff
- Three branch locations in Nanaimo, including the North End, Country Club and downtown
- Services include:
  - Physical books
  - Movies
  - Games
  - Bookable meeting rooms

- 3D printers
- 40% of adults in our region are not functionally literate
- 27% of Nanaimo population has library cards, would like to see that number back to pre-COVID number of 33%
- Serving communities on the territories of 53 First Nations
- In last 12 months, Nanaimo residents borrowed about 615,000 items from libraries and 9,575 residents attended in-person workshops
- Consolidated Facilities Master Plan (CFMP) gives guidance to the Board by prioritizing projects and framing standards for building new facilities
- Current CFMP is 11 years old and in need of updating
- Library staff worked with RCMP to create emergency warming centre on November 29<sup>th</sup> at Harbour Front branch, and discussions are happening regarding operating cooling centres in the summer
- Collections are provided that respond to adaptive technology to be accessible to everyone
- Social isolation has increased recently and libraries provide a space to socialize with others
- 8.1% total levy increase for 2023 with a 6.4% increase for Nanaimo; about \$300,000 increase from 2022
- Inflation is major driver for levy increase
- Total budget is \$33 million

Committee discussion took place. Highlights included:

- Existing CFMP sets a standard of .6 sqft per capita, and sets the framework for new branches
- One third of VIRL branches are owned, one third are publicly leased and one third are privately leased
- Major shift from physical to digital information but there is still a 70% demand for physical items
- \$300,000 increase is equivalent to about .48% and is not included in percentage calculation as it is part of the Other Governments classification in financial statements
- Library staff is receiving de-escalation training and learning how to work with vulnerable populations
- Total levy is distributed based on provincial formula of 50% population and 50% converted land value, and equates to about \$2.5 million
- Province hasn't increased funding in 11 years

3. Corporate and Business Development 2023 Business Plan

Introduced by Bill Corsan, Director, Corporate & Business Development.

- Most of the budget is driven by contracts with VICC and Tourism Nanaimo
- Five-year plan for the RCMP detachment expansion involves repurposing Fire administration building at 580 Fitzwilliam St and freeing up space in current administration building which can be repurposed

- New detachment is expected to accommodate space needs to 2045
- Design Commercial will be coordinated effort with RE-envision Diana Krall Plaza project
- 2022 Achievements:
  - Purchased former Jean Burns site at 6 Commercial St. Staff will come to Council in 2023 to discuss what can be done with the property
  - City will receive \$300,000 per year for the next five years from the Payment in Lieu of Taxes from the Nanaimo Port Authority
  - Supported Planning Staff by acquiring land for BC Housing projects
  - Lease renewal done for golf course at Beban Park
  - Lease renewals done for the swim shop and physiotherapy office at NAC
  - Working with the Port Authority on outstanding leases along the waterfront
- 2023 Considerations:
  - New external entities, including Nanaimo Prosperity Corporation, Systems Planning Organization, Tourism Nanaimo and Downtown Nanaimo Business Association
  - Large City projects require support from Staff and Council to move forward
  - Budget currently allots around \$600,000 for land acquisitions but rising costs make it difficult to buy land
- 2023 Opportunities:
  - City Plan provides great framework for Staff and external organizations to ensure projects align with City goals
  - Through Mayor's Leaders' Table (MLT), working on integrating the donut awareness group into each organization in the MLT
  - Land value escalations are providing higher return when the City sells land

4. Vancouver Island Conference Centre 2023 Business Plan

Introduced by Bill Corsan, Director, Corporate & Business Development.

- VICC is an important economic generator
- Annual operating cost is \$5,856,108
- Built as part of New Nanaimo Centre Project
- City invested \$74 million into the project
- Hotel was a key part of operating VICC, but the project was put off due to recession in 2007/2008
- Currently not enough hotel rooms downtown to allow VICC to operate to full capacity but the new hotel should improve that
- VICC is owned by the City and managed through a five-year contract with a third-party operator
- VICC is a Tier 3 convention centre based on size
- Pre-pandemic, bookings in 2018 had 64,333 attendees, while bookings in 2021 had 2,415 attendees
- Room bookings dropped due to COVID but increasing to 2019 numbers for 2022

Committee and Staff discussion took place regarding getting into the cycle of repeat conferences.

Bill Corsan, Director, Corporate & Business Development, continued the presentation. Highlights included:

- Expecting to see a modest growth in bookings with a larger number of attendees
- Having the hotel next door will allow for larger conventions
- Current operating contract expires December 31, 2022, in negotiations for a new five-year contract
- Current debt for VICC retires in 2026/2027
- 2023-2032 Draft Project Plan outlines about \$10 million in maintenance projects over 10 years including technology upgrades, freight elevator upgrades, kitchen equipment, movable wall upgrades, fire safety, and eventually roof replacement and HVAC upgrades, not in current plan
- Existing contract has some key performance indicators; Staff are looking to add a few more to the new contract including:
  - Multi-day non-resident conferences and events (key driver)
  - Increasing number of people who come for the day but don't stay overnight
  - Overall economic impact
  - Memorandum of Understanding compliance to market jointly with Nanaimo Hospitality Association and Tourism Nanaimo
  - Financial results
  - Customer satisfaction to bring people back
- 2022 Achievements:
  - "Team Nanaimo Approach" with Tourism Nanaimo, Nanaimo Hospitality Association and VICC
  - New five-year operating contract
  - Increased attendance post-pandemic
- 2022 Considerations:
  - Decrease in booking due to the pandemic
  - Increased costs due to inflation
  - Labour force shortage
- 2022 Opportunities:
  - Hotel and new ferry should aid in increasing bookings

Committee and Staff discussion took place regarding increasing bookings with community groups and Parks, Recreation and Culture programs, and consideration of using VIU for community use.

5. Nanaimo Systems Planning Organization Society 2023 Business Plan

Introduced by Bill Corsan, Director, Corporate & Business Development.

- External organization largely funded by the City with a current annual operating budget is \$480,000 for the next five years

- Genesis of Systems Planning Organization (SPO) is through Health and Housing Action Plan (HHAP)
- Staff worked with healthcare providers, non-profits and experts to come up with a plan for how to tackle homelessness in the community
- Purpose of SPO is to provide research, education, coordinate action with non-profits, and work with other levels of government to end homelessness
- Vision is that all people can access a full spectrum of health and housing services, that our responses are coordinated and aligned, and that the SPO prevent homelessness wherever possible
- Funding is intended to support activities of SPO initially guided by HHAP
- SPO is asked to look at other opportunities for funding

Committee and Staff discussion took place. Highlights included:

- The \$250,000 of Reaching Home funds was allocated by the Community Allocation Advisory Board (CAAB) to the SPO specifically to help get it up and running
- Funding will be directed based on an approved work plan from the Executive Director and the Board
- Funding previously from Integrated Coordinated Access has been reallocated to the SPO
- CAAB is an advocacy group that works with service providers
- A report will go to the Board tomorrow with a recommended individual to act as the interim Executive Director, who was chosen based on skill base, not from a pool of candidates

Bill Corsan, Director, Corporate & Business Development, continued the presentation. Highlights included:

- HHAP recommended funding is \$3.6 million over five years
- SPO would need its own operating space and would attend to its own operational needs
- 2022 Achievements:
  - Recruitment of Board of Directors
  - Bylaws and constitution near completion
  - Human Resources & Nominations Committee established
  - Administrative support

go

Committee and Staff discussion took place regarding the SPO being a registered society.

The Finance and Audit Committee recessed the meeting at 2:59 p.m.

The Finance and Audit Committee reconvened the meeting at 3:17 p.m.

6. Nanaimo Prosperity Corporation 2023 Business Plan

Introduced by Bill Corsan, Director, Corporate & Business Development.

- Owners of Nanaimo Prosperity Corporation (NPC) include Nanaimo Port Authority, Chamber of Commerce, VIU, City of Nanaimo, Nanaimo Airport and Snuneymuxw First Nation
- The City's 2023 operating budget for the NPC is \$404,600 to cover staff expenses and to get it up and running
- Purpose of NPC is to build Nanaimo's economy through collaboration
- Mandate is to have ownership of economic development strategy to attract business and employers to the community
- Each owner contributed \$10,000. Once the Board has a strategic plan and specific projects, it is expected each partner will contribute additional funding
- The NPC is looking for ways to attract people to Nanaimo and ensure current businesses in the community are supported and thriving
- 2023 Considerations:
  - Hiring an Executive Director
  - Setting Strategic Plan & Priorities
  - Getting corporation set up
  - Gaining momentum
- 2023 Opportunities:
  - Updating Economic Development Strategy
  - Aligning with Mayor's Leaders' Table

#### 7. Tourism Nanaimo Society

Introduced by Bill Corsan, Director, Corporate & Business Development.

Jenn Houtby, Interim Executive Director, Tourism Nanaimo Society, presented a PowerPoint to the Finance and Audit Committee. Highlights included:

- Tourism Vancouver Island ended their agreement with the City in 2020 to deliver Tourism Nanaimo
- Collaborating with SPO & NPC
- Operating budget for 2023 is \$730,731, with \$160,000 dedicated to visitor services and the remainder to operations
- Mandate includes adding a broad Tourism Nanaimo Destination Strategy and Business & Meetings Tourism Strategy to the current Sport Tourism Strategy
- On January 1, 2023, Tourism Nanaimo will assume operations of the Visitor Information Centre
- Officially incorporated as a non-profit as of April 8, 2022
- Core funding provides operating support, labour costs, office expenses, contract expenses, social media management, and legal and professional costs
- Currently working remotely, would like to co-locate with other organizations by mid-2023
- Core services include positioning Nanaimo as a favorable place to visit, play, and meet
- Sport Tourism has been a key focus

- Nanaimo recently won the bid for 55+ Games in 2025, the City recently hosted Play On! road hockey tournament and would like to host again in future years
- 2023 Achievements:
  - Funding agreement and Memorandum of Understanding in place with Nanaimo Hospitality Association and VICC
  - Received \$100,000 in funds from Ministry of Tourism, Arts, Culture and Sport for new event attraction
  - Successful bids secured for new conferences in 2023-2025
  - Asked residents and visitors how they feel about sports tourism via survey
  - Visitor Centre Review resulted in Board assuming operations of Visitors Centre
  - Completed Accessibility Assessments for eight businesses
- 2023 Considerations:
  - Hoping to hire new Executive Director for 2023
  - Looking to double Cooperative Marketing funding from Destination BC

Committee and Staff discussion took place. Highlights included:

- Destination Sales Manager position is .5 sales-focussed on sport tourism initiative, and .5 focussed on business and meeting events
- Tourism Nanaimo works closely with the City and won't make a bid to use municipal infrastructure without initial consultation
- Recently attended Sports Events Congress, many new sports organizations were unaware Nanaimo was available to host events, are excited to see the City's new sports infrastructure and will consider using it in the future
- New focus on sports and events has created a new energy, as well as collaboration with Nanaimo Hospitality Association

#### 8. Introduction of Items for Council Discussion

Introduced by Laura Mercer, Director, Finance.

- Supplemental handout distributed to answer questions from last week's meetings

Committee and Staff discussion took place. Highlights included:

- In 2022 the City had \$1.9 million in reducing taxes, for 2023 it's \$1.1 million
- Budget for a new fire engine and 20 fire personnel has been priced out for five years with an August 1, 2023 start date; budgeting from January 1, 2023 wouldn't give the proper picture as the pay structure is more complicated in the first five years
- A business case needs to be developed to determine true cost of the City owning its own vacuum truck instead of contracting out
- Costs for a vacuum truck could be added to the final budget for 2023

- Additional costs for fire response vehicles and staff can be provided for January 2025 but not 2024 at this point

5. QUESTION PERIOD:

- Council received no questions from the public regarding agenda items

6. ADJOURNMENT:

It was moved and seconded at 4:07 p.m. that the meeting adjourn. The motion carried unanimously.

---

CHAIR

CERTIFIED CORRECT:

---

CORPORATE OFFICER