

DATE OF MEETING JULY 15, 2024

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SUBJECT “NANAIMO BUILDS FOR THE FUTURE” PLAN

OVERVIEW

Purpose of Report:

To provide Council an overview of potential major capital projects to be funded by long-term borrowing and set context for significant capital expenditures over the short and medium term and seek Council direction on the advancements of priority projects.

Recommendation:

That Council:

1. Direct staff to begin preparations for a referendum in Spring 2025 for the South End Community Centre; and
2. Provide direction with respect to additional projects that that it may wish to potentially include in a referendum question, and
3. Direct staff to update costing, further develop project scope and return with a report summarizing these items.

BACKGROUND

The purpose of this report is to provide an overview on several major community development projects that are Council’s strategic priorities and reflected in City Plan and the newly adopted Integrated Action Plan. These include:

- South End Community Centre
- Waterfront Walkway – Departure Bay section
- Beban Park Amenities

Other future capital needs noted in the discussion include upgrades and new facilities at the Public Works Building, RCMP Station a future additional Fire Hall; and other major Civic, Parks, Recreation and Culture facility needs, and Transportation and water supply dams.

This report provides a brief overview of the background and scope of each project’s financial considerations and potential next steps.

It is important to note that the cost estimates and impacts on taxes for a typical home that are contained in this report are based on the assumption that the full cost for each project would be funded through long-term borrowing and that debt repayment would be covered solely through taxation. Any decisions on priorities today would not preclude the City seeking grants or

partnerships to reduce the cost nor the ability for Council to consider other sources in the future such as the allocation of eligible reserves or future contributions from Amenity Cost Charges (recently authorized by the Province).

DISCUSSION

South End Community Centre

Background

A Feasibility Study is complete for the South End Community Centre. A steering committee has been working on concept plans and to identify partnership opportunities in the proposed facility. An environmental scan (interviews with other school districts, community services and community centres already in partnership) assisted with early development of governance and best practices associated with joint use agreements. Based on work to date the facility could be between 4,180m² and 6,040m² (45,000 and 65,000 square feet) in size depending on the uses and partnerships established. The City has made significant progress in the identification of a site for the community centre and hope to share a public announcement in the near future.

Financial Considerations

Although the scope could vary in size depending on final approved uses and partnerships, it is expected that the capital cost of a facility of this nature could be in the range of \$100 -150 million. There would also be operational cost implications, which could vary depending on factors such as the details of partnership agreements. As the project matures, more detailed cost information will be established.

Borrowing \$150 million would add \$232 per year to the typical home valued at \$783,808.

Next Steps

Staff are of the opinion that planning for this long-standing priority project has sufficiently advanced such that the next step is to proceed with obtaining approval of the electorate for the necessary borrowing. It is recommended that Council direct that the approval be sought through referendum although the alternative approval process (AAP) remains an option.

Should Council elect to proceed as recommended draft concept options will be presented to the community in advance of the referendum.

Waterfront Walkway – Departure Bay Section

Background

The Waterfront Walkway project has been identified in several Council Strategic Plans. In 2017, the City completed an overall Implementation Plan for the creation of a continuous walkway from Departure Bay to the Nanaimo River Estuary. The plan was completed with significant positive input from the community and revealed strong public support for the development of the waterfront walkway.

In 2019, Staff developed a detailed plan for the waterfront walkway using a green shores approach between the BC Ferries Terminal in Departure Bay and Departure Bay Beach. This included archeological, geotechnical, environmental, and coastal erosion specialists providing their input to the project. The project has been presented to Snuneymuxw First Nation (SFN), the Department of Fisheries and Oceans, and the Province of BC to gain feedback and help steer the design. The green shores approach accounts for sea level rise, mitigates potential for steep slope erosion, and restores original foreshore habitat.

The project is supported in the City Plan through a Connected, Green, Empowered and Prosperous Nanaimo lens.

Financial Considerations

Preliminary construction costs have been determined to be in the range of \$30 to \$38 million in 2022. The project costs now in 2024 are likely greater than \$40 million, given recent escalation.

Borrowing \$40 million would add \$62 per year to the typical home valued at \$783,808.

Next Steps

Staff are of the opinion that planning for this long-standing priority project has sufficiently advanced such that the next step is to proceed with obtaining approval of the electorate for the necessary borrowing. Should Council wish to include this project in an upcoming referendum (or AAP) Staff will confirm current cost estimates and return to a future Council meeting.

Beban Park Master Plan and Facility Implementation Plan

Background

Beban Park is a major gathering place for recreational, sporting, and social events for the City and Region. Beban Park Master Plan includes a number of recommendations for potential facility updates, improvements, and potential new facilities on site. Under the Beban Park Master Plan, the site also provides opportunity for new facilities in partnership with sport, culture and other recreational and social organizations.

Examples of new recreational or social space that could be built at Beban Park include:

- Multi purpose building to support year-round event and seasonal events like VIEX, farmer's market and other community events;
- Covered field for multi sports;
- Covered racket facility;
- Gymnastics facility.

The main facility was originally constructed in the 1970's, with improvements and additions over the years. The facility also plays a critical role in emergency response, in particular with evacuees. An electrical renewal was completed about five years ago, and a large portion of the roof and parts of the structural systems are planned for renewal in the next few years. Still outstanding are renewal of the heating, ventilation and air conditioning systems which are original and are forecast to require replacement in the foreseeable future. This could be an opportunity to review potential enhancements or upgrades through an emissions reduction lens.

Examples of these renewals and enhancements include:

- Expansion of Beban pool therapy and teach pools
- Upgrade pool infrastructure
- Make gym accessible by being to ground area
- Enclose breezeway to add more usable spaces between the social centre and arena

Financial Considerations

Depending on the scope and climate actions taken, the renewal of the heating, ventilation and air conditioning systems could be in the order of \$5 to \$15 million.

The capital requirements can vary depending on the scope of the project, but they could also include major updates to add more recreational and social space as well as improving accessibility. These initiatives could add in the order of \$20 million or more to the above cost considerations.

As an example, borrowing between \$30 million and \$70 million would add \$46 to \$108 respectively per year to the typical home valued at \$783,808.

Next Steps

Staff are of the opinion that the Beban Park Master plan provides sufficient direction such if Council elected to proceed with one or more components pre-planning could be completed in advance of approval of the electorate for the necessary borrowing. Should Council wish to include this Beban Park upgrades in an upcoming referendum (or AAP) Staff will provide further details and cost estimates and return to a future Council meeting.

Other Future Needs

For full context, it is important to consider other major funding pressures. There are considerable future funding pressures to maintain existing infrastructure, facilities and services as well as adding new facilities based on the City's growth and needs as identified in City Plan. Considering the aging condition of some facilities, the operational needs of the City and the sustainment/enhancement of services, the following items provide further context:

Nanaimo Public Works Yard – Fleet Maintenance and Administration

Background

City operations are currently provided at Public Works, the Parks Operations Yard on Prideaux Street and the Nanaimo Lakes Road Parks satellite yard. These facilities no longer meet the operational needs of both the organization and the community. A conceptual master plan for the Nanaimo Operations Centre formed the basis for Council's direction to proceed with updating the Public Works Yard.

Two Alternative Approval Process (AAP) to seek assent of the electors for the first phase of this project, which were not completed successfully. Council subsequently directed Staff to prepare options for presentation at a later date, which it received at the 2024-JUN-24 Governance and Priorities Committee (GPC) meeting.

At the 2024-JUNE-24 GPC meeting, the Committee recommended Council proceed with a new option for NOC and prepare a borrowing bylaw in support of that option. This option would complete the highest need and highest cost elements of the plan in a single phase of work (the Fleet Maintenance and staff building), leaving the rest of the improvements to the Public Works Yard to be completed through capital project planning. Council will consider this recommendation on 2024-JUL-22.

Financial Considerations

The original phased implementation of NOC was preliminarily anticipated to cost \$163.0 million, with \$48.5 million dedicated to the first phase of work which the two AAPs were undertaken in support of. The new option being pursued is anticipated to cost \$90.0 million for the two primary buildings – the Fleet Maintenance and Public Works Admin Buildings. With this option the remainder of the updates can be undertaken independently, are not expected to require borrowing, and could be completed as needed in the future.

Borrowing \$90 million would add \$139 per year to the typical home valued at \$783,808.

Next Steps

Staff will prepare a borrowing bylaw per Council direction anticipated at the 2024-JUL-22 Council meeting and plan to bring that bylaw to Council at the 2024-JUL-29 Council Meeting. At that Council meeting, Staff will also be seeking Council direction to proceed with an AAP for that borrowing bylaw in September/October 2024.

RCMP Detachment Expansion

Background

The current RCMP facility was constructed in the 1980's. Policing requirements have grown along with the Nanaimo population. The current detachment building has outgrown the operational and space needs of the detachment. Phase 1 of the project is intended to provide interim relief to the overcrowding by renovating parts of the existing detachment and relocating 22 staff to another nearby City-owned building. Phase 2 involves the development of a new or expanded detachment building on the current site.

Financial Considerations

The approved budget for Phase 1 renovations is \$3.3 million with work on the nearby City-owned building complete and renovation of the existing detachment expected to begin later this year. . Work was completed on costing a stand-alone facility and initial costs was projected in the range of \$270 million. Given the magnitude, Council has directed that staff consider other options that would allow the City to meet its contractual obligations to the RCMP.

Since borrowing such a large sum would add \$418 per year to the typical home valued at \$783,808, staff are examining other options available to reduce the cost while still meeting the contractual obligations with the RCMP.

Timing

Phase 1 is currently underway and expected to provide relief for up to five years (2027). Financial considerations of Phase 2 have prompted further review of the project scope, funding opportunities, and project options. Design work has been paused as these considerations are revisited, and the Business Case reviewed.

Next Steps

The RCMP facility upgrade and expansion is a "must-do" project given the functionality and space challenges with the current facility. It is likely that an AAP is appropriate once the project reaches a suitable level of maturity.

Wellcox (Port) Secondary Access

The Wellcox Trestle (the trestle) connects Esplanade to Port Drive and it is 60-80 years old. At the time the City took over responsibility for the trestle in 2013, it was the only available access point into the Nanaimo Port Authority Assembly Wharf Lands (the NPA Lands). In 2019, the City constructed a new public access road from Front Street. That route (Port Drive) crosses over railroad tracks that are blocked from time to time with train barge loading/unloading. The trestle continues to be the only 24/7 access point without the barge/train interruptions. The trestle is rapidly deteriorating, and it is nearing the end of its usable service life. A new secondary access is needed to ensure uninterrupted access to the NPA Lands. The cost of the new secondary access at the end of Farquhar Street is expected to be in the range of \$10 to \$15 million.

Vancouver Island Conference Centre

The Vancouver Island Conference Centre (VICC) was constructed in 2008 and contains many assets with a 20-year service life that are coming up for renewal. At almost 100,000 square feet, any single asset renewal has a significant multiplier. It is projected that a new roof, replacement mechanical systems, and potentially windows will be required within the foreseeable future. The expected cost of those systems is in the range of \$20 to \$50 million.

Future Emergency Services

In a growing City with evolving emergency response requirements, it is anticipated that additional facilities will be required. Fire Services call volumes and growth pressures are projected to require investment in a new facility within 10 years. With growth and rising call volumes, the timing of this new facility may need to be accelerated. The cost of a new fire hall would be expected to be in the range of \$20 to \$30 million.

Stadium District

The planned improvements to the Stadium District are considerable and could include: the addition of stadium seating in all three venues; shared washrooms; change rooms; parking; press boxes; and an artificial turf on the Serauxmen Stadium Baseball Field. Other updates could be included to allow the district to host a variety of events. Capital over time could be in the range of \$5 to \$10 million depending on the level of amenities included.

Parks and Trails

As the City's parks and trails continue to expand, and the infrastructure ages, there will be a continued desire for upgrades as well as new facilities added (i.e.: trails, playgrounds, waterparks, sports fields, washroom buildings, lighting, parking, and skateboard parks etc.). Reimagine Nanaimo and other planning processes, identified these amenities as highly valued and desired by the community. As much as the community values these assets, it was identified in various surveys and focus groups that amenities need upgrades. Improvements to recently acquired parks (Linley Valley, East Wellington, Park Avenue, Westwood Lake etc.) as well as updates to existing park amenities are desired.

Water Supply Dam

The City's water supply dam at Jump Lake has provided excellent service to the community since it was constructed in the 1970's. As a result of significant water conservation efforts by the community, the City has been able to delay upgrades to the dam for decades while continuing to support growth. The latest estimate is that the current dam will be sufficient until 2061; however, exactly when an upgrade is required could change, in particular with a shifting climate or consumption trends. The cost for upgrading the dam is expected to be over \$ 250 million, which should be considered in the context of other borrowing, timing and the City's total debt capacity. The timing of the dam upgrade is beyond the horizon of this report and evaluation; however, the trailing debt servicing could impact the ability to accelerate the dam should it be needed.

There is also a need to seismically upgrade the South Fork Dam and add an additional intake structure. Those two projects are critical to ensure resilience of the City's water supply and are expected to require about \$65 million within 15 years.

Cultural Venues in the Downtown

A desire has been expressed for upgraded or expanded cultural facilities in the downtown including a new or expanded Nanaimo Art Gallery and updates to the Nanaimo Museum. Updated pricing has not been established for the two venues but could be substantial if all desires are achieved over the foreseeable future.

Other Facilities

The City has well over 100 facilities and buildings ranging in size, age and use. These facilities provide the administration, emergency response, recreational and operational services for which the City is responsible. Well over half of these facilities are in the later stages of their service life and will be requiring significant investment to maintain current levels of service. Additionally, when the opportunity is available to integrate climate action initiatives with asset renewals, Staff attempt to maximize these strategic initiatives. While the City strives to maintain these facilities, there will come a time when significant investment is needed, which has been included in the asset management update and 20-year investment plan.]

DISCUSSION

The City has a broad spectrum of major capital needs forecasted over the next few decades. Many of these are to support and sustain the existing services our residents rely upon, while others are focused on emerging needs, shifting services and adapting to a changing environment.

While every effort has been made to bring projects forward and complete appropriate due diligence, it is not possible to have each potential project at the same level of maturity. For example, once a cost estimate has been prepared, it has a shelf life. This means that at a given point in time, there will be numerous potential projects to consider; however, they will not have the same level or quality of information to compare.

A decision will often need to be made on a specific project or initiative, while information on the other projects may not be as accurate or mature. The intent here is to contextualize major future expenditures. An illustrative 10-year timeline is below:

Project	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
NOC/Public Works Yard Improvements	[Blue bar]									
RCMP				[Orange bar]						
South End Community Centre		[Light Blue bar]								
Waterfront Walkway – Departure Bay		[Green bar]								
Future Fire Station							[Red bar]			
Beban Master Plan Implementation			[Blue bar]							
Emerging Projects										
Beban Main Complex Facility Sustainment				[Purple bar]						
Wellcox Secondary Access			[Light Blue bar]							
VICC sustainment					[Light Green bar]					

FINANCIAL IMPLICATIONS

The City will pursue grant and cost share opportunities for projects as applicable however at this point, all projects are assumed to be funded from borrowing. Municipalities in BC can enter into long-term capital borrowing to finance the purchase or construction of capital assets. The province mitigates borrowing risk by capping the annual liability servicing costs for each municipality (debt servicing limit). This means that borrowing decisions now can impact the City’s financial flexibility for years.

With large projects involving borrowing, it can be very difficult to adjust the budget later on, which is why it is important to complete suitable due diligence prior to setting a budget and receiving Council and electoral approval for borrowing.

Each of the projects identified has a differing level of cost estimate maturity, ranging from reasonable certainty for Public Works, to speculative for a future fire station. Costing needs to mature to the point of enough confidence to approach the electorate for borrowing approval.

Current values, which should be considered “indicative” with low confidence, could be in the following range:

Project	Potential Range \$M	Potential Time Frame	Level of Confidence in the Cost
NOC/PWY – Fleet and Admin Building	\$ 90	2025 – 2029	Moderate
RCMP	\$ 250 - 270	2028 – 2030	Moderate
South End Community Centre	\$ 100 – 150	2026 – 2028	Low
Waterfront Walkway – Departure Bay	\$ 40+	2026 – 2028	Low
Future Fire Station	\$ 20 – 30	2031 – 2033	Low
Beban Master Plan Implementation	\$ 30 – 70	2027 - 2032	Speculative
Emerging Projects within 10 years			
Beban Main Complex Sustainment	\$ 30 +	2028 – 2029	Speculative
Wellcox Secondary Access	\$ 10 - 15	2027 - 2029	Low
VICC sustainment	\$ 20 - 50	2029 - 2031	Speculative
Longer Term Projects >10 years			
South Fork Dam Upgrades	\$ 65	2035 - 2037	Low
Jump Dam Upgrades	\$ 250 - 300	2050-2060	Speculative

For illustration of the potential impact if all identified projects were undertaken in the potential time frame shown in the above table Attachments A to D have been created.

Attachment A – provides the projected impact to the typical home, the estimated cost per \$100,000 of assessed value and the projected annual debt servicing for each project. The analysis is based on current 1% of taxes, an interest rate of 4.58%, assumes the full amount is borrowed and that all debt servicing is funded from property taxation.

Attachment B – shows the impact to the projected property tax increases in the approved 2024 – 2028 Financial. The borrowing timeframe extends beyond the current Financial Plan. This means there will be an impact to property taxes in future years to fund the debt servicing costs associated with those borrowings that occur in 2028 and beyond.

Attachment C - shows the projected outstanding external debt.

Attachment D – shows the projected annual debt servicing costs and the City’s projected 2023 debt servicing limit. It is important to note that the City’s annual debt servicing limit will be updated annually based on 25% of specific municipal revenues. As the City’s controllable revenues increase the City’s debt servicing limit will also increase.

Assumptions and the impact shown on the attachments will change as project scopes, costing and timing are refined, interest rate vary with economic conditions and the City’s tax base changes. The attachments are meant to provide an overview of the potential impact of future major capital projects under consideration to assist in prioritizing the timing and execution of projects to ensure the City has flexibility. |

CONCLUSION

|Each of these potential projects has merit and benefit the community; however, some have a more direct community use (e.g. Community Centre), whereas others are necessary for continued

basic services (e.g. Public Works Yard). Next steps and timing for each potential major project will differ. The information within this report is an overview to set the context and inform future decisions on specific projects or borrowing. Council is now being asked for direction and decisions on one or more of these projects moving forward. |

SUMMARY OF NEXT STEPS

The potential timeline above, intended to contextualize major future expenditures, is an illustrative timeline of borrowing, starting in 2025, for the four large capital projects as well as other probable future projects. In the near future, work is proposed as follows:

- With NOC / Public Works project Staff will bring forward a borrowing bylaw for Council's consideration once an option has been approved by Council (anticipated on July 29).
- Should Council support Staffs recommendations preparations will be made for a referendum in Spring 2025 for the South End Community Centre.
- If Council identifies one or more additional projects to include within the referendum question Staff will confirm current cost estimates and return to a future Council meeting (Fall 2024).
- The RCMP facility would be a future decision for Council. Staff are working to develop alternatives and will present those to Council when ready.

OPTIONS

1. That Council:

1. Direct staff to begin preparations for a referendum in Spring 2025 for the South End Community Centre; and
2. Provide direction with respect to additional projects that that it may wish to potentially include in a referendum question; and
3. Direct staff to update costing, further develop project scope and return with a report summarizing these items.

2. That Council provide alternate direction. |

SUMMARY POINTS

- The City has forecasted the need for various major potential projects, some of which are critical to essential services.
- This report provides a brief overview of the background and scope of each project; financial considerations and next steps.
- All projects are currently assumed to be funded from debt. For municipalities in BC, the payback period for borrowing can be as long as 30 years, likely within the timeframe of other future major funding requirements.

- If these projects are funded by long-term borrowing, the City must obtain approval of the electors either by Assent Voting (Referendum) or the Alternative Approval Process (AAP).
- Project timing and borrowing requirements will unfold over the next decade.

ATTACHMENTS

Attachment A – Project Impact to Typical Household

Attachment B – Projected Property Tax Increase

Attachment C – Projected Outstanding External Debt

Attachment D – Projected Annual Debt Servicing Cost

Attachment E – "Nanaimo Plans for the Future" Plan, PowerPoint Presentation (to be distributed by Addendum)

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ATTACHMENT A

Assumptions:

- 20 year amortization at 4.58% @ June 4, 2024
- Degree of certainty on probable project cost varies by project
- Assumes all debt servicing funded from property taxes
- Excludes additional borrowing that may be required for other projects or any potential cost sharing on RCMP Detachment
- Does not include impact on operational budgets - i.e. new South End Community Centre, Fire Station etc

Estimated cost per Household for the Typical Home Valued at \$783,808

Project	Projected Borrowing	Total Increase ^{1,2}	Cost per \$100,000 ^{1,2}
Nanaimo Operations Centre (Public Works Yard)	\$ 90,000,000	\$ 139	\$ 18
RCMP Detachment	\$ 270,000,000	\$ 418	\$ 53
South End Community Centre	\$ 150,000,000	\$ 232	\$ 30
Waterfront Walkway - Departure Bay	\$ 40,000,000	\$ 62	\$ 8
Future Fire Station	\$ 30,000,000	\$ 46	\$ 6
Beban Master Plan Implementation	\$ 70,000,000	\$ 108	\$ 14
Beban Main Complex Sustainment	\$ 30,000,000	\$ 46	\$ 6
Wellcox Secondary Access	\$ 12,617,000	\$ 20	\$ 2
VICC Sustainment	\$ 50,000,000	\$ 77	\$ 10

¹Based on 2024 1% of taxes, average Class 1 change, and for complete borrowing

²Rounded to nearest dollar

Projected Debt Servicing - First Ten Years³

	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Nanaimo Operations Centre (NOC)	55,600	810,800	2,124,200	4,151,400	6,055,200	7,271,900	7,271,900	7,271,900	7,271,900	7,271,900
RCMP Detachment	-	-	-	763,300	8,998,400	18,447,100	21,815,800	21,815,800	21,815,800	21,815,800
South End Community Centre	-	671,300	4,422,700	8,461,600	12,119,900	12,119,900	12,119,900	12,119,900	12,119,900	12,119,900
Waterfront Walkway - Departure Bay	-	134,300	922,800	2,134,500	3,232,000	3,232,000	3,232,000	3,232,000	3,232,000	3,232,000
Future Fire Station	-	-	-	-	-	-	76,500	884,300	1,692,500	2,424,000
Beban Master Plan Implementation	-	-	107,200	1,238,100	2,369,500	3,581,500	4,631,900	5,655,900	5,655,900	5,655,900
Beban Main Complex Sustainment	-	-	-	114,500	1,326,800	2,424,000	2,424,000	2,424,000	2,424,000	2,424,000
Wellcox Secondary Access	-	-	12,400	138,300	288,000	1,019,400	1,019,400	1,019,400	1,019,400	1,019,400
VICC Sustainment	-	-	-	-	1,500	350,500	2,218,700	4,040,000	4,040,000	4,040,000
	55,600	1,616,400	7,589,300	17,001,700	34,391,300	48,446,300	54,810,100	58,463,200	59,271,400	60,002,900

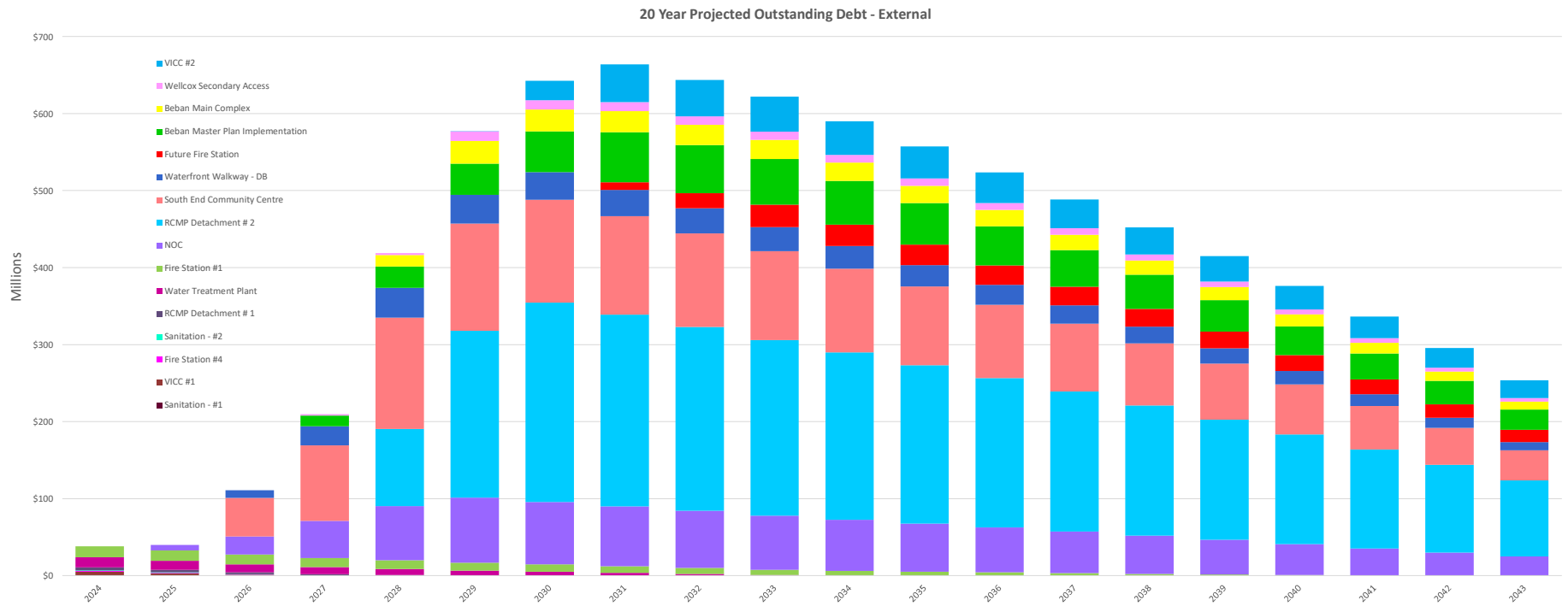
³Rounded to nearest hundred

ATTACHMENT B

Projected Impact Based on Current Approved Financial Plan

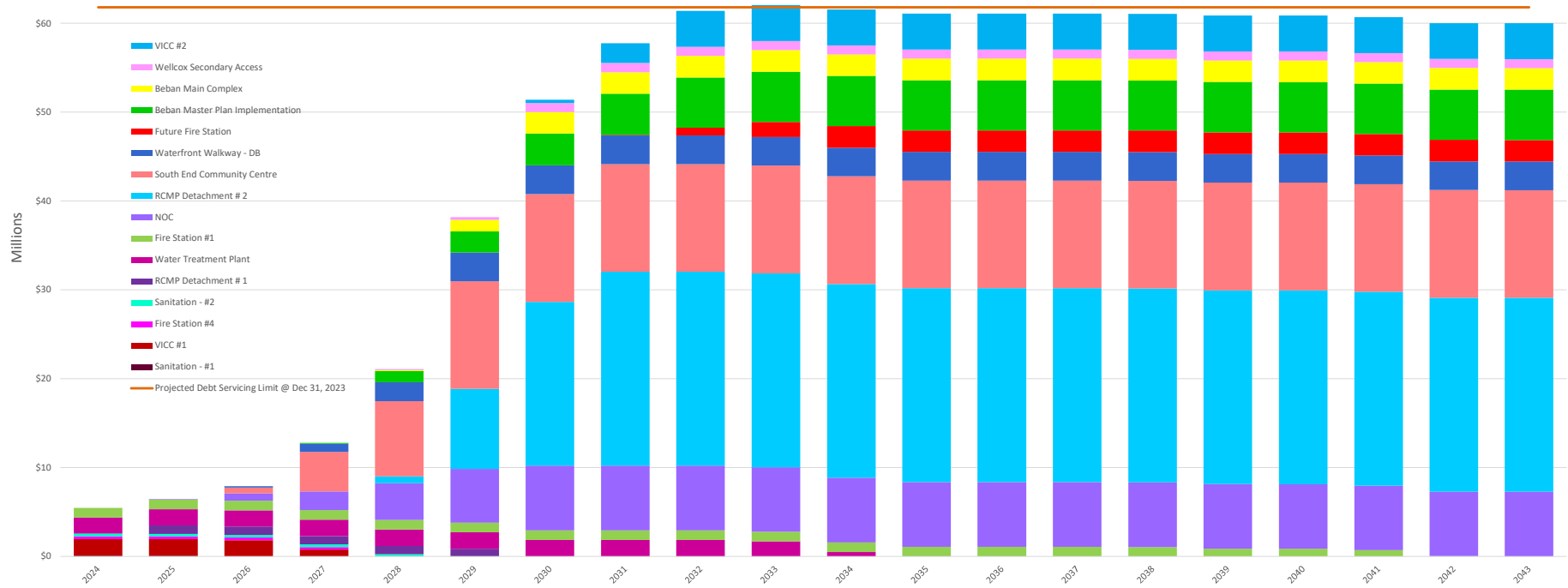
	2024	2025	2026	2027	2028
2024 - 2028 Financial Plan Projected Property Tax Increases	7.7%	7.2%	4.1%	2.5%	2.7%
Revised Projected Property Tax Increases	7.7%	7.2%	5.1%	5.9%	7.7%



ATTACHMENT C



ATTACHMENT D


20 Year Projected Debt Servicing - External





Nanaimo Builds for the Future
July 15, 2024

1



Purpose

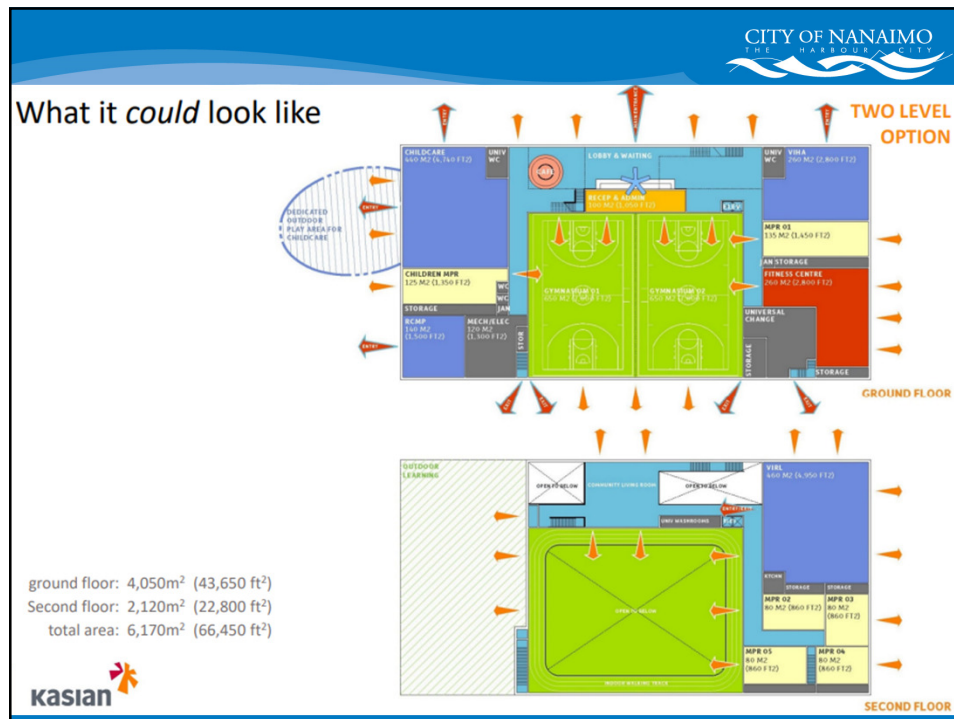
- To provide Council an overview of potential large capital projects that could be funded by long-term borrowing.
- Seek direction on priorities for community enhancements

2

South End Community Centre

- Feasibility Study is complete.
- A steering committee has been working on concept plans and to identify partnership opportunities.
- Capital cost of a facility of this nature could be in the range of \$100 -150 million without a concept to base the cost estimate.
- Operational cost will vary depending details of partnership agreements between stakeholders.
- Draft concept options will be presented to Council and the public later this year. This project could be included as part of a future referendum question.

3



4

Waterfront Walkway

- Identified in three Council Strategic Plans
- In 2019 detailed plan for the walkway using a green shores approach
- Preliminary construction costs have been determined to be in the range of \$30 - \$38 million in 2022 for the Departure Bay section
- The project costs now in 2024 are likely greater than \$40 million.
- Public support is high and can be gauged with a potential referendum
- Staff propose to update the cost estimate to current figures and return to a future meeting to confirm proceeding with Council.

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Waterfront Walkway – Departure Bay

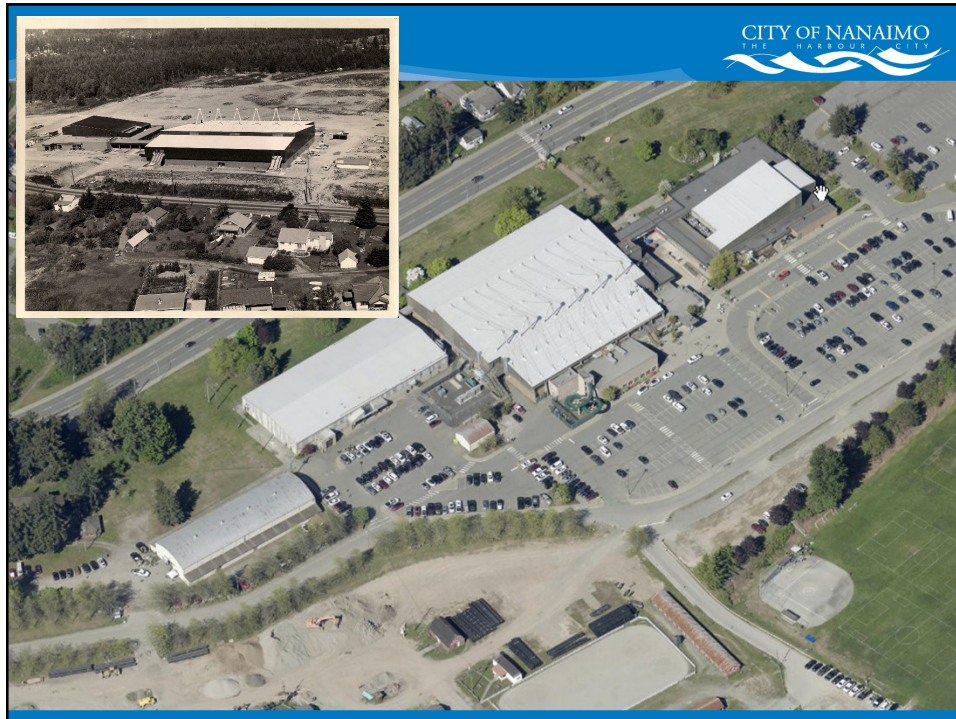


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Beban Park Master Plan, Renewals

- Potential to add multi-purpose building for year-round events; a covered field space for multiple sports or other major recreational or social amenities.
- Asset renewal of existing facilities
- Enhancements to existing facilities – e.g. enclosing ‘breezeway’
- Beban Park is a high-capacity regional facility catering to a wide variety of users
- Improvements could be included in a recreational referendum with the South End Community Centre

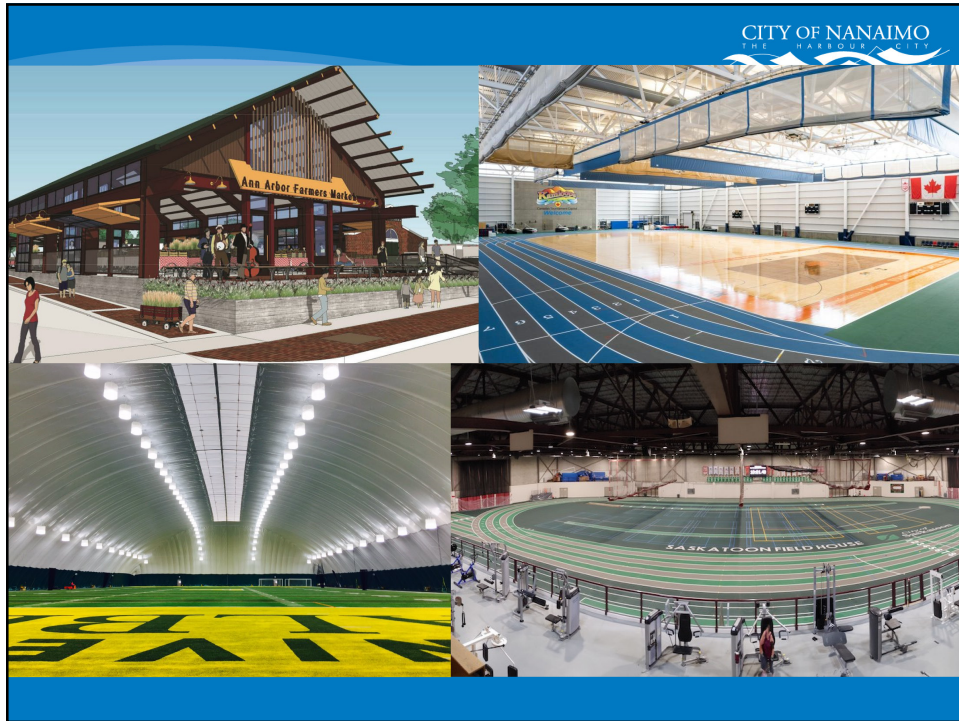
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8



9



10

Nanaimo Operations Centre – Public Works

- Current facilities are unable to service the needs of the community.
- The original phased implementation of NOC was anticipated to be \$163 million.
- An alternate option anticipated to cost \$90 million for the two primary buildings – Fleet maintenance, Public Works Admin - with the remainder of smaller costs not expected to require borrowing.

11

Public Works Admin Building



12

Fleet Maintenance



13

RCMP Detachment Expansion

- Current facility is too small and does not support operations.
- A permanent solution was developed for a new detachment adjacent to the existing facility, estimated to be in the range of \$270 million.
- The high cost triggered Council direction to go back and re-examine other options to fulfill City's contractual obligations.
- Council authorized \$3.3 million to proceed with interim renovations, \$2 million for detailed design of the new facility (Phase 1).
- An Alternative Approval Process (AAP) could be appropriate once design reaches a suitable level of maturity.

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RCMP Detachment Expansion



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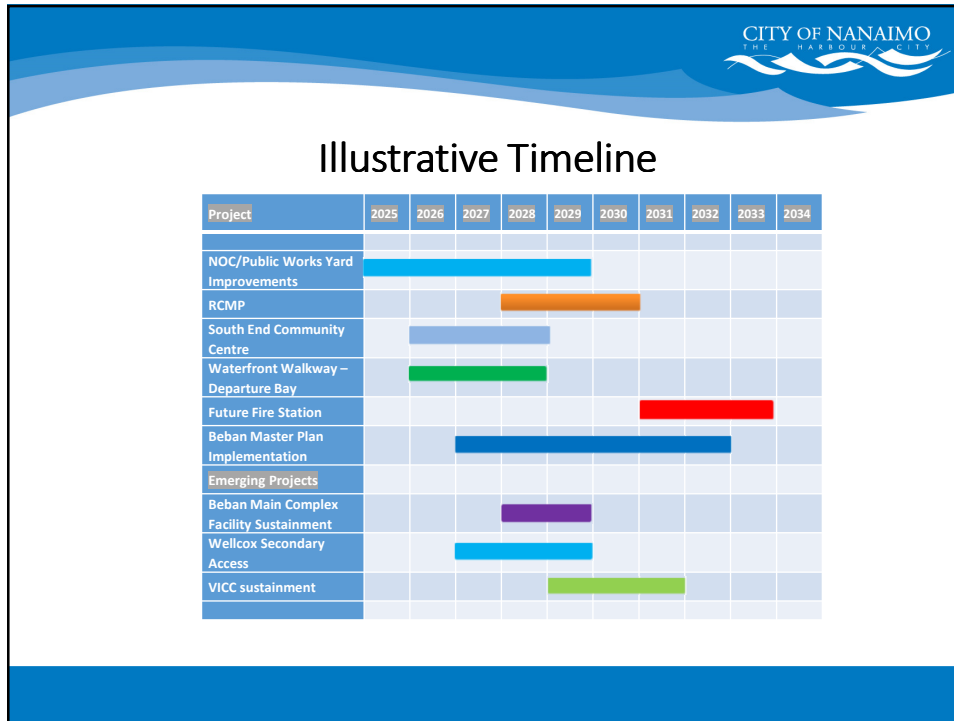
Other Future Needs to Consider

- The City's asset management funding gap is growing, in particular with facilities.

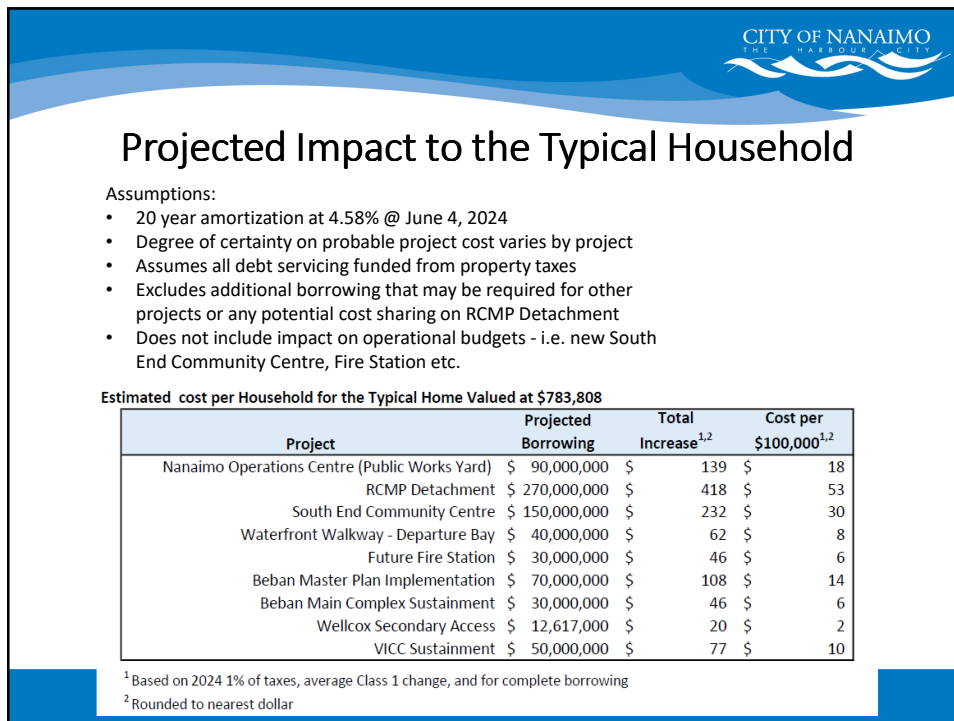
Other Capital-intensive investments to consider:

- Wellcox (Port) Secondary Access – replace failing trestle
- Vancouver Island Conference Centre – major components
- Future Emergency Services – i.e. fire station
- Stadium District Completion
- Water Supply Dam – significant future borrowing impact
- Parks and Trails
- Cultural Venues in the Downtown
- Other Facilities – e.g. Colliery Dams.


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Projected Annual Debit Servicing Per Project


Projected Debt Servicing - First Ten Years¹

	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Nanaimo Operations Centre (NOC)	55,600	810,800	2,124,200	4,151,400	6,055,200	7,271,900	7,271,900	7,271,900	7,271,900	7,271,900
RCMP Detachment	-	-	-	763,300	8,998,400	18,447,100	21,815,800	21,815,800	21,815,800	21,815,800
South End Community Centre	-	671,300	4,422,700	8,461,600	12,119,900	12,119,900	12,119,900	12,119,900	12,119,900	12,119,900
Waterfront Walkway - Departure Bay	-	134,300	922,800	2,134,500	3,232,000	3,232,000	3,232,000	3,232,000	3,232,000	3,232,000
Future Fire Station	-	-	-	-	-	-	76,500	884,300	1,692,500	2,424,000
Beban Master Plan Implementation	-	-	107,200	1,238,100	2,369,500	3,581,500	4,631,900	5,655,900	5,655,900	5,655,900
Beban Main Complex Sustainment	-	-	-	114,500	1,326,800	2,424,000	2,424,000	2,424,000	2,424,000	2,424,000
Wellcox Secondary Access	-	-	12,400	138,300	288,000	1,019,400	1,019,400	1,019,400	1,019,400	1,019,400
VICC Sustainment	-	-	-	-	1,500	350,500	2,218,700	4,040,000	4,040,000	4,040,000
	55,600	1,616,400	7,589,300	17,001,700	34,391,300	48,446,300	54,810,100	58,463,200	59,271,400	60,002,900

¹ Rounded to nearest hundred

*Illustrative; Assumes all projects built and started on timeline shown

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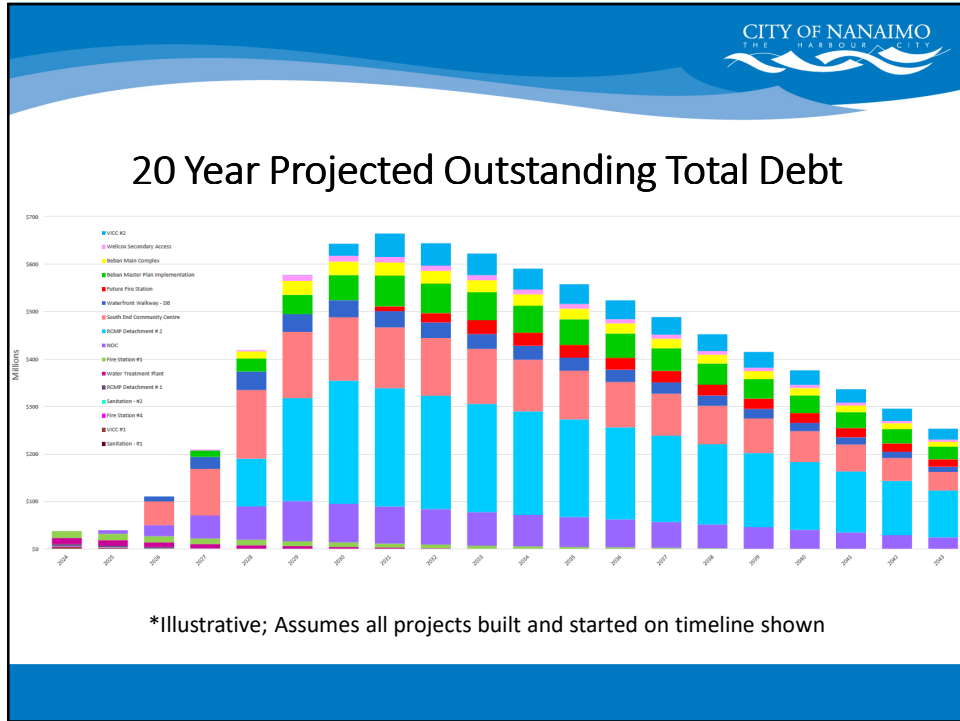


Projected Property Tax Impact

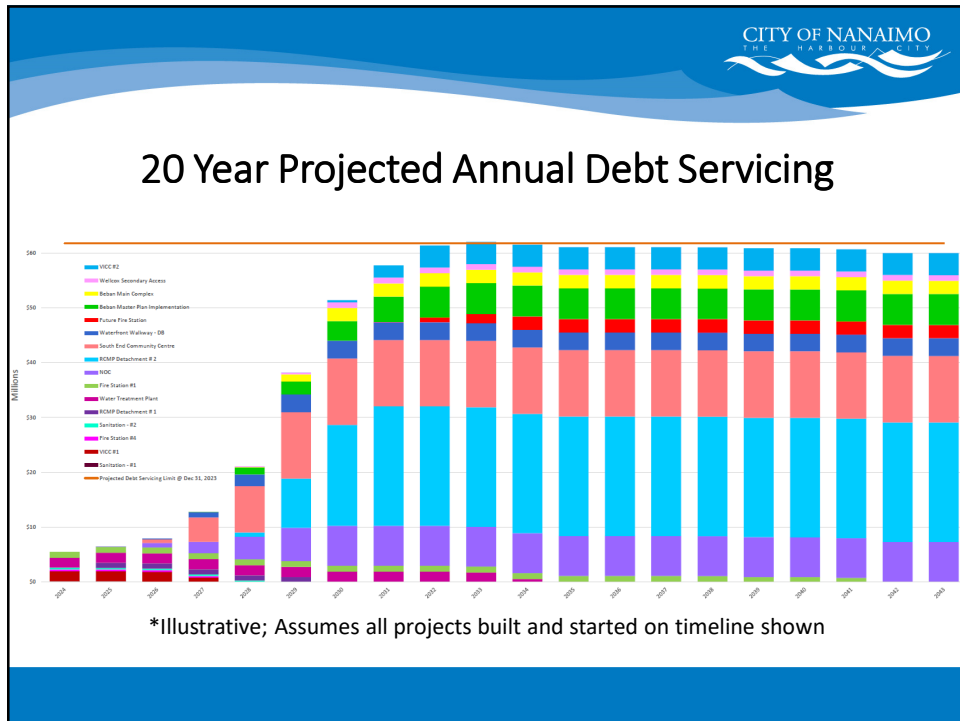
Projected Impact Based on Current Approved Financial Plan

	2024	2025	2026	2027	2028
2024 - 2028 Financial Plan Projected Property Tax Increases	7.7%	7.2%	4.1%	2.5%	2.7%
Revised Projected Property Tax Increases	7.7%	7.2%	5.1%	5.9%	7.7%

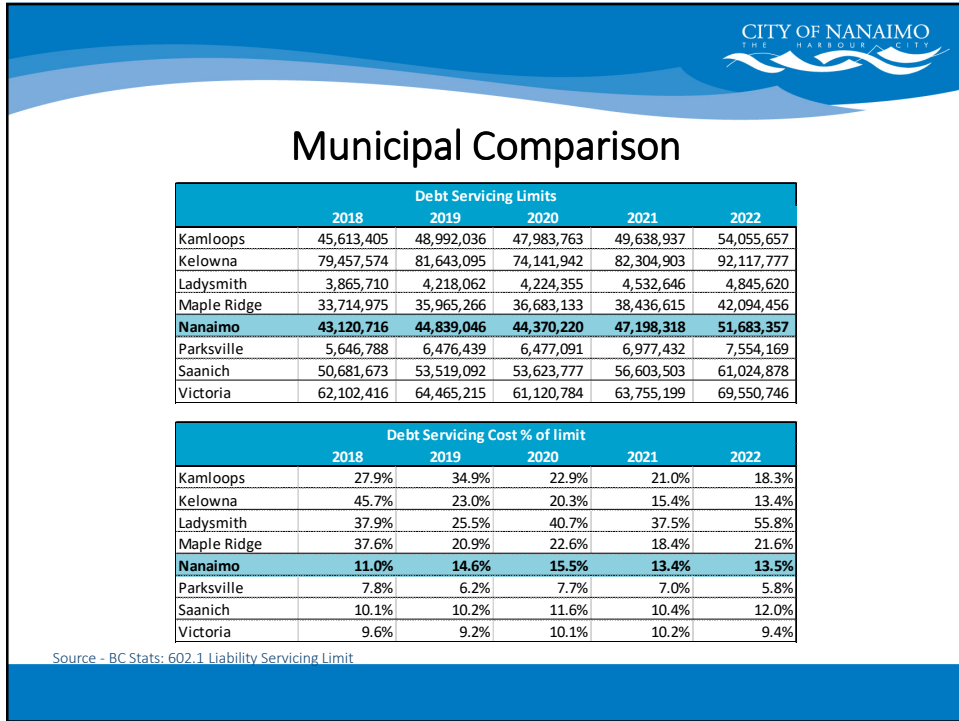
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