



MINUTES
REGULAR COUNCIL MEETING

Monday, July 22, 2024, 7:00 P.M.
SHAW AUDITORIUM, VANCOUVER ISLAND CONFERENCE CENTRE
80 COMMERCIAL STREET, NANAIMO, BC

- Members:
- Mayor L. Krog, Chair
 - Councillor S. Armstrong* (disconnected 9:18 p.m.)
 - Councillor T. Brown*
 - Councillor H. Eastmure
 - Councillor B. Geselbracht
 - Councillor E. Hemmens
 - Councillor P. Manly
 - Councillor J. Perrino
 - Councillor I. Thorpe (vacated 8:48 p.m., returned 8:57 p.m.)
- Staff:
- D. Lindsay, Chief Administrative Officer
 - R. Harding, General Manager, Community Services/Deputy CAO*
 - L. Mercer, General Manager, Corporate Services
 - B. Sims, General Manager, Engineering and Public Works
 - W. Fulla, Director, Finance
 - S. Gurrie, Director, Legislative Services
 - J. Holm, Director, Planning and Development
 - M. Lonsdale, Senior Project Manager
 - N. Sponaule, Communications Advisor
 - J. Vanderhoef, Recording Secretary

1. CALL THE MEETING TO ORDER:

The Regular Council Meeting was called to order at 7:00 p.m.

* Denotes electronic meeting participation as authorized by "Council Procedure Bylaw 2018 No. 7272"

2. INTRODUCTION OF LATE ITEMS:

- (a) Add - Agenda Item 10(d) Separately Addressed Consent Items and Move - Agenda Item 10(b)(1) Alternative Approval Process Policy to be considered under Agenda Item 10(d). Add - delegation from Alan Clarke.
- (b) Agenda Item 12(b) Nanaimo Operation Centre (Public Works Yard) Funding Options – Add PowerPoint Presentation titled “Nanaimo Operations Centre (Public Works Yard) Funding Options”.
- (c) Agenda Item 12(c) Development Permit Application No. DP1340 – 350 and 398 Franklyn Street Add - delegation from Sara Eskandary, Bryan Gartner, Coben Christiansen, Ace Architecture, and Robin Kelly, Sophie Denux, Jeremie Brunel, Groupe Denux.
- (d) Agenda Item 12(e) Rezoning Application No. RA501 – 3425 Uplands Drive Add - delegation from Jackson Low, Selena Kwok, Low Hammond Rowe Architects Inc., and Tinny Lalli.
- (e) Remove Agenda Item 16(c) Letter of Support Request, dated 2024-JUL-12, from Nanaimo Art Gallery re: Nanaimo Hospitality Association Feasibility Study.
- (f) Reorder Agenda Item 16(a) Recommendation from the 2024-JUN-12 Governance and Priorities Committee (GPC) Meeting to become the new Agenda Item 12(c).

3. APPROVAL OF THE AGENDA:

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

4. MAYOR'S REPORT:

Mayor Krog advised of the following:

- The City will be seeking applications for a new Poet Laureate for a two-year term from 2024 – 2026. Interested applicants can apply on the City's website
- Reminded everyone that Nanaimo Fire Services have issued a full ban on open fires as of noon Friday, July 12th following a Provincial order and noted the recent fire at Pipers Lagoon
- Stage two water restrictions are in affect and will last until September 30th
- Advised that a City worker was injured while at work earlier in the day and was in the hospital following an incident with a garbage truck

5. CONSENT ITEMS:

It was moved and seconded that the following items be adopted by consent:

Prior to the vote Councillor Thorpe requested that Agenda Item 10(b)(2) "Nanaimo Builds for the Future" Plan (Part Two) be removed to be voted on separately.

a. Advisory Committee on Accessibility and Inclusiveness 2024-JUL-10

1. Westwood Lake Beach Accessibility Upgrades and Washroom Upgrades

That Council direct Staff to draft a report that includes options for adding an additional accessible washroom at Westwood Lake beyond what is already included in the design.

b. Governance and Priorities Committee Meeting 2024-JUL-15

1. "Nanaimo Builds for the Future" Plan (Part One)

That Council direct Staff to begin preparation to seek elector approval for the South End Community Centre.

2. "Nanaimo Builds for the Future" Plan (Part Three)

That Council direct Staff to update costing, further develop project scope and return with a report summarizing the Waterfront Walkway Project and Beban Park amenity improvements.

c. Finance and Audit Committee Meeting 2024-JUL-17

1. Nanaimo Curling Club Chiller Failure

That Council provide a grant of \$67,950 to the Nanaimo Curling Club towards the purchase of a refurbished plate and frame chiller funded from the Strategic Infrastructure Reserve Fund.

2. 2025 55+ BC Games Advance of Funds

That Council direct Staff to amend the 2024 – 2028 Financial Plan to accelerate \$16,000 of the \$60,000 budgeted for the 55+ BC Summer Games from 2025 to 2024.

3. 2024 Cultural and Special Events Grant Funding Reallocation

That Council approve reallocation of declined 2024 Culture & Event Downtown Event Revitalization Funds as follows:

Applicant Name: Downtown Nanaimo Business Association
Event: Winterfest
Recommended: \$1,100

Applicant Name: Nanaimo International Jazz Festival Association
Event: Jazz Festival 2024
Recommended: \$1,100

4. Heritage Home Grant Application - 167 Irwin Street

That Council approve a \$793.75 Heritage Home Grant to repaint a portion of the exterior of the Land "Fernville" Residence at 167 Irwin Street.

5. Regional District of Nanaimo Wellington Pump Station Cost Share Project

That Council enter into a cost share agreement with the Regional District of Nanaimo to complete a sewer main replacement in conjunction with the Wellington Pump Station Upgrades project and add a project to 2024 for \$400,000 for the work, funded from the Sewer Operating Reserve.

The motion carried unanimously.

d. Separately Addressed Consent Items

1. "Nanaimo Builds for the Future" Plan (Part Two)

It was moved and seconded that Council amend the motion to change the wording from an Alternative Approval Process to a Referendum process.

It was moved and seconded that Council defer consideration of the amendment to a future meeting. The motion carried unanimously.

It was moved and seconded that Council defer consideration of the following recommendation:

"That Council direct Staff to begin preparation for an Alternative Approval Process for the borrowing for the South End Community Centre."

The motion carried unanimously.

2. Alternative Approval Process Policy

Delegation:

1. Alan Clarke spoke regarding flaws in the Alternative Approval Process.

That Council endorse the draft Alternative Approval Process Policy as outlined in Attachment A of the report titled “Alternative Approval Process Policy” dated 2024-JUL-15. The motion carried unanimously.

6. DELEGATIONS:

- a. Dan Hula spoke regarding improving relations and dialogue between Council and Nanaimo citizens.

7. REPORTS:

- a. Fees and Charges Amendment - RCMP Services Fees

Introduced by Sheila Gurrie, Director, Legislative Services.

It was moved and seconded that “Fees and Charges Amendment Bylaw 2024, No. 7336.10” (a bylaw to amend the Police Services (R.C.M.P.) fees for criminal records checks and fingerprinting), pass first reading. The motion carried unanimously.

It was moved and seconded that the bylaw pass second reading. The motion carried unanimously.

It was moved and seconded that the bylaw pass third reading. The motion carried unanimously.

- b. Nanaimo Operations Centre (Public Works Yard) Funding Options

Introduced by Laura Mercer, General Manager, Corporate Services.

Presentation:

1. Laura Mercer, General Manager, Corporate Services, provided a PowerPoint presentation. Highlights included:
 - During the 2024-JUN-24 Governance and Priorities Committee (GPC) Meeting the committee recommended that Council direct Staff to proceed with the highest needs in a single-phase option and consider other funding options, with respect to debt servicing, for the Public Works Yard project
 - The highest needs in a single-phase option would see the fleet maintenance and administration buildings constructed along

with some storm water infrastructure and would have a budget of \$90 million

- Outlined funding sources available:
 - Three reserves available. Noted that the Community Works Fund is not an allowable source for a public works facility; however, Staff are able to move some funds around to free up the General Asset Management Reserve Fund (GAMR) to be used on this project
 - Internal borrowing from reserves is another funding option; however, only two reserves have adequate funding available to borrow from (the Sewer Operating Reserve and the General Financial Stability Reserve) and suggested that Council also consider the loss of investment income through interest lost by withdrawing funds from these reserves (which is used to reduce taxes)
 - External borrowing allows for future users who will benefit from the project to share in the costs of debt servicing through property taxes
 - The last option is property taxation and is not recommended when external borrowing is an option as it would result in significant short-term increases in property taxes and/or potentially significant short-term decreases in service levels to generate enough savings to be allocated to the project
- Provided four potential funding options:
 - Option one would see the project funded with \$16.8 million from GAMR and \$73.2 million from external borrowing. Debt servicing would be funded solely from taxation and the estimated impact on the average household would be \$113 per year. This option provides the lowest borrowing amount due to the funding from reserves
 - Option two would see the project funded with \$10.8 million funded from GAMR and \$79.2 million from external borrowing. Debt servicing funding would be split with property taxation 75% and GAMR 25%. This reduces a portion of the taxation by drawing some of the debt servicing from reserves. The estimated cost

to an average household under this option is \$92 per year.

- Option three would see the full \$90 million funded through external borrowing with debt servicing split again through property taxation 75% and GAMR 25%. The estimated cost to an average household is \$104 per year
- Option four would see the entire project funded from external borrowing and debt servicing through property taxation. The estimated cost for an average household under this option would be \$139 per year. This option does not draw on the GAMR allowing those funds to be used for other projects

c. Recommendation from the 2024-JUN-12 Governance and Priorities Committee (GPC) Meeting

Laura Mercer, General Manager, Corporate Services, provided a summary of the options discussed during the GPC meeting 2024-JUN-12.

Nanaimo Operations Centre / Public Works Yard Project Update

It was moved and seconded that Council direct Staff to proceed with the 'Highest Needs in Single Phase' option and prepare a borrowing bylaw in support of the project. The motion carried.

Opposed: *Councillor Thorpe*

b. Nanaimo Operations Centre (Public Works Yard) Funding Options (continued)

It was moved and seconded that Council direct Staff to proceed with the Nanaimo Operations Centre (Public Works Yard) project with funding of \$90 million from external borrowing with debt servicing funded by property taxation. The motion carried unanimously.

d. Development Permit Application No. DP1340 - 350 and 398 Franklyn Street

Introduced by Jeremy Holm, Director, Planning and Development.

Delegations:

1. Bryan Gartner, Ace Architecture, and Robin Kelly, Groupe Denux, joined via Zoom and provided a PowerPoint presentation. Highlights included:

- Reviewed the design, elevations and other details of the site/proposed development
- Noted there are large street trees needing to be removed along the commercial side of the development which they hope to replace
- The 7m variance being requested is primarily to accommodate the mechanical building on the rooftop

It was moved and seconded that Council issue Development Permit No. DP1340 for a mixed-use development at 350 and 398 Franklyn Street with variances as outlined in the "Proposed Variances" section of the Staff Report, titled "Development Permit Application No. DP1340 - 350 and 398 Franklyn Street", dated 2024-JUL-22. The motion carried unanimously.

Councillor Thorpe vacated the Shaw Auditorium at 8:48 p.m. declaring a conflict of interest as his family member is involved in the 5300 Tanya Drive project.

e. Rezoning Application No. RA487 - 5300 Tanya Drive

Introduced by Jeremy Holm, Director, Planning and Development.

It was moved and seconded that "Zoning Amendment Bylaw 2024 No. 4500.230" (to rezone 5300 Tanya Drive from Urban Reserve [AR2] to Steep Slope Residential [R10] with site-specific density), pass first reading. The motion carried unanimously.

It was moved and seconded that the bylaw pass second reading. The motion carried unanimously.

It was moved and seconded that the bylaw pass third reading. The motion carried unanimously.

It was moved and seconded that Council direct Staff to secure the conditions related to "Zoning Amendment Bylaw 2024 No. 4500.230", as outlined in the "Conditions of Rezoning" section of the Staff Report, titled "Rezoning Application No. RA487 - 5300 Tanya Drive", dated 2024-JUL-22, prior to final adoption. The motion carried unanimously.

Councillor Thorpe returned to the Shaw Auditorium at 8:57 p.m.

Councillor Manly noted that he had previously declared a conflict of interest for discussion involving Nanaimo Association Community Living Inc. due to a small contract he had with them in 2022 which did not proceed, and he has not had any further business with them since then. He no longer feels the need to recuse himself from further discussions.

f. Rezoning Application No. RA501 - 3425 Uplands Drive

Introduced by Jeremy Holm, Director, Planning and Development.

Delegation:

1. Jackson Low, Low Hammond Rowe Architects Inc., Selena Kwok, Low Hammond Rowe Architects Inc., (via Zoom) and Tinny Lalli, were available to answer questions.

It was moved and seconded that “Zoning Amendment Bylaw 2024 No. 4500.228” (to rezone a portion of 3425 Uplands Drive from Steep Slope Residential [R10] and Low Density Residential [R6] to Medium Density Residential [R8] with a site-specific personal care facility use), pass first reading. The motion carried unanimously.

It was moved and seconded that the bylaw pass second reading. The motion carried unanimously.

It was moved and seconded that the bylaw pass third reading. The motion carried unanimously.

It was moved and seconded that Council direct Staff to secure the conditions related to “Zoning Amendment Bylaw 2024 No. 4500.228” as outlined in the "Conditions of Rezoning" section of the Staff Report titled “Rezoning Application No. RA501 - 3425 Uplands Drive”, dated 2024-JUL-22, prior to final adoption. The motion carried unanimously.

Council recessed the meeting at 9:09 p.m.

Council reconvened the meeting at 9:16 p.m.

g. Interim Corridor Area Amendment

Introduced by Jeremy Holm, Director, Planning and Development.

Councillor Armstrong disconnected from the meeting at 9:18 p.m.

It was moved and seconded that “Zoning Amendment Bylaw 2024 No. 4500.229” (update to Interim Corridor Area), pass first reading. The motion carried unanimously.

It was moved and seconded that the bylaw, pass second reading. The motion carried unanimously.

It was moved and seconded that the bylaw, pass third reading. The motion carried unanimously.

h. Development Approval Process Review

Introduced by Jeremy Holm, Director, Planning and Development.

It was moved and seconded that Council endorse the final report dated June 2024 by Neilson Strategies Inc. titled "Development Approval Process Review". The motion carried unanimously.

8. BYLAWS:

a. "Zoning Amendment Bylaw 2023 No. 4500.212"

It was moved and seconded that "Zoning Amendment Bylaw 2023 No. 4500.212" (to rezone 1044 and 1048 Old Victoria Road from Single Dwelling Residential [R1] to High Tech Industrial [I3]) be adopted. The motion carried unanimously.

b. "Highway Closure and Dedication Removal Bylaw 2024 No. 7372"

It was moved and seconded that "Highway Closure and Dedication Removal Bylaw 2024 No. 7372" (to provide for highway closure and dedication removal of a portion of Bryden Street adjacent to 266 and 268 Bryden Street) be adopted. The motion carried unanimously.

9. NOTICE OF MOTION:

a. Councillor Thorpe Notice of Motion re: Systems Planning Organization and the Nanaimo Prosperity Corporation

Councillor Thorpe advised that he will be bringing forward the following motion for consideration at a future meeting:

"That, beginning in September 2024, the Systems Planning Organization and the Nanaimo Prosperity Corporation, provide quarterly reports to City Council on their activities."

10. OTHER BUSINESS:

a. Councillor Hemmens re: Amendment to Union of BC Municipalities Resolution Regarding Public Libraries

Introduced by Councillor Hemmens.

It was moved and seconded that Council endorse an amendment to the Union of BC Municipalities resolution regarding public libraries by replacing the enactment clause with the following:

“THEREFORE BE IT RESOLVED that UBCM call on the provincial government to recognize the evolving and challenging situation for public libraries as well as their unique role as community spaces by establishing an Advisory Body per section 52(1) of the *Library Act*, the objectives of which will be to:

1. undertake a review of core annual provincial funding of public libraries in the Canadian context, and
2. make recommendations to the Minister with respect to core, sustainable funding approaches for BC’s public library sector.”

The motion carried unanimously.

11. QUESTION PERIOD:

Council received three (3) questions from the public regarding agenda items.

12. ADJOURNMENT:

It was moved and seconded at 9:55 p.m. that the meeting adjourn. The motion carried unanimously.

MAYOR

CERTIFIED CORRECT:

CORPORATE OFFICER