



MINUTES

GOVERNANCE AND PRIORITIES COMMITTEE MEETING

Monday, July 15, 2024, 2:00 P.M.
SHAW AUDITORIUM, VANCOUVER ISLAND CONFERENCE CENTRE
80 COMMERCIAL STREET, NANAIMO, BC

- Members: Councillor E. Hemmens, Chair
Mayor L. Krog
Councillor S. Armstrong
Councillor T. Brown* (disconnected 5:14 p.m.)
Councillor H. Eastmure
Councillor B. Geselbracht
Councillor P. Manly
Councillor J. Perrino
- Absent: Councillor I. Thorpe
- 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
A. Groot, Director, Police Services
S. Gurrie, Director, Legislative Services
M. Lonsdale, Senior Project Manager
N. Sponaugle, Communications Advisor
K. Lundgren, Recording Secretary

1. CALL THE MEETING TO ORDER:

The Governance and Priorities Committee Meeting was called to order at 2:00 p.m.

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

2. INTRODUCTION OF LATE ITEMS:

- (a) Agenda Item 6(b)(1) “Nanaimo Builds for the Future” Plan – Add PowerPoint presentation titled “Nanaimo Builds for the Future”.

3. APPROVAL OF THE AGENDA:

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

4. AGENDA PLANNING:

a. Upcoming Topics and Initiatives

Sheila Gurrie, Director, Legislative Services, noted that the following topics are scheduled for the 2024-OCT-28 Governance and Priorities Committee (GPC) Meeting:

- Incentives that support City Plan
- The Amenity Cost Charge Bylaw Project
- Development Cost Charge Bylaw Update Project
- Development Permit Area 8 (DPA8) Form and Character Design Guidelines

Council discussion took place regarding the City of Vancouver’s recent bylaw changes related to parking requirements near transit.

It was moved and seconded that a topic related to the parking requirements near adequate transit areas be a discussion at an upcoming Governance and Priorities Committee Meeting. The motion carried unanimously.

5. REPORTS:

a. Empowered Nanaimo:

1. Alternative Approval Process Policy

Sheila Gurrie, Director, Legislative Services, provided an overview of the draft Alternative Approval Process (AAP) Policy. Highlights included:

- The policy limits the number of Elector Response Forms provided to a maximum of ten printed copies per individual
- Methods for receiving response forms includes electronic submission on the City’s website in addition to in person and via mail

- An elector is entitled to receive their form back should they request it
- A communication and engagement strategy will be considered on a case-by-case basis to suit each AAP

Committee and Staff discussion took place. Highlights included:

- Elector eligibility is verified using the provincial voters list
- Support for the electronic submission option and communication strategy which were both big demands from the community
- Developing a system to monitor the limit of 10 forms per person
- The communication and engagement strategy would likely apply to both AAP and referendum processes

It was moved and seconded that the Governance and Priorities Committee recommend 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.

b. Prosperous Nanaimo:

1. “Nanaimo Builds for the Future” Plan

Dale Lindsay, Chief Administrative Officer, introduced a PowerPoint presentation and noted that the report provides an overview of potential large capital projects, and Staff are seeking direction on potential priorities.

Richard Harding, General Manager, Community Services/Deputy CAO continued the presentation and spoke regarding the South End Community Centre. Highlights included:

- A South End Community Centre has been identified as a need for many years as the area is lacking in services
- A feasibility study has been completed and Staff are close to securing a site
- Various community services could be incorporated into the facility including housing, childcare, and a black box performance space

Committee and Staff discussion took place. Highlights included:

- Staff would bring forward building options with housing included
- It would be Council's decision on whether to seek elector approval through AAP or referendum
- Most of the City's recreation facilities are used as reception areas for emergency facilities
- Housing on top of the facility could potentially reduce costs depending on the partnership or private developers
- It is expected that the facility would include a multipurpose gymnasium similar to the Oliver Woods Community Centre as well as cultural opportunities as the community is lacking those types of performance/rehearsal spaces
- Ensure Emergency Management is involved in conversations as well as seeking potential grants
- Partnership contributions could be upfront or long term through lease
- Request that potential expansion opportunity be incorporated in the design
- Support for housing incorporated in the facility particularly with the daycare on site

Laura Mercer, General Manager, Corporate Services, continued the presentation and spoke regarding the Waterfront Walkway Project. Highlights included:

- In 2019, Staff developed a detailed plan and recommended a green shores approach
- Staff have worked with Snuneymuxw First Nation (SFN), the Department of Fisheries and Oceans and the Provincial Government
- Extensive engagement has been done and the feedback has been positive
- Preliminary construction costs have been determined to be in the range of \$30-\$38 million in 2022
- Given the cost escalation, the Project costs are now likely greater than \$40 million

Committee discussion took place regarding the ongoing discussions with SFN, the Department of Fisheries and Oceans and the Provincial Government.

Richard Harding, General Manager, Community Services/Deputy CAO, continued the presentation and spoke regarding Beban Park Master Plan, Renewals. Highlights included:

- Staff have received a variety of requests for updates and renewals for Beban Park
- There are a number of facilities ageing as well as opportunities for new facilities

Committee and Staff discussion took place. Highlights included:

- There is a disproportional increase in the cost of facilities versus the municipality's revenue
- Preference for multifunctional spaces and taking into consideration facility maintenance
- There is a lot of demand for space from user groups, and there is potential that the South End Community Centre could relieve some of that pressure
- The demand is only going to increase given the projected property growth
- Council's current policy is to build to Leadership in Energy and Environmental Design (LEED) standard gold, and Staff intend to bring back a revised policy around green building specific to Nanaimo's needs
- Capital expenditures are the best return on investment in terms of employment and economic development

Bill Sims, General Manager, Engineering and Public Works, continued the presentation and spoke regarding the Nanaimo Operations Centre and noted that Staff are working on an alternative option for the project.

Laura Mercer, General Manager, Corporate Services, continued the presentation and spoke regarding the RCMP Detachment expansion. Highlights Included:

- The current RCMP facility does not support operations
- Phase 1 of the project addresses immediate spacing needs and phase 2 is planning for future expansion
- The current location and 303 Prideaux Street was found to be the best location
- A permanent solution was developed for a new detachment adjacent to the existing facility, estimated to be in the range of \$270 million.

- Given the magnitude of the cost estimate, Council directed Staff to re-examine other options
- Staff will return to a future Council Meeting with updated information

Committee discussion took place regarding consideration for expansion space designed to facilitate growth.

Laura Mercer, General Manager, Corporate Services, continued the presentation. Highlights included:

- There are several other future needs to consider
- The City's asset management funding gap is growing
- Presented the potential property tax impact to the typical household if all borrowing was undertaken in the illustrative timeline
- Noted there are many assumptions in the presented numbers
- Presented the annual debt servicing per project

Committee discussion took place regarding potentially budgeting 1% for capital projects to reduce borrowing costs.

Laura Mercer, General Manager, Corporate Services, continued the presentation. Highlights included:

- Presented the projected impact numbers to the typical household
- Presented the 20 year projected outstanding total debt and debt servicing costs if the City took on all the projects identified in the presentation
- Staff would not recommend getting close to the debt servicing limit in the event that borrowing for emergency situations is needed

Committee discussion took place. Highlights included:

- Setting aside funding for the South Forks Dam
- Federal or Provincial contributions for the RCMP building
- Consideration for the operational costs when building facilities
- Property taxes unable to keep up with demand from residents as well as service provisions that have fallen on municipalities from the Province

Laura Mercer, General Manager, Corporate Services, continued the presentation and spoke regarding municipal comparison to like-size communities in regards to debt servicing limit.

Committee discussion took place. Highlights included:

- Request to have the projected property tax impact on typical homes in various ranges in order to provide a better idea of the expected costs for residents
- Each municipality has a different philosophy on debt

The Governance and Priorities Committee recessed the meeting at 3:33 p.m.

The Governance and Priorities Committee reconvened the meeting at 3:48 p.m.

Committee discussion took place. Highlights included:

- Moving forward with the South End Community Centre
- Consideration that there will be operational costs associated with the projects
- Whether to seek elector approval for the South End Community Centre through Alternative Approval Process (AAP) or referendum
- Staff have the general cost analysis; however, will finalize detailed costing and potential partnerships after Council direction to proceed
- Support for the Waterfront Walkway and the Beban Park amenity improvements
- The challenge of using a referendum for an amenity that is focused in one specific area of the City
- Whether the South End Community Centre is considered a want or a need and the long list of other potential projects that are also of importance to the community
- The projects should be presented as a longer list, rather than one-offs
- There is a deficit of recreation facilities in Nanaimo
- Bundling multiple recreation projects as a referendum question (Waterfront Walkway, Beban Park and South End Community Centre)
- The South End Community Centre is needed considering the value of health and community wellbeing associated with public recreation

It was moved and seconded that the Governance and Priorities Committee recommend that Council direct Staff to begin preparation to seek elector approval for the South End Community Centre. The motion carried.

Opposed: *Mayor Krog and Councillor Perrino*

Committee discussion continued. Highlights included:

- Supporting the growth in the south end
- Consideration for overlapping AAPs with the Nanaimo Operations Centre AAP
- Consideration for borrowing limits and other projects such as the RCMP expansion and Nanaimo Operations Centre
- Support for the AAP as the appropriate method for seeking elector approval for the South End Community Centre
- Oliver Woods Community Centre did not require elector approval, and the Nanaimo Aquatic Centre went to a referendum
- Lack of recreation facilities in the Chase River Area
- The large borrowing cost for all three projects and concern for debt servicing limit
- Items grouped together for a referendum could either be separate ballot questions for each project or grouped together for borrowing for all projects
- Main concern in the community is affordability
- A larger list of important projects may bring out the voters
- Concern for what would be included in the bundle, as someone could be deterred from voting in favour of a bundle based on one project
- If a referendum fails, the bylaw cannot be reconsidered for six months; while if an AAP fails, Council has a choice to proceed with referendum
- Council will consider an AAP for the Nanaimo Operations Centre at the 2024-JUL-22 Regular Council Meeting
- The AAP allows for more opportunity to provide response now that the City is allowing electronic submissions

It was moved and seconded that the Governance and Priorities Committee recommend that Council direct Staff to begin preparation for an Alternative Approval Process for the borrowing for the South End Community Centre. The motion carried.

Opposed: *Mayor Krog, Councillors Armstrong and Perrino*

It was moved and seconded 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.

It was moved and seconded that the motion be amended to include all projects listed in the 2024-JUL-15 Staff report titled “Nanaimo Builds for the Future’ Plan”.

Committee discussion took place regarding the value of cost estimates for projects that are still many years out.

The amendment motion was withdrawn.

Councillor Brown disconnected from the meeting at 5:14 p.m.

Committee discussion took place. Highlights included:

- The current design for the Waterfront Walkway Project is a Green Shores approach
- Re-costing projects would include a funding ask

The vote was taken on the main motion as follows:

It was moved and seconded 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. The motion carried unanimously.

7. QUESTION PERIOD:

The Committee received three questions from the public regarding agenda items.

8. ADJOURNMENT:

It was moved and seconded at 5:21 p.m. that the meeting adjourn. The motion carried unanimously.

CERTIFIED CORRECT:

CHAIR

CORPORATE OFFICER