



MINUTES

FINANCE AND AUDIT COMMITTEE MEETING

Wednesday, 2025-JUL-16, 9:00 a.m.
Shaw Auditorium, Vancouver Island Conference Centre
80 Commercial Street, Nanaimo, BC

Members: Mayor L. Krog, Chair
Councillor S. Armstrong*
Councillor H. Eastmure
Councillor B. Geselbracht
Councillor E. Hemmens
Councillor J. Perrino
Councillor I. Thorpe* (disconnected at 10:14 a.m.)

Absent: Councillor T. Brown
Councillor P. Manly

Staff: D. Lindsay, Chief Administrative Officer
L. Mercer, General Manager, Corporate Services
B. Sims, General Manager, Engineering and Public Works
W. Fulla, Director, Finance
S. Gurrie, Director, Legislative Services
D. LaBerge, Director, Public Safety
D. Osborne, Director, Parks, Recreation and Culture
M. Bryson, Deputy Director, Civic Facilities
C. Davis, Deputy Director, Parks and Natural Areas
C. Wood, Manager, Social Planning
Cst. A. Taylor, Nanaimo RCMP Bike Unit
B. Hornby, Senior Community Safety Officer
N. Sponaule, Communications Advisor
J. Vanderhoef, Recording Secretary

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

1. CALL THE MEETING TO ORDER:

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

2. INTRODUCTION OF LATE ITEMS:

(a) Agenda Item 7(b) Drop-In Hub Update – Add the following delegations:

- Leslie Girard
- Sydney Robertson
- Gin Lum
- Anthony Gratl
- Ruth Taylor
- Vanessa Haentjens Dekker
- Jean Fox

(b) Agenda Item 7(c) Fencing and Parking Lot Improvements – City Hall and SARC – Add delegation from Vanessa Haentjens Dekker.

(c) Add Agenda Item 7(j) “Nanaimo Builds for the Future” Plan Update.

3. ADOPTION OF AGENDA:

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

4. ADOPTION OF MINUTES:

It was moved and seconded that the minutes of the Finance and Audit Committee Meeting held in the Shaw Auditorium, Vancouver Island Conference Centre, 80 Commercial Street, Nanaimo, BC, on Wednesday, 2025-JUN-18, at 9:00 a.m. be adopted as circulated. The motion carried unanimously.

5. REPORTS:

(a) Options to Extend the E&N Trail South of Columbia Street

Darcie Osborne, Director, Parks, Recreation and Culture, provided an overview of the report in the agenda package.

Committee and Staff discussion took place regarding the timeline for completing the project by the winter 2025.

It was moved and seconded that the Finance and Audit Committee recommend that Council add a new project to 2025 for \$148,000 to extend the E&N Trail from Columbia Street to Seventh Street funded by the Strategic Infrastructure Reserve Fund. The motion carried unanimously.

(b) Drop-In Hub Update

Dave LaBerge, Director, Public Safety, provided an overview of the report in the agenda package.

Presentation:

1. Christy Wood, Manager, Social Planning, Erika Gagnon, Director of Shelters and Guest Services, Nanaimo Family Life Association, and Corrie Corfield, Director of People, Culture and Engagement, Island Crisis Care Society, provided an on-screen presentation included with the report in the agenda package. Highlights included:
 - Island Crisis Care Society (ICCS) is the daytime operator of the Drop-in Hub (the Hub) and provides daily essential services and supports to Nanaimo's most vulnerable citizens
 - The Hub provides an access point for BC Housing's HEART and HEARTH Programs working to assist people moving into supportive housing units
 - Nanaimo Family Life Association (NFLA) provides services at the Hub during the evenings and provides overnight shelter to Nanaimo's most street entrenched individuals
 - The Hub played a vital role in February 2025 communicating to the unhoused community that an extreme weather shelter was available at Beban Park and collaborated with BC Transit and the City to transport people to the shelter
 - Staff have received feedback from residents highlighting that the concentration of services in the area and the addition of the Hub has led to cumulative impacts on the surrounding neighbourhood
 - Anecdotal reports from RCMP Bike Units, CSOs and businesses suggest visible homelessness and social disorder has decreased in other areas of the downtown; however, social disorder appears to be more concentrated along the 100 Block of Nicol Street
 - In response to challenges at the Hub, City staff are meeting weekly with staff from United Way BC, ICCS, NFLA, and Nanaimo Systems Planning Organization (as data collection support) to work on mitigation strategies. A community advisory committee is also being implemented to bring together neighbourhood representatives and public safety officials

- Service providers have been working with the property owner to review ways to expand services inside the Hub in order to bring more people inside and potentially moving the entrance of the Hub off Nicol Street
- Staff presented to the Public Safety Committee in June 2025 and feedback included the need for strong good neighbour agreements, moving the entrance off Nicol Street, keeping sidewalks clear and broader concerns regarding the concentration of services in the area
- Staff anticipate the current issues would remain in the surrounding neighbourhood without the current services, but the impacts would manifest in different ways
- Longterm a more suitable facility is needed, ideally with onsite showers and laundry

Delegations:

1. Leslie Girard spoke regarding some of the challenges the Hub has created for nearby residents, including increased garbage and safety concerns. While the daytime operators have made efforts to clean up litter in the area, the evening service provider has not. Instead, they direct individuals to leave the Hub, which results in people dispersing into the surrounding neighbourhood. They requested that something be done to address safety concerns and suggested relocation of the Hub to reduce the concentration of services in the area.
2. Sydney Robertson, South End Community Association, spoke regarding the Hub negatively impacting morale and public perception of the south end of town. They noted a growing lack of trust towards local government with increasing pressure to be more combative while energy and resources are allocated towards housing services. They noted the increased number of unhoused individuals in the surrounding neighbourhood since the implementation of the Hub and concerns associated with Hub visitors being evicted from the facility for inappropriate behaviour ending up in the surrounding neighbourhood. They requested that Council find an alternate location for the Hub and consider opening more than one location. They noted a comment made during the Public Safety Committee to potentially provide access to the parking lot at 55 Victoria Road as a location for people to congregate.

Discussion took place regarding the effectiveness of good neighbour agreements and the importance of establishing good relationships over formal agreements through clear communication.

3. Gin Lum spoke regarding the impact of the Hub on the surrounding neighbourhood and noted that the implementation of the Hub has increased issues related to public misconduct such as vandalism and intimidation. Moving the entrance to the Hub would only relocate the issues and would not provide relief to neighbours. They expressed concerns regarding safety (and animal cruelty) and requested that Council seek an alternate location for the Hub.
4. Anthony Gratl acknowledged the work of Community Safety Officers (CSO's), RCMP and City staff. They noted that the Hub has become a centre for malicious activity and expressed concern regarding individuals loitering in the outreach pharmacy parking lot. They expressed frustration regarding people being dispersed from the Hub and pushed into the surrounding neighbourhood. They suggested not permitting people to loiter outside of the Hub and enforcing a ban on services for inappropriate behaviour both inside and outside of the Hub.

Councillor Thorpe disconnected at 10:14 a.m.

5. Ruth Taylor noted concerns regarding the lack of relationship between the Hub operators and the surrounding neighbourhood and the lack of a good neighbour agreement. They compared the City and the Hub to a family dynamic with the Hub being a dysfunctional family member that is being accommodated by the rest of the family rather than implementing consequences. They noted that City staff have previously stated that the Hub would not be considered a nuisance property. They expressed concern that the level of acceptance for the behaviour being conducted at the Hub allows for ghettoization and requested that the Hub be closed as soon as possible.
6. Vanessa Haentjens Dekker spoke regarding the negative impact the Hub has had on the Nob Hill Park and neighbourhood including fire hazards and safety concerns. They noted calling the RCMP and CSO's three times the previous night and requested that something different be done such as moving the Hub to an industrial area away from neighbourhoods and partnering with other municipalities to demand better support/services from the Province.

7. Jean Fox spoke regarding tools being stolen from their home and the open drug use, human excrement, and garbage in Nob Hill Park. They requested that the Hub be closed as it is not a suitable location.

The Finance and Audit Committee recessed the meeting at 10:38 a.m.

The Finance and Audit Committee reconvened the meeting at 10:50 a.m.

Committee and Staff discussion took place. Highlights included:

- A lack of optimism that another suitable location will be identified for the Hub. Staff noted that many of the more suitable locations are listed for sale and not for lease and many landlords are not enthusiastic about renting their properties for this type of service
- Municipalities are currently providing temporary services that cannot address the overall drug crisis and homelessness issue. As a result, they are extending the issues further and the Province needs to step in and take responsibility
- A discussion regarding how other municipalities have designed or implemented purpose-built resource centres. Staff noted that the City of Vancouver provides purpose-built services staffed by City of Vancouver employees through a shared funding model with the Province. Staff cautioned that the City of Vancouver is a unique example, and that BC Housing has provided support to some communities and denied others. It is estimated that Vancouver's operational budget for their purpose-built services would be over one million dollars
- Advocating to the Province through local Members of the Legislative Assembly (MLAs) for housing and shelter and Premier David Eby needing to hear the comments from the impacted community
- It is estimated that to operate sufficiently three Hub sites would be needed which would require purchasing land and a substantial investment
- Staff cannot predict people's behaviour if the Hub were to close; however, they anticipate that the unhoused people would remain in the area but disperse into the neighbourhood
- Concerns regarding closing the Hub by 2026-MAR-31 and the impacts on funding, the learning and progress made so far towards how to operate such a facility, and the impacts on collaborating partners
- A desire to see people housed through the winter and to consider different types of services

It was moved and seconded that the Finance and Audit Committee recommend that Council:

1. Allocate \$125,000 from the funding designated to support homelessness initiatives in the Special Initiatives Reserve to extend the existing service agreement with UWBC and fund daytime operations until March 31, 2026, to continue service levels over the winter season 2025/2026; and
2. Direct Staff to report back to the Finance and Audit Committee in winter 2025/2026 with an update on alternate funding or service delivery models.

It was moved and seconded that the motion be amended to:

- Direct Staff to work with Hub service providers and United Way BC to identify and secure a more suitable location which includes shower services; and,
- Amend the time to report back to Council from the winter to the fall 2025/2026.

The vote was taken on the amendment.

The motion carried unanimously.

Committee and Staff discussion took place. Highlights included:

- Clarification that the daytime and nighttime service providers are separately funded. Overnight funding is provided through BC Housing
- Council can review ongoing mitigation efforts; however, there could be challenges implementing the changes if they require an investment from the landlord when the City will only remain at this location for another eight months
- The need for secure involuntary care through the Province
- Opposition to municipalities asking taxpayers to pay for and provide services that are the responsibility of the Provincial Government
- A desire to see BC Housing's HEART and HEARTH facilities operating at full capacity and the potential benefits
- Encouraged citizens to contact to their local MLAs and the Premier asking them to act

The vote was taken on the main motion, as amended, as follows:

That the Finance and Audit Committee recommend that Council:

1. Allocate \$125,000 from the funding designated to support homelessness initiatives in the Special Initiatives Reserve to extend the existing service agreement with United Way BC and fund daytime operations until March 31, 2026, to continue service levels over the winter season 2025/2026;
2. Direct Staff to work with Hub service providers and United Way BC to identify and secure a more suitable location which includes shower services; and,
3. Direct Staff to report back to the Finance and Audit Committee in fall 2025 with an update on alternate funding or service delivery models.

The motion carried unanimously.

(c) Fencing and Parking Lot Improvements - City Hall and SARC

D. Lindsay, Chief Administrative Officer, introduced the report and advised that this was not a Council initiated project. Highlights included:

- The fence concept was being brought forward by Staff to address safety concerns, provide a safe work environment, and to maintain community assets
- Currently the CSO's, Bylaw Officers and custodial staff work to keep the facilities clean and safe, but their time may be better spent patrolling the larger community
- The proposed fence is a robust wrought iron fence due to the ineffectiveness of previous chain link fencing in other locations
- Staff do not anticipate that the modifications would eliminate the issues, but could reduce safety concerns and vandalism

D. LaBerge, Director, Public Safety, provided an overview of the report in the agenda package and noted the following:

- Acknowledged the previous comments from delegations regarding similar issues around the Drop-in Hub
- Summarised events related to the previous homeless encampment behind the Service and Resource Centre (SARC) building, on Wesley Street, and noted that the area is still an active space for unhoused individuals to congregate

- The addition of the Overdose Prevention Site (OPS) beside City Hall has created a thoroughfare of traffic between the OPS and the back of the SARC building
- The culture around the OPS attracts organized crime and drug trafficking to the surrounding area
- CSO's and Bylaw Officers have received 2,596 calls for services related to the City Hall and SARC parking lots since 2018
- Staff have consistently observed issues related to impaired driving, vandalism of Staff vehicles, vandalism of buildings, equipment and landscaping, fire hazards, garbage and human waste, repeated overdose incidents, intimidation and harassment, and reports of weapons and drug trafficking
- Seven individuals have been suspended from City Hall and SARC properties through the "Respectful Spaces Bylaw 2024 No. 7381"

Barry Hornby, Senior Community Safety Officer, spoke and noted the following:

- CSO's are frequently called to escort Staff through the parking lots due to safety concerns as people under the use of substances are highly unpredictable
- CSO's spend a lot of time focused on City Hall, SARC and the Drop-in Hub which does not allow them time to reach other areas of the City
- The OPS is only open until 9:00 p.m. with the result that individuals are turned out at approximately 8:30 p.m. and congregate in the City Hall and SARC parking lot waiting for the OPS facility to reopen
- Horticulture staff have expressed safety concerns working in the gardens surrounding City Hall and the custodians have been threatened while performing their regular duties
- A fence in the SARC parking lot could close off direct access between the OPS and Wesley Street potentially deterring drug dealers from congregating in those areas

D. LaBerge, Director, Public Safety, noted that the proposed fencing would not resolve the issues, which will continue if the OPS remains in proximity, but Staff aim to reduce concealment areas and increase safety.

Mike Bryson, Deputy Director, Civic Facilities, spoke and noted concerns that some custodial staff may be experiencing post traumatic stress disorder as a result of some of their experiences around the buildings.

Committee and Staff discussion took place. Highlights included:

- Staff meet monthly with Island Health who now own the OPS property; however, a nonprofit organization operates the OPS and is primarily focused on activity within the facility and less focused on the surrounding area
- Criminals are targeting and exploiting people using the OPS facility
- Clarification that no fencing is proposed along the garden path in front of City Hall
- The proposed fencing has gaps and would likely result in people continuing to congregate but in different areas
- A preference toward employing security guards or expanding CSO staffing instead of constructing fences

Constable Adam Taylor, Nanaimo RCMP Bike Unit, noted the following:

- The Nanaimo RCMP Bike Unit has adjusted patrols to increase their time spent around City Hall and SARC
- RCMP calls to City Hall have remained consistent between 2024 and 2025
- It is challenging for RCMP to make arrests related to open drug use or drug dealing due to decriminalization which permits adults to be in possession of up to 2.5 grams of illicit substances without being subject to fines, arrest or drug seizures

Committee discussion took place regarding the similarities between concerns raised by delegations for the Drop-in Hub and the safety and vandalism issues noted by Staff, the need to close the OPS site next to City Hall, and concerns that a fence would not be effective in addressing the current issues.

It was moved and seconded that the Finance and Audit Committee provide no recommendation for action. The motion carried unanimously.

D. Lindsay, Chief Administrative Officer, advised the Committee that as the meeting had exceeded the 12:00 p.m. scheduled end time the remaining agenda items would be rescheduled to upcoming Council meetings.

6. QUESTION PERIOD:

The Committee received four (4) questions from the public regarding agenda items.

7. ADJOURNMENT:

It was moved and seconded at 12:45 p.m. that the meeting adjourn. The motion carried unanimously.

CHAIR

CERTIFIED CORRECT:

CORPORATE OFFICER