

2023

Business Plan

Corporate & Business Development



DEPARTMENT OVERVIEW

Corporate and Business Development is responsible for managing the City's real estate assets, delivering economic development services, and providing oversight of the City's external agencies (Nanaimo Prosperity Corporation, Tourism Nanaimo Society, Nanaimo Systems Planning Organization Society). In addition, the group oversees the contractor for the Vancouver Island Conference Centre. The Department helps deliver strategic projects, such as, the Waterfront Walkway and the RCMP Detachment Expansion project. The Department works across the organization and the wider community to facilitate the growth of the City.

The Core Services are:

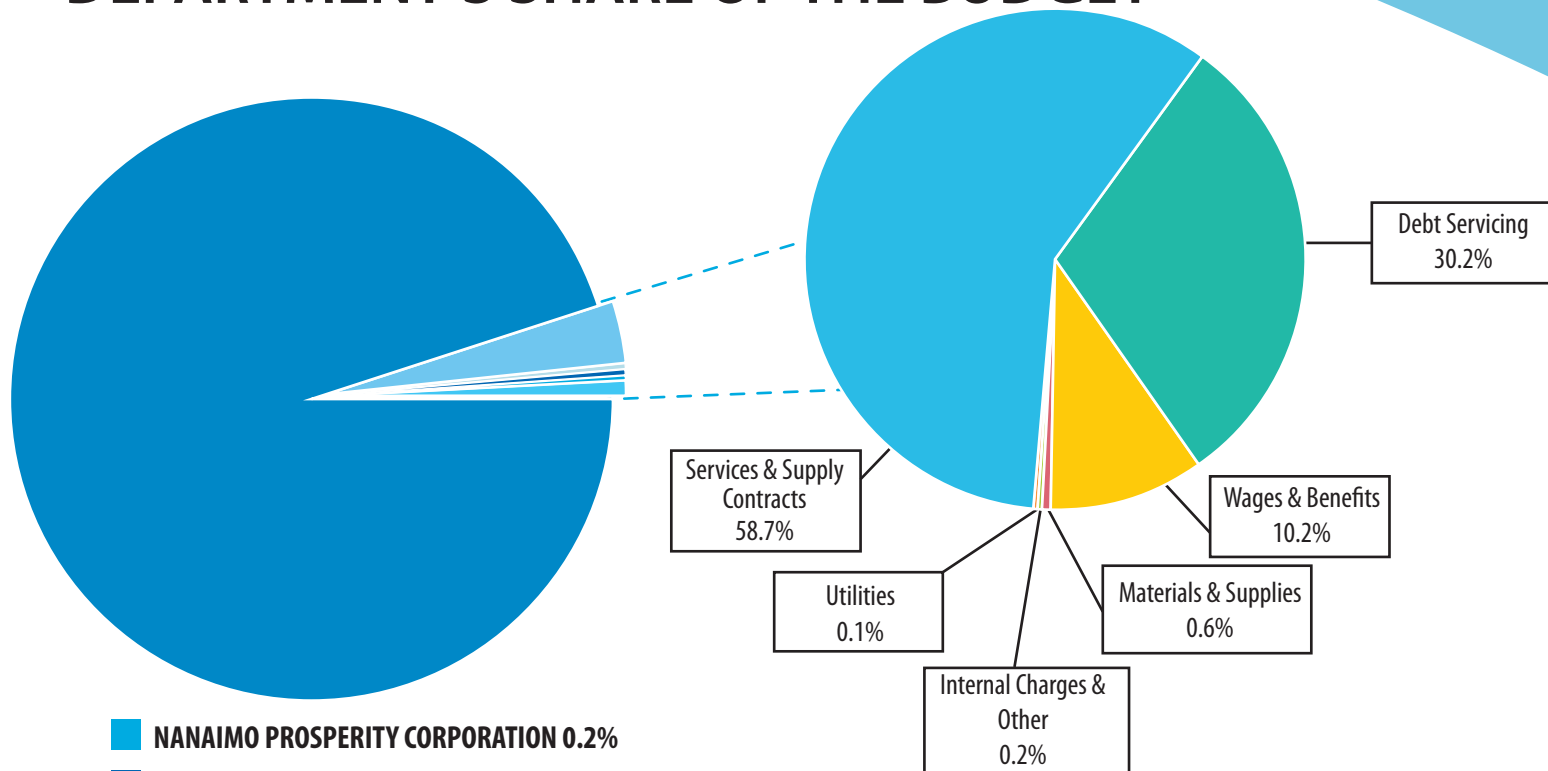
- Real Estate
- Economic Development
- Oversight of External Agencies (Nanaimo Prosperity Corporation, Tourism Nanaimo Society, Nanaimo Systems Planning Organization Society)
- Vancouver Island Conference Centre
- Strategic Projects such as the RCMP Detachment Expansion, Waterfront Walkway and redevelopment of 1 Port Drive

Alignment with the Doughnut Economic Framework

The Nanaimo Doughnut is a way of organizing how we plan for Nanaimo's future in a balanced and integrated way. The Corporate and Business Development Department helps ensure we have a strong social foundation through our work with the Systems Planning Organization and our support in securing properties for affordable housing. We help protect the environment through key parkland acquisitions. We ensure a prosperous future through the work of the Nanaimo Prosperity Corporation, Tourism Nanaimo Society and our focus on key strategic projects for the City.



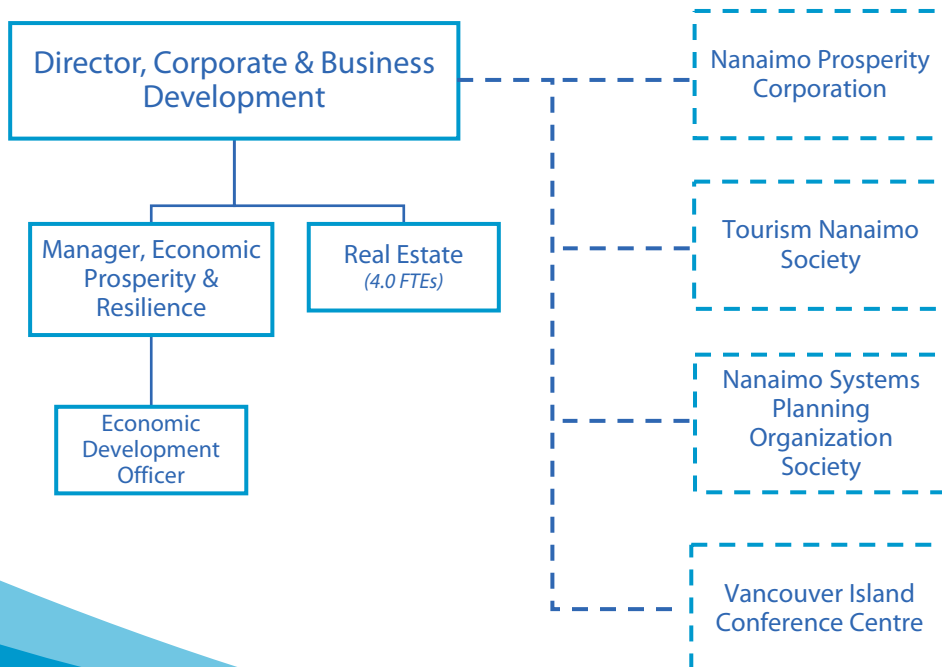
DEPARTMENT'S SHARE OF THE BUDGET



- NANAIMO PROSPERITY CORPORATION 0.2%
- NANAIMO SYSTEMS PLANNING ORGANIZATION 0.3%
- TOURISM NANAIMO SOCIETY 0.4%
- CORPORATE & BUSINESS DEVELOPMENT 0.6%
- VANCOUVER ISLAND CONFERENCE CENTRE* 3.2%
- REMAINING CITY BUDGET 95.3%

Operating Expenditure Budget:
\$8,639,789

**includes debt repayment*



LEVEL OF SERVICE

Real Estate

- Administer the City's land assets, including offering strategic advice on asset management and coordinating the sale and disposition of surplus City lands.
- Acquire land for City projects, including land for new roads, parks, housing, recreation facilities, City buildings and brownfield site redevelopment.
- Provide property management services through preparation of lease, licence and encroachment documents.
- Liaise with property owners pre and post-construction for City projects.
- Administer City covenants and statutory right of way agreements on private property and secure rights-of-way for City utilities.
- Project manage the Waterfront Walkway Implementation Plan.
- Assist with the delivery of key downtown initiatives.

- Help steer projects such as the expansion projects for the Nanaimo RCMP Detachment.

Economic Development

- Support new business start-ups, promoting business retention and expansion, attracting new business and investment in the City, and promoting Nanaimo as a premier destination for businesses and residents.

Vancouver Island Conference Centre

- Oversee the contract for the third-party operator who manages this City-owned asset to help drive business and meetings tourism to Nanaimo and increase overnight stays and spend in the community.

Corporations/Societies:

- Nanaimo Prosperity Corporation
- Tourism Nanaimo Society
- Nanaimo Systems Planning Organization Society



2022 ACHIEVEMENTS

Land Acquisitions

In 2022, the City acquired 11.88 acres of land to support a range of City projects including parkland expansion, downtown revitalization and enhanced road/trail connectivity.

Land Dispositions

In 2022, the City completed a land exchange and disposed of 2.89 acres of land located at 2230 Boxwood Road. The City-owned property was originally acquired to ease traffic congestion and improve safety at the intersection of Bowen Road and Northfield Road (Mid-Town Gateway Project). It is anticipated that this area will be developed into a mixed-use development including a grocery store, retail and office space, and multi-family residential development with surface and underground parking.

Lease Dispositions

The City continued to manage its land holdings in alignment with the Property Management Strategy. In 2022, the commercial leases in the Nanaimo Aquatic Centre were renewed for a further 10 years following a request for proposal process. The City also provided a 30-year lease to Loaves and Fishes for a new food distribution warehouse at 1861 East Wellington Road. The lease for the Beban Park Golf Course was extended and assigned to a new operator in 2022 and the Nanaimo Yacht Club lease was renewed for another five years.

BC Housing Site Options

Staff were tasked with identifying two sites that could support supportive housing outside of Nanaimo's downtown and south end neighbourhoods. Options were presented to Council and an amendment to the existing Memorandum of Understanding with the City and BC Housing will be completed to include additional sites.

Tax Exemption Programs

Staff worked with investors to manage the Downtown Revitalization Tax Exemption Program and the Hotel Revitalization Tax Exemption Program. In 2022, two properties were accepted into the Downtown

Revitalization Tax Exemption Program (227 Prideaux Street and 340 Campbell Street).

Payment in Lieu of Taxes

Following a thorough review of the Payment in Lieu of Taxes agreement with the Nanaimo Port Authority (NPA) and BC Assessment, a new five-year agreement was reached with the NPA to provide a fixed-fee of \$300,000 per annum to the City. As part of the agreement, the NPA will renew existing City park leases in Maffeo Sutton Park for a nominal value and commit to working with the City and private lessees to complete the waterfront walkway along the Newcastle Channel.

RCMP Detachment – Space Needs Solution

Staff developed a five-year strategy for the local RCMP Detachment to address the immediate space needs of members and municipal employees providing public safety services to the City. Under the strategy, the former Fire Administration Building at 580 Fitzwilliam Street will be renovated to accommodate the RCMP to relieve overcrowding in the main detachment. In addition, a long-term plan for future expansion of the RCMP to meet space needs out to 2046 was developed. The long-term plan will require borrowing by the municipality to finance the project and the electors will be asked to provide asset to the project in the coming years.

Commercial Street Revitalization

A new Master Plan was created for the Commercial Street Corridor to revitalize the downtown core. The plan was prepared with the assistance of a consultant team and extensive consultation with land owners and businesses in the area and with the wider community. The plan calls for a phased redevelopment of the street with a focus on accessibility, flexible space and enhanced green elements.

Nanaimo Prosperity Corporation

The inaugural startup of the City's new Economic Development Corporation was completed in 2022 with the recruitment of board members, the engagement of an executive director and development of a new strategic plan aligned with the City Plan and the Economic Development Strategy.

2022 ACHIEVEMENTS

Tourism Nanaimo Society

The newly formed Tourism Nanaimo Society emerged from the City's Tourism Working Group and hit the ground running in 2022 with the formation of the board and confirmation of an executive director to steer the organization. Focus on year one centered on destination marketing, development of a business and meetings strategy, a sports tourism strategy, and collaborative initiatives with the Nanaimo Hospitality Association.

Nanaimo Systems Planning Organization Society

The Nanaimo Systems Planning Organization Society (SPO) was also established in 2022 with the formation of the Board and recruitment of the Executive Director. The SPO is tasked with implementing the 2021 Health and Housing Action Plan and working collaboratively with those in the health and housing sectors to deliver a coordinated response to address homelessness in Nanaimo.

Vancouver Island Conference Centre

The contract with the existing third party operator expired at the end of 2022 and Council endorsed a Request for Proposal process to identify a proponent to operate the City-owned facility for a five-year period (2023-2027). The new operator will be in place as of January 1, 2023 and will operate the facility in alignment with Tourism Nanaimo and the Nanaimo Hospitality Association.



2023 OPPORTUNITIES

Real Estate

Increasing land values coupled with a land acquisition budget (historically \$600,000) that will increase 2% a year starting in 2023 after being static for many years, requires the City to actively manage and leverage existing land assets to generate revenue for future projects. In early 2023 a new property management strategy will be developed which will align with the Action Plans from City Plan. The new property management strategy will provide guidance on priority land acquisitions and management of our existing assets.

Waterfront Walkway

The Waterfront Walkway has remained a key project for the community and is identified in Council's Strategic Plan and has been embedded in the City Plan and Economic Development Strategy. There is an opportunity to leverage this capital project through a referendum in the fall of 2023. Staff will examine the opportunities to pair this with new and existing grant funding programs.

Port Drive

Further redevelopment of Port Drive is anticipated in 2023 as the City works with Snuneymuxw First Nation to develop this high-profile downtown waterfront parcel.

Downtown Nanaimo Revitalization

The City has made major commitments to the downtown core. In 2023 the first phases of the Commercial Street Master Plan will be implemented. Land acquired in the 500 Block of Terminal Ave will commence construction for a new downtown transit hub and the redevelopment of 6 Commercial Street into a mixed use development at this important downtown gateway. Staff will continue to support downtown patios and the summer Thursday Night Market. The conference centre hotel at 100 Gordon Street will open in the spring of 2023 which will have an immediate impact on the downtown core as more visitors come to Nanaimo for leisure and business travel.

Nanaimo Vancouver Passenger Ferry

The much anticipated Nanaimo-Vancouver Passenger Ferry is expected to commence service in the spring of

2023 which will create new Tourism opportunities and enhance connectivity from Nanaimo to Vancouver.

Economic Development Delivery

2023 will be the first full year of operations of the new Nanaimo Prosperity Corporation which begin to deliver on the 2021 Economic Development Strategy and work with the City's partners to deliver a Prosperous Nanaimo.

Tourism Nanaimo Society

In 2023, the Tourism Nanaimo Society is anticipated to begin implementation of the Sports Tourism Strategy and will be working collaboratively with the Nanaimo Hospitality Association and the Vancouver Island Conference Centre to drive business and meetings events. Branding work will commence in 2023 along with further destination development and marketing work positioning Nanaimo as the holiday base for visitors to Vancouver Island.

Nanaimo Systems Planning Organization Society

The Nanaimo Systems Planning Organization Society (SPO) will begin working collaboratively with the City's nonprofit housing providers, BC Housing and Island Health to identify an approach to address homelessness in an impactful manner.

Vancouver Island Conference Centre

Staff will work with the third party operator to help drive meetings and business tourism to Nanaimo and create more economic opportunities for local hoteliers, tourism operators and downtown business operators.

Sponsorship




















In 2021 and 2022 the City explored increased revenue generation opportunities through sponsorship of City assets. In 2023, a policy and implementation strategy will be brought forward for Council's consideration.

BC Housing – Land Acquisitions

The Department will continue to work with BC Housing to identify locations for affordable housing in locations throughout the City. This partnership includes the City acquiring or providing land to BC Housing on long term leases in exchange for construction and operation of housing.

2023 KEY INITIATIVES

City Plan

Initiative	Connected Goal
Land Acquisitions to Support BC Housing MOU.	 
1 Port Drive Redevelopment - agreement with Snuneymuxw First Nation and expression of interest.	   
Commercial Street Revitalization - phase 1 public realm improvements and design work for subsequent phases.	    
Nanaimo RCMP Detachment Expansion Project - develop functional design in consultation with RCMP	  
Waterfront Walkway - prepare for borrowing referendum in fall 2023.	    

City Plan: Nanaimo Relimagined Five City Goals



A GREEN NANAIMO:
Resilient & Regenerative Ecosystems



A HEALTHY NANAIMO:
Community Wellbeing & Livability



A CONNECTED NANAIMO:
Equitable Access & Mobility



AN EMPOWERED NANAIMO:
Reconciliation, Representation & Inclusion



A PROSPEROUS NANAIMO:
Thriving & Resilient Economy

2023 KEY INITIATIVES

City Plan

Initiative	Connected Goal
Vancouver Island Conference Centre - alignment with new operator and local hoteliers.	
Sponsorship of City Assets - creation of policy and program to monitorize City assets through sponsorship arrangements.	
Systems Planning Organization - organization start up and Health and Housing Action Plan Implementation.	
Nanaimo Prosperity Corporation - implementation of Economic Development Strategy, City Plan and Mayors Leaders Table Recommendations.	
Tourism Nanaimo Society - implementation of key programs.	

City Plan: Nanaimo Relimagined Five City Goals



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A PROSPEROUS NANAIMO:
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PROPOSED OPERATING BUDGET

	2022	2023	2024	2025	2026	2027
	Approved Budget	Draft Budget	Draft Budget	Draft Budget	Draft Budget	Draft Budget
Revenues						
Corporate & Business Development Administration	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Economic Development	-	-	-	-	-	-
Real Estate	352,200	408,300	464,840	465,133	465,429	465,727
Systems Planning Organization	-	-	-	-	-	-
Tourism	-	-	-	-	-	-
Vancouver Island Conference Centre	2,764,491	2,889,112	3,166,433	3,467,151	3,691,493	3,327,545
Annual Operating Revenues	\$ 3,116,691	\$ 3,297,412	\$ 3,631,273	\$ 3,932,284	\$ 4,156,922	\$ 3,793,272
Expenditures						
Corporate & Business Development Administration	\$ 254,614	\$ 264,428	\$ 269,716	\$ 275,110	\$ 280,613	\$ 286,225
Economic Development	966,823	742,492	757,340	772,487	787,936	803,693
Real Estate	576,940	566,030	576,871	587,930	599,209	610,716
Systems Planning Organization	480,000	480,000	480,000	480,000	480,000	-
Tourism	709,448	730,731	752,653	775,233	798,490	822,445
Vancouver Island Conference Centre	5,423,819	5,856,108	6,131,171	6,425,144	6,599,920	5,213,921
Annual Operating Expenditures	\$ 8,411,644	\$ 8,639,789	\$ 8,967,751	\$ 9,315,904	\$ 9,546,168	\$ 7,737,000
Net Annual Operating Expenditures	\$ 5,294,953	\$ 5,342,377	\$ 5,336,478	\$ 5,383,620	\$ 5,389,246	\$ 3,943,728
Staffing (FTEs) - Budgeted	7.0	7.0	7.0	7.0	7.0	7.0



PROPOSED OPERATING BUDGET

	2022	2023	2024	2025	2026	2027
	Approved Budget	Draft Budget	Draft Budget	Draft Budget	Draft Budget	Draft Budget
Expenditure Summary						
Wages & Benefits	\$ 873,118	\$ 886,310	\$ 903,971	\$ 921,987	\$ 940,363	\$ 959,107
Services & Supply Contracts	5,121,618	5,072,583	5,316,029	5,576,937	5,763,043	5,477,378
Materials & Supplies	48,332	49,850	50,847	51,863	52,902	53,956
Utilities	4,100	5,900	5,900	5,900	5,900	5,900
Internal Charges & Other	18,003	18,178	18,533	18,899	19,268	19,648
Debt Servicing	2,346,473	2,606,968	2,672,471	2,740,318	2,764,692	1,221,011
Grants & Subsidies	-	-	-	-	-	-
Annual Operating Expenditures	\$ 8,411,644	\$ 8,639,789	\$ 8,967,751	\$ 9,315,904	\$ 9,546,168	\$ 7,737,000