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PRESENTATION

- Introductions
- Outline of *Discussion Paper*
- Comments
- Committee Discussion



City of Nanaimo
Municipal Development Corporations
October 2023

DISCUSSION PAPER

INTRODUCTION

At its meeting of May 15, 2023, Nanaimo City Council passed a resolution (motion 1) to the City of Nanaimo Municipal Development Corporations (MDCs). The resolution requested the City of Nanaimo to conduct a study to determine the viability of MDCs in Nanaimo. The study was completed by the City of Nanaimo and the results were presented to the City Council at its meeting of October 10, 2023.

The City of Nanaimo is a coastal city with a diverse economy. It is home to a number of large employers, including the City of Nanaimo, the University of Nanaimo, and the Nanaimo Hospital. The City of Nanaimo is also a major port city, with a number of large shipping companies operating out of the port. The City of Nanaimo is a vibrant and growing city, and it is important that we have a clear understanding of the role of MDCs in our community.

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Discussion Paper - May 15, 2023

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DISCUSSION PAPER



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DISCUSSION PAPER

- What are MDCs and what do they do?
 - ✓ land development
 - ✓ owned by municipality (typically wholly-owned)
 - ✓ *Community Charter; Business Corporations Act*

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DISCUSSION PAPER

- ▶ What are MDCs and what do they do?
 - ✓ land development
 - ✓ urban revitalization within specified area(s)
 - ✓ collaboration and partnerships are central

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DISCUSSION PAPER

- ▶ What are MDCs and what do they do?
 - ✓ similar to but distinct from Economic Development Corporations, and from Municipal Housing Corporations

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DISCUSSION PAPER

- ▶ Why do some municipalities choose MDCs?
 - ✓ considered effective at attracting investment to areas in need of revitalization, and/or types of development
 - ✓ appeal to private partners
 - ✓ tap in to expertise in development
 - ✓ nimble since not constrained by procedures and practices necessary to City Hall
 - ✓ manage risk

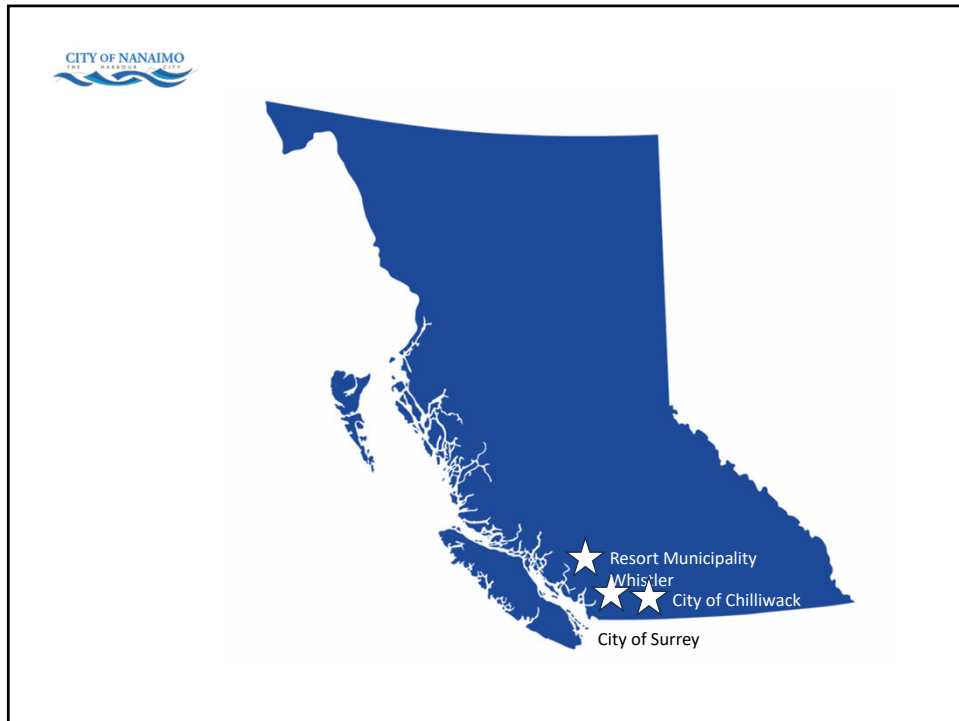
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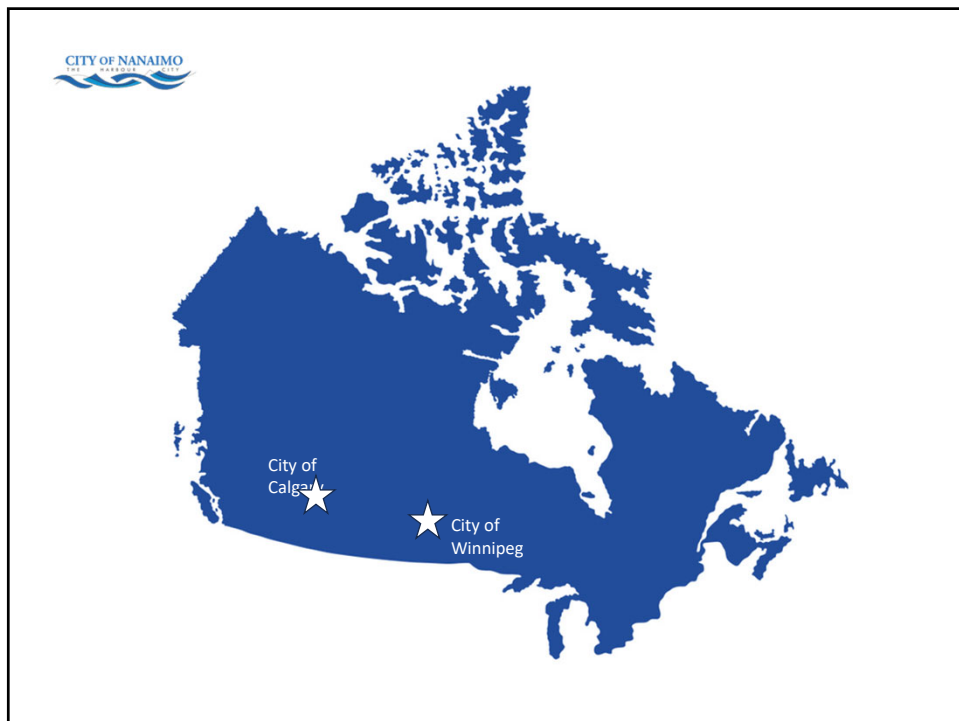
DISCUSSION PAPER

- ▶ Who is using them?

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DISCUSSION PAPER

- ▶ How are they governed?
 - ✓ autonomous board of directors
 - ✓ composition reflects (ideally) the special-purpose nature of corporation
 - ✓ accountable to shareholder for performance
 - ✓ oversees lean staff of individuals with expertise in development

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DISCUSSION PAPER

- ▶ How are they governed?
 - ✓ municipality is the shareholder with rights under legislation, articles and agreements
 - ✓ extent of control critical

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DISCUSSION PAPER

- ▶ What is the process to establish an MDC in British Columbia?



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DISCUSSION PAPER

- ▶ What costs and other factors need to be considered?
 - ✓ start-up and operating costs
 - ✓ capital, land and other assistance

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DISCUSSION PAPER

- ▶ What costs and other factors need to be considered?
 - ✓ control
 - ✓ clear mandate
 - ✓ private sector interest
 - ✓ qualified directors
 - ✓ salary expectations
 - ✓ potential for friction
 - ✓ competition

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COMMENTS & DISCUSSION

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