



**AGENDA
REGULAR COUNCIL MEETING**

Monday, February 23, 2026

4:30 p.m. To Proceed In Camera, Reconvene Regular Council Meeting 7:00 p.m.

Shaw Auditorium, Vancouver Island Conference Centre

80 Commercial Street, Nanaimo, BC

SCHEDULED RECESS AT 9:00 P.M.

1. **CALL THE MEETING TO ORDER:**

2. **PROCEDURAL MOTION:**

That the meeting be closed to the public in order to deal with agenda items under the *Community Charter*:

Section 90(1) A part of a meeting may be closed to the public if the subject matter being considered relates to or is one or more of the following:

- (a) personal information about an identifiable individual who holds or is being considered for a position as an officer, employee or agent of the municipality or another position appointed by the municipality;
- (c) labour relations or other employee relations;
- (n) the consideration of whether a council meeting should be closed under a provision of this subsection or subsection (2); and,

Section 90(2) A part of a council meeting must be closed to the public if the subject matter being considered relates to one or more of the following:

- (b) the consideration of information received and held in confidence relating to negotiations
 - (i) between the municipality and a provincial government or the federal government, or both, or between a provincial government or the federal government, or both, and a third party,
 - (ii) between the municipality and another local government or between another local government and a third party, or
 - (iii) between the municipality and a first nation or a prescribed Indigenous entity, or between a first nation or a prescribed Indigenous entity and a third party.

3. **INTRODUCTION OF LATE ITEMS:**

4. **APPROVAL OF THE AGENDA:**

5. **ADOPTION OF THE MINUTES:**

6. **MAYOR'S REPORT:**

7. **RISE AND REPORT:**

8. **PRESENTATIONS:**

a. **Nanaimo Performing Arts Guild Update**

To be introduced by Lisa Bhopalsingh, General Manager, Community Services/Deputy Chief Administrative Officer.

Presentation:

1. Wendy Wearne, Chair, and Eliza Gardiner, At Large Member, Nanaimo Performing Arts Guild

9. **COMMITTEE MINUTES:**

a. **Minutes**

Minutes of the Mayor's Leaders' Table Meeting held in the Boardroom, Service and Resource Centre, 411 Dunsmuir Street, Nanaimo, BC, on Friday, 2025-JUL-04 at 8:30 a.m.

b. **Minutes**

Minutes of the Special Mayor's Leaders' Table Meeting held in the Boardroom, Service and Resource Centre, 411 Dunsmuir Street, Nanaimo, BC, on Friday, 2025-OCT-24 at 8:30 a.m.

c. **Minutes**

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-NOV-19 at 9:00 a.m.

d. **Minutes**

Minutes of the Special Finance and Audit Committee Meeting held in the Shaw Auditorium, Vancouver Island Conference Centre, 80

Commercial Street, Nanaimo, BC, on Friday, 2025-NOV-28 at 9:00 a.m.

e. [Minutes](#)

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-DEC-17 at 9:00 a.m.

10. **CONSENT ITEMS:**

a. [Public Safety Committee Meeting 2026-FEB-11](#)

[Note: A link to the 2026-FEB-11 Public Safety Committee Meeting agenda is attached for information.]

1. [RCMP Nanaimo Detachment Priorities 2026 - 2027](#)

That Council endorse the RCMP Nanaimo Detachment Annual Performance Plan priorities for 2026 – 2027 as outlined in the 2026-FEB-11 presentation to the Public Safety Committee with an emphasis on the toxic drug crisis, mental health teams, concerns regarding the custody release procedures pertaining to prolific offenders, and restorative justice.

2. [2026 Active Transportation Unallocated - Phase 1 Initiatives](#)

That Council allocate \$350,000 from the 2026 Active Transportation Unallocated budget towards the roundabout at Hammond Bay Road and Brickyard Road.

[Note: The above-noted recommendation was referred to the Public Safety Committee from the 2026-FEB-02 Regular Council Meeting. The Public Safety Committee did not make a recommendation on this matter and the original recommendation is provided for Council's Consideration.]

b. [Finance and Audit Committee Meeting 2026-FEB-18](#)

[Note: A link to the 2026-FEB-18 Finance and Audit Committee Meeting agenda is attached for information.]

1. [Development Cost Charge \(DCC\) and Amenity Cost Charge \(ACC\) Phasing Opportunities](#)

That Council proceed with a phased implementation of Development and Amenity Cost Charges and direct Staff to:

1. Prepare a Development Cost Charge bylaw to establish new rates for sanitary sewer, drainage, water distribution, water supply, parks and roads with an implementation date of January 2028;
2. Prepare separate Police Facilities and Fire Protection Facility Development Cost Charge bylaws with an implementation date of January 2028; and,
3. Prepare an Amenity Cost Charge bylaw with an implementation date of January 2029.

11. **DELEGATIONS:**

a. [Caroline Manuel re: Rethinking Drinking Community Initiative](#)

b. [Nizar Laarif, Aboriginal Housing Management Association \(AHMA\) re: Request for Municipal Support For AHMA's UBCM Resolution: Indigenous-Led, Cross-Sectoral Housing Alliance](#)

c. [Benjamin Bollich re: The Responsibility of Council and its Policies Regarding Community Standards](#)

d. [Guy Dauncey re: Green Industrial Lands](#)

12. **ADMINISTRATIVE REPORTS:**

a. [Renewal of the Nanaimo Bylaw Notice Dispute Adjudication Registration Agreement and Assignment of Fines for Violations Against the Cemetery Regulation Bylaw](#)

To be introduced by Sheila Gurrie, Director, Legislative Services.

Purpose: To present an amendment to "Bylaw Notice Enforcement Bylaw 2012 No. 7159" that would renew the Nanaimo Bylaw Notice Dispute Adjudication Registration Agreement for a five-year term and to and assign fines for violations against "Cemetery Regulation Bylaw 2009 No. 7084".

Recommendation:

1. That "Bylaw Notice Enforcement Amendment Bylaw 2026, No. 7159.26" (a bylaw to renew the Nanaimo Bylaw Notice Dispute Registration Agreement for a five-year term to end 2030-DEC-31 and to assign fines for violations against "Cemetery Regulation Bylaw 2009 No. 7084") be given first reading.
2. That "Bylaw Notice Enforcement Amendment Bylaw 2026, No. 7159.26" be given second reading.
3. That "Bylaw Notice Enforcement Amendment Bylaw 2026, No. 7159.26" be given third reading.

b. [Municipal Boundary Extension](#)

To be introduced by Sheila Gurrie, Director, Legislative Services.

Purpose: To seek Council approval to proceed with an Alternative Approval Process (AAP) to initiate a municipal boundary extension that would see Snuneymuxw First Nation reserve lands (IRs 1, 2, 3 and 4) included within the City of Nanaimo.

Recommendation: That Council:

1. Direct the Corporate Officer, or their designate, to undertake an Alternative Approval Process (AAP) for a municipal boundary extension.
2. Determine the total number of electors of the area to which the approval process applies (the whole of the City of Nanaimo) to be 79,569.
3. Establish a deadline of 4:30 p.m. on Monday, April 13, 2026 for receiving elector response forms.
4. Approve the elector response form as outlined in Attachment A of the Staff Report titled "Municipal Boundary Extension", dated 2026-FEB-23.
5. Endorse the AAP Communication and Engagement Strategy as outlined in Attachment C of the Staff Report titled "Municipal Boundary Extension", dated 2026-FEB-23.

c. [Public Works Yard Updates - Project Borrowing Bylaw](#) 

To be introduced by Bill Sims, General Manager, Engineering and Public Works.

Purpose: To seek direction from Council to proceed with the Public Works Yard Updates project to completion.

Presentation:

1. Bill Sims, General Manager, Engineering and Public Works.

Recommendation:

1. That Council direct Staff to increase the budget for the Public Works Yard Updates project by \$77,675,000 in the 2026 – 2030 Financial Plan funded by:
 - a. \$726,350 from the General Asset Management Reserve Fund;
 - b. \$89,550 from the Sewer Operating Reserve;
 - c. \$179,100 from the Water Operating Reserve; and,
 - d. \$76,680,000 in long-term borrowing.
2. That "Public Works Yard Updates Borrowing Bylaw No. 7450" (to authorize the borrowing of up to \$76,680,000 for the construction of the Public Works Yard Updates) pass first reading.
3. That "Public Works Yard Updates Borrowing Bylaw No. 7450" pass second reading.
4. That "Public Works Yard Updates Borrowing Bylaw No. 7450" pass third reading.
5. That Council direct Staff to negotiate and execute the agreements necessary to complete the Public Works Yard Updates project within the approved budget.

d. [2026 Home Energy Retrofit Parcel Tax Bylaw 2026, No. 7447](#) 

To be introduced by Laura Mercer, General Manager, Corporate Services.

Purpose: To introduce the "2026 Home Energy Retrofit Parcel Tax Bylaw 2026, No. 7447" for first, second, and third reading.

Recommendation:

1. That:
 - a. "2026 Home Energy Retrofit Parcel Tax Bylaw 2026, No. 7447" (a bylaw to impose parcel tax on benefiting parcels for the financing of the Home Energy Retrofit program) pass first reading;
 - b. "2026 Home Energy Retrofit Parcel Tax Bylaw 2026, No. 7447" pass second reading; and
 - c. "2026 Home Energy Retrofit Parcel Tax Bylaw 2026, No. 7447" pass third reading.
2. That Council establish 2026-APR-22 as the date for the Parcel Tax Review Panel meeting.

13. DEVELOPMENT REPORTS:

a. [Housing Agreement No. HA17 - 1850 Boxwood Road](#) 

Purpose: To present Council with a Housing Agreement Bylaw to secure the terms and conditions of occupancy for a complex care housing development at 1850 Boxwood Road.

Recommendation: That:

1. "Housing Agreement Bylaw 2026 No. 7430" (to secure the terms and conditions of occupancy for a complex care housing development at 1850 Boxwood Road) pass first reading;
2. "Housing Agreement Bylaw 2026 No. 7430" pass second reading;
3. "Housing Agreement Bylaw 2026 No. 7430" pass third reading; and
4. Council direct Staff to secure a *Land Title Act* Section 219 covenant to reinforce the terms of the Housing Agreement, following adoption of the bylaw.

b. [Rezoning Application No. RA511 - 2263 Jingle Pot Road](#) 

Purpose: To present Council with an application to amend the existing Three and Four Unit Residential (R5) zone at 2263 Jingle Pot Road to allow a site-specific "Seniors' Congregate Housing" and accessory dwelling unit use with a site-specific density to facilitate the expansion of an existing seniors care facility.

Recommendation:

1. "Zoning Amendment Bylaw 2026 No. 4500.248" (to rezone 2263 Jingle Pot Road to allow a site-specific "Seniors' Congregate Housing" and accessory dwelling unit use with a site-specific density in the Three and Four Unit Residential [R5] zone) pass first reading;
2. "Zoning Amendment Bylaw 2026 No. 4500.248" pass second reading;
3. "Zoning Amendment Bylaw 2026 No. 4500.248" pass third reading; and,
4. Council direct Staff to secure the conditions related to "Zoning Amendment Bylaw 2026 No. 4500.248" as outlined in the "Conditions of Rezoning" section of the Staff Report dated 2026-FEB-23 prior to final adoption.

14. **BYLAWS:**

- a. ["Zoning Amendment Bylaw 2025 No. 4500.240"](#) 
That "Zoning Amendment Bylaw 2025 No. 4500.240" be adopted.
- b. ["Financial Plan Amendment Bylaw 2026 No. 7389.02"](#) 
That "Financial Plan Amendment Bylaw 2026 No. 7389.02" be adopted.
- c. ["Housing Agreement Bylaw 2026 No. 7428"](#) 
That "Housing Agreement Bylaw 2026 No. 7428" be adopted.

15. **CORRESPONDENCE:**

- a. [BC Wildlife Federation, Request for Letter of Support re: Capacity Grant for Wetland Restoration at East Wellington Park](#) 

16. **NOTICE OF MOTION:**

- a. [Councillor Brown Notice of Motion re: Noise Impacts from Car Wash Facilities](#)
Councillor Brown advised that he would be bringing forward the following Notice of Motion for consideration at a future Council Meeting:

"That Council direct Staff to prepare a report outlining options to mitigate noise impacts from car wash facilities on adjacent residential properties, specifically focusing on:

1. Immediate regulatory tools available through the Business Licence Bylaw, including the potential for restricting hours of operation or setting specific decibel limits for existing businesses;
2. Long-term preventative measures through amendments to the Zoning Bylaw, establishing minimum proximity setbacks between car wash dryers and residential zones; and
3. Best practices for noise-attenuation technology, such as mandatory sound shrouds or directional venting, that could be integrated into the city's regulatory framework.

17. **OTHER BUSINESS:**

18. **QUESTION PERIOD:**

19. **ADJOURNMENT:**

FOR: COUNCIL MEETING

MEETING DATE: February 23, 2026

DEPARTMENT: Engineering & Public Works

SUBJECT: **PUBLIC WORKS YARD UPDATES – PROJECT BORROWING BYLAW**

OVERVIEW

Purpose of Report

To seek direction from Council to proceed with the Public Works Yard Updates project to completion.

Recommendation

1. That Council direct Staff to increase the budget for the Public Works Yard Updates project by \$77,675,000 in the 2026 – 2030 Financial Plan funded by:
 - a. \$726,350 from the General Asset Management Reserve Fund;
 - b. \$89,550 from the Sewer Operating Reserve;
 - c. \$179,100 from the Water Operating Reserve; and,
 - d. \$76,680,000 in long-term borrowing.
2. That “Public Works Yard Updates Borrowing Bylaw No. 7450” (to authorize the borrowing of up to \$76,680,000 for the construction of the Public Works Yard Updates) pass first reading.
3. That “Public Works Yard Updates Borrowing Bylaw No. 7450” pass second reading.
4. That “Public Works Yard Updates Borrowing Bylaw No. 7450” pass third reading.
5. That Council direct Staff to negotiate and execute the agreements necessary to complete the Public Works Yard Updates project within the approved budget.

BACKGROUND

Council established the Public Works Yard Updates project as one of its key priorities early in its term, and reinforced this priority last September.

At the 2025-FEB-24 Council meeting, Staff were directed to proceed with further design work, along with securing more refined costing for this project. \$1,800,000 was allocated to fund that work and an update to Council was to be provided near the end of 2025.

At the 2025-SEP-17 Council meeting, Staff provided an update to the ‘Nanaimo Builds for the Future’ plan, which was previously presented 2024-JUL-15, to the Governance and Priorities

Committee. The updated 2025 ‘Nanaimo Builds for the Future’ plan included the Public Works Yard Updates project and a commitment to return to Council in early 2026 with an updated project scope, supporting designs, and contractor-supplied pricing. This report provides those updates and seeks Council direction to proceed with a borrowing bylaw which will fund this project to its completion.]

DISCUSSION

Project

The City assembled an Integrated Project Delivery (IPD) team, which began working together in November 2025. This team consists of the City, Kasian Architecture as the design lead, Knappett Projects as the construction lead, and ISL Engineering acting as IPD advisors. This IPD setting has allowed the team to quickly align goals and form a productive project team. There have been several iterations of programming, design, scheduling, and pricing since November and the finalized material presented here represents a significant shift forward in the project’s level of maturity.

Attachment B: Nanaimo Public Works Updates Preliminary Validation Report outlines the work done by the IPD team to date; including building and site programming, structural and sustainability elements, contractor-supplied pricing, and risk and opportunity registers.

Some important elements from this report are:

- This project will see 229 City staff members from Public Works, Engineering, Parks Recreation & Culture, Information Technology, and Finance working out of two new buildings at the Public Works Yard site. The plan will accommodate up to 263 staff in easily adaptable spaces to account for forecasted growth positions. Extra space has been included to provide flexibility in accommodating additional growth when required over the coming decades.
- The project scope includes constructing two buildings and completing some ancillary updates to storage spaces to ensure the Public Works Yard is immediately operational for all work groups. Additional updates required to support ongoing operations in the Public Works Yard which are not part of the scope of work for this project will be included in future capital planning.
 - The site plan has been carefully considered to meet the City’s operational needs today while also providing adaptability to accommodate future changes.
- The Crew & Administration Building is planned to:
 - Be approximately 4,300 m² across two floors;
 - Be operational post-disaster to ensure the City’s ability to provide community service during an emergency;
 - Provide space for the following workgroups:
 - Public Works and Parks, Recreation, & Culture Administration
 - Roads & Traffic Services
 - Sanitation, Recycling, & Cemeteries

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- Utilities
 - Water Resources
 - Engineering Projects
 - Facility Asset Management
 - Facility Operations
 - Parks and Natural Areas
 - Parks Operations
 - Supply Chain Management
 - Information Technology
- Include welcoming space for Staff to meet and engage with the community, with equity and accessibility integrated into all elements of the building;
 - Incorporate a photovoltaic solar array on the roof to provide reliable renewable energy;
 - Meet BC Energy Step Code Level 3 and further the City’s energy conservation and environmental stewardship goals; and,
 - Address the long-standing and increasingly unsustainable health, safety, environmental, accessibility, equity and operational shortcomings of the existing Administration building in a fiscally responsible manner.
- The Fleet Maintenance Building is planned to:
 - Be approximately 2,300 m² on a single floor plus an approximately 400 m² partial mezzanine over ground floor spaces that do not require additional height (washrooms, lunchroom, etc.);
 - Be operational post-disaster to ensure the City’s ability to provide community service during an emergency;
 - Be a pre-engineered building, which is well-suited to this application and is more cost efficient than traditional on-site building;
 - Re-use existing Fleet Maintenance equipment (lifts, hoists, racking, etc.);
 - Responsively balance the operational nature of the building with cost efficiencies and ecological responsibilities to achieve a sensible level of energy performance; and,
 - Address the long-standing and increasingly unsustainable health, safety, environmental, and operational shortcomings of the existing Fleet Maintenance building in a fiscally responsible manner.

A preliminary project schedule has been completed:



Figure 1: Preliminary Construction Schedule

This schedule is based on immediate expansion of the IPD team, should Council provide direction to proceed, leading to site clearing and foundation construction in late 2026 and construction completion anticipated in 2029.

Finally, the contractor-supplied pricing provided by Knappett has informed the City’s budgeting for this project.

Table 1: Project Pricing and Budget

Design	Construction	Risk Register and Contingency	Permitting & Utilities
\$6M	\$67.2M	\$3.8M	\$2.4M
Total Project Pricing = \$79.4M			

The above table shows a breakdown of the ‘all in’ cost for the City to complete this project.

Financial Implications

The Public Works Yard supports general, sewer, and water operations. Accordingly, project costs will be allocated among the General Fund (73%), the Sewer Fund (9%), and the Water Fund (18%). The total projected cost of the capital project is \$79,400,000, which includes \$1,725,000 of the \$1,800,000 previously allocated from reserves by Council at the 2025-FEB-24 Council meeting. The majority of the additional funding requirement of \$77,675,000 is recommended to come from long-term borrowing of \$76,680,000.

Long-term borrowing distributes the cost of major infrastructure across both current and future ratepayers who will benefit from the service, supporting principles of generational equity. Borrowing over an extended term also minimizes the annual impact on ratepayers, making it the least disruptive funding approach.

Long-Term Borrowing Approval

On 2025-JUN-18, the Province issued an information circular announcing amendments to the Municipal Liabilities Regulation and Short-Term Capital Borrowing Regulation. These changes were in response to concerns raised by municipalities regarding elector approval requirements for borrowing, specifically:

- the amount of staff resources and costs associated with obtaining elector approval for essential infrastructure replacement;
- the risks associated with delays in implementing critical infrastructure if electoral approval fails; and,
- limited scope of infrastructure replacement that can be completed without approval of the electors.

A key amendment introduced by the Province was increasing the approval-free liability zone from 5% to 10% of sustainable and controllable revenues.

On 2025-OCT-20, Council endorsed amendments to Council Policy COU-234 (Debt Management Policy) making electoral approval for borrowing within the approval-free zone – whether short or long term – at Council’s discretion.

City’s Approval-Free Zone

If the total annual cost of servicing liabilities is within 10% of controllable and sustainable municipal revenues, the Municipal Liabilities Regulations allow the municipality to incur liabilities without needing to seek elector approval.

Approval-Free Liability Zone Calculation:

- 2024 sustainable & controllable revenues: \$246.8 million
- 10% approval-free liability threshold: \$24.7 million
- Total liability servicing cost (including new borrowing proposed in this report): \$11.8 million
- Borrowing within approval-free zone: Yes at 4.8%

As the proposed borrowing falls within the approval-free zone permitted under Provincial legislation—and in accordance with the City’s Debt Management Policy—electoral approval is not required.

Impact on Financial Plan and the Typical Home

If approved, borrowing will be undertaken through the Municipal Finance Authority of BC (MFA BC). Based on a 20-year term and the MFA BC’s twenty-year indicative lending rate of 4.73% at 2026-JAN-29, annual debt servicing costs are estimated at \$6.3 million.

Debt-servicing costs will be funded through:

- property taxes;
- sewer user fees; and,
- water user fees.

The following tables provide a breakdown of the projected impacts on the 2026 – 2030 Financial Plan, as well as the projected annual cost to the typical home once full borrowing is in place.

Table 2: Projected Impact to 2026 – 2030 Financial Plan¹

	2026	2027	2028	2029	2030
Additional Property Tax Increase	0.07%	0.39%	0.88%	0.97%	0.05%
Additional Sewer User Fee Increase	0.00%	0.90%	1.80%	1.80%	0.10%
Additional Water User Fee Increase	0.00%	0.70%	1.40%	1.60%	0.10%

¹Based on anticipated cashflow for borrowing \$10,570,000 - 2026, \$26,775,000 - 2027, \$35,530,000 - 2028, \$3,805,000 - 2029

Table 3: Project Impact to Typical Home Valued at \$787,743

Funding Source	Estimated Annual Cost per Household	Notes
Property Taxes ^{1,2}	\$88	Approx. \$11 per \$100,000 of assessed value
User Fees - Sewer ³	\$9	
User Fees - Water ^{3,4}	\$24	
Total Estimated Annual Cost	\$121	Combined tax and utility impact

¹Based on 2026 Provisional 1% of taxes and average Class 1 change

²Based on full borrowing

³Based on projected impact in first year after full borrowing is complete

⁴Based on 3 year (2022 -2024) average seasonal water usage

Numbers have been rounded

Statutory Requirements

As outlined in the Financial Implications section, the authority to borrow meets the requirements as set out in section 7 (approval-free liability zone) of the Municipal Liabilities Regulation.

Should Council support moving forward with the Public Works Yard Updates project, and with borrowing as outlined in this report, staff would be seeking Council's direction to give three readings to "Public Works Yard Updates Borrowing Bylaw No. 7450". From there, several other statutory steps are required including Provincial review and Inspector Approval. This process takes several months before the Bylaw can be brought back for adoption. Once adopted, all material then gets sent to the Regional District of Nanaimo (RDN) who then coordinate on the City's behalf with the Municipal Finance Authority (MFA). To meet the MFA's fall borrowing deadline, the RDN will need all of the City's required documentation no later than June 15, 2026. Funding proceeds through the MFA and is distributed to clients between October and December 2026.

COMMUNICATION AND COMMUNITY ENGAGEMENT

The City is committed to transparency and accountability by providing clear, accessible information to support Council's decision and public understanding of the proposed investment.

Providing information to continue bringing awareness to the need for this project to allow for the City to continue providing day-to-day services delivered by Parks, Recreation & Culture Operations and Public Works staff is a priority for the City.

The following communication initiatives will be implemented:

- Regular Project Page and/or City webpage updates
- Public updates (e.g. various reports or presentations)
- News releases at important milestones
- Social media updates
- Internal and external FAQs

ALIGNMENT WITH CITY PLAN

The report is aligned with the following City goals:

- ☒ A Green Nanaimo: Resilient and Regenerative Ecosystems
 - ✓ C1.1 Greenhouse Gas Emissions Reduction
 - ✓ C1.2 Climate Adaptation & Hazard Mitigation
 - ✓ C1.3 Urban Tree Canopy, Natural Areas, & Greenways
 - ✓ C1.4 Healthy Watersheds
 - ✓ C1.5 Water, Sewer, & Stormwater Services
 - ✓ C1.6 Solid Waste Management
 - ✓ C1.7 Brownfield Sites
 - ✓ C1.8 Artificial Lighting & Dark Skies
- ☒ A Connected Nanaimo: Equitable Access and Mobility
 - ✓ C2.1 Connected Communities
 - ✓ C2.2 Integrated Walk, Roll, Cycle, & Transit Network
 - ✓ C2.3 Recreational Trails
 - ✓ C2.4 Safe Mobility
- ☒ A Healthy Nanaimo: Community Wellbeing and Livability
 - ✓ C3.1 Community Safety & Security
 - ✓ C3.5 Emergency Management
 - ✓ C3.6 Recreation, Culture, & Wellness
- ☒ An Empowered Nanaimo: Reconciliation, Representation and Inclusion
 - ✓ C4.2 Equity & Inclusivity
 - ✓ C4.3 Access for All
 - ✓ C4.8 Community Events, Festivals, Tournaments, & Gatherings
 - ✓ C4.9 Parkland & Park Amenity Management
 - ✓ C4.10 Waterfront Use & Protection
- ☒ A Prosperous Nanaimo: Thriving and Resilient Economy
 - ✓ C5.1 Economic Capital

- ✓ C5.2 Human, Social, & Environmental Capital
- ✓ C5.3 Business Development
- ✓ C5.4 Innovation & Technology

ALIGNMENT WITH COUNCIL'S STRATEGIC PRIORITIES

The report is aligned with the following Council Strategic Framework priorities:

- Implementing City Plan Action Plans and Key City Management Plans
- Social, Health and Public Safety Challenges
- Maintaining and Growing Current Services
- Capital Projects
- Communicating with the Community
- Governance and Corporate Excellence

OPTIONS

1.

1. That Council direct Staff to increase the budget for the Public Works Yard Updates project by \$77,675,000 in the 2026 – 2030 Financial Plan funded by:
 - a. \$726,350 from the General Asset Management Reserve Fund;
 - b. \$89,550 from the Sewer Operating Reserve;
 - c. \$179,100 from the Water Operating Reserve; and,
 - d. \$76,680,000 in long-term borrowing.
2. That “Public Works Yard Updates Borrowing Bylaw No. 7450” (to authorize the borrowing of up to \$76,680,000 for the construction of the Public Works Yard Updates) pass first reading.
3. That “Public Works Yard Updates Borrowing Bylaw No. 7450” pass second reading.
4. That “Public Works Yard Updates Borrowing Bylaw No. 7450” pass third reading.
5. That Council direct Staff to negotiate and execute the agreements necessary to complete the Public Works Yard Updates project within the approved budget.
 - The advantages of this option: This option would allow the project to immediately proceed and to continue to demonstrate the City’s commitment to building a facility from which Operations Staff can deliver services to the community. This option also would allow the project to be largely funded through long-term borrowing, which is well suited for major capital projects that have a long lifespan, and which also allocates the cost amongst current and future taxpayers that will all benefit from the project.
 - The disadvantages of this option: This will bring the City’s present level of borrowing within the approval-free zone up to 4.8% of the provincially allowable maximum of 10%, potentially limiting other endeavors that Council may wish to pursue with this funding source. As well, repayment of the borrowing will cost an average Nanaimo household approximately \$121 per year if the full amount needs to be borrowed.

- Financial Implications: The 2026 – 2030 Financial Plan will be amended for final to include the project budget increase and associated projected debt-servicing impacts.

2. That Council provides alternative direction.

KEY MESSAGES

- Updates to the Public Works Yard are required to sustain the services that a growing community of over 110,000 relies upon daily.
- The project design now accurately accounts for known programming, structural, and sustainability elements, along with contractor supplied pricing.
- The purpose of the Public Works Yard Updates project remains focused on creating a functional place for City crews to work out of as they deliver services to the community.

ATTACHMENTS

ATTACHMENT A: PUBLIC WORKS YARD UPDATES BORROWING BYLAW 2026 NO. 7450

ATTACHMENT B: NANAIMO PUBLIC WORKS UPDATES PRELIMINARY VALIDATION REPORT

Authored by:

Bill Sims
**General Manager,
Engineering and Public Works**

Wendy Fulla
Director, Finance

Karen Robertson
Deputy Corporate Officer

Concurrence by:

Sheila Gurrie
Director, Legislative Services

Laura Mercer
General Manager, Corporate Services

Dale Lindsay
Chief Administrative Officer