

WHAT WE HEARD

In November and December 2016, the City received valuable community feedback on a proposed events centre.

We used social media, open houses and online, telephone and mail surveys, residents were asked about their level of support and what their main questions were about the proposed events centre.

Key areas of interest included:

- questions about the funding/cost of the project
- feasibility of business success
- questions about its role in the Nanaimo recreation and culture facility landscape and more.



TOP QUESTIONS WE HEARD:

- **How much would it cost?** \$80M.
- **How will the City pay for it?**
Borrowing would be required and will be repaid using existing revenue streams.
- **How will it affect my property taxes?**
It won't. Existing funds will cover the borrowed costs, creating no tax increase.
- **Where will it go?**
Council has identified 1 Port Drive as the preferred site.
- **How can it be feasible?**
A financial analysis and review by Ernst & Young indicated a sound business case for this project.
- **Why build this?**
An events centre offers significant economic development, job creation and tourism prospects, and also add new recreation and cultural opportunities.

THE VOTE

On Saturday, March 11, residents and property owners in Nanaimo will be asked whether they support the borrowing required to construct the proposed Nanaimo events centre in a non-election assent vote (referendum).



THE QUESTION WILL BE:

Are you in favour of the City of Nanaimo Council adopting Loan Authorization Bylaw 2017 No. 7237 which will authorize Council to borrow a sum not exceeding \$80,000,000, repayable over a period of no more than 20 years, for the development and construction of an event centre that will include an ice arena and other related entertainment, cultural and recreation facilities?

Where to vote

On Voting Day, the below polling stations will be open 8 AM to 8 PM:

- **McGirr Elementary School**
6199 McGirr Rd, Nanaimo
- **Randerson Ridge Elementary School**
6021 Nelson Rd, Nanaimo
- **Departure Bay School**
3004 Departure Bay Rd, Nanaimo
- **Chase River Elementary School**
1503 Cranberry Rd, Nanaimo
- **Georgia Avenue Community School**
625 Georgia Avenue, Nanaimo
- **Frank J. Ney Elementary School**
5301 Williamson Rd, Nanaimo
- **Island ConnectED**
4355 Jingle Pot Rd, Nanaimo
- **SARC Lobby/Boardroom**
411 Dunsmuir St, Nanaimo
- **Nanaimo Aquatic Centre**
741 Third St, Nanaimo
- **Nanaimo Alliance Church**
1609 Meredith Road, Nanaimo
- **Protection Island Fire Hall**
Poll Open 10AM-6PM
26 Pirates Ln, Nanaimo
- **Vancouver Island University**
900 Fifth St, Nanaimo

Advanced Voting will be available:

March 1 and 8, 8 AM to 8 PM, at:

- VICC, 101 Gordon St, Nanaimo
- Mail-in ballots available

Who can vote

Anyone who qualifies as a resident elector or a non-resident property voter within the boundaries of the City of Nanaimo can participate in the referendum.

A resident elector is someone who:







- ✓ will be 18 years old or older on voting day;
- ✓ is a Canadian citizen;
- ✓ has been a resident of British Columbia for at least six months immediately before voting day;
- ✓ has been a resident of Nanaimo for at least 30 days immediately before voting day; and
- ✓ is not disqualified from voting in an election.

A non-resident property voter is someone who:

- ✓ is a registered owner of real property in the City of Nanaimo for at least 30 days immediately before voting day;
- ✓ will be 18 years old or older on voting day;
- ✓ is a Canadian citizen;
- ✓ has been a resident of BC for at least six months before voting day; and
- ✓ is not disqualified from voting in an election.



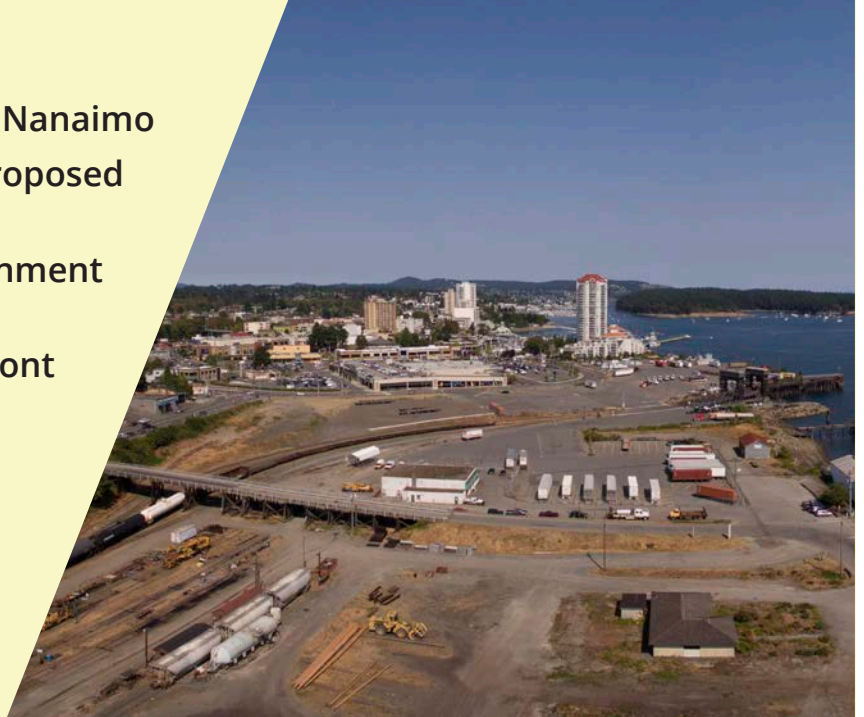
PROPOSED TIMELINE

Phase 1 SEP. – OCT. 2016	 LOOKING AT THE POSSIBILITIES	<ul style="list-style-type: none"> - Review comparative event centres, site options and design - Pre-design feasibility assessment 	
Phase 2 NOV. – DEC. 2016	 GATHERING MORE INFORMATION	<ul style="list-style-type: none"> - Review of comparative event centres - Public and stakeholder engagement - Analysis of sites, traffic and environmental impact, economic impact study - Feasibility Assessment, Business Case 	DECISION POINTS <ul style="list-style-type: none"> <input checked="" type="checkbox"/> Staff recommends next steps based on Feasibility Assessment <input checked="" type="checkbox"/> Council considers next steps, directs staff to proceed
Phase 3 JAN. – MAR. 2017	 HOW TO BUILD IT: DESIGN, FINANCING AND PROCUREMENT	<ul style="list-style-type: none"> - Public and stakeholder engagement - Assess financing and operations framework, legal agreements, construction, operations and maintenance, facility leases 	DECISION POINTS <ul style="list-style-type: none"> <input checked="" type="checkbox"/> Council considers next steps, directs staff to proceed <input checked="" type="checkbox"/> Staff recommends next steps for: procurement, financing, referendum, public engagement, design, project management and legal agreements
Phase 4 MAR. 2017	 HOW TO FUND IT: ELECTORAL APPROVAL PROCESS	<ul style="list-style-type: none"> - Share referendum details with the public - Referendum: March 11 	DECISION POINTS <ul style="list-style-type: none"> <input type="checkbox"/> Council receives referendum results <input type="checkbox"/> Council considers financial implications of referendum <input type="checkbox"/> Council directs staff to proceed/not proceed
Phase 5 JUL. 2017 – JUL. 2019	 FORMING THE EVENTS CENTRE: CONSTRUCTION AND PROGRAMMING	<ul style="list-style-type: none"> - Facility construction - Programming, event bookings - Information updates on construction 	
Phase 6 LATE 2019	 PROJECT COMPLETION		

WHERE WILL IT BE?

1 PORT DRIVE LANDS

- 26.7 acre site in the heart of Nanaimo
- Approximately 3 acres for proposed events centre
- Anchors sports and entertainment district
- Revitalizes Nanaimo waterfront
- Reclaims old industrial site
- Work in partnership with Nanaimo Port Authority
- Work in partnership with Snuneymuxw First Nation



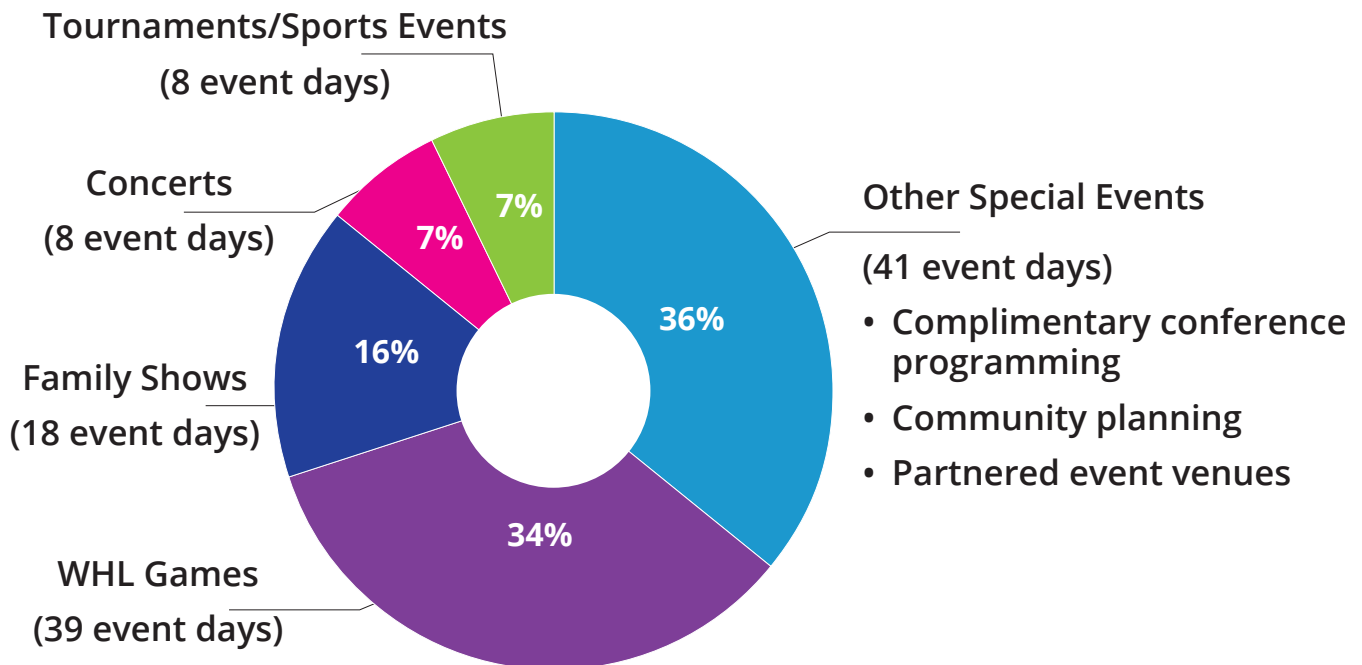
WHAT WILL BE IN IT?

- 5,200 – 5,700 hockey/sports seats
- 7,100 – 8,300 concert/show seats
- Climate controlled walking trail
- Multi-purpose space for arts and culture
- Meeting rooms
- Outdoor plaza/community space
- Retail and ancillary space



HOW WILL IT BE USED?

114 PLANNED EVENT DAYS



251 COMMUNITY DAYS

- Recreational Sports
- Professional Sports
- Cultural Activities
- Education (speakers, super classrooms)

WHAT WILL IT COST?



Building construction

\$70M

Site preparation

\$10M

Environmental remediation
Roads, sidewalks, landscaping
Water, sewer, other services

TOTAL

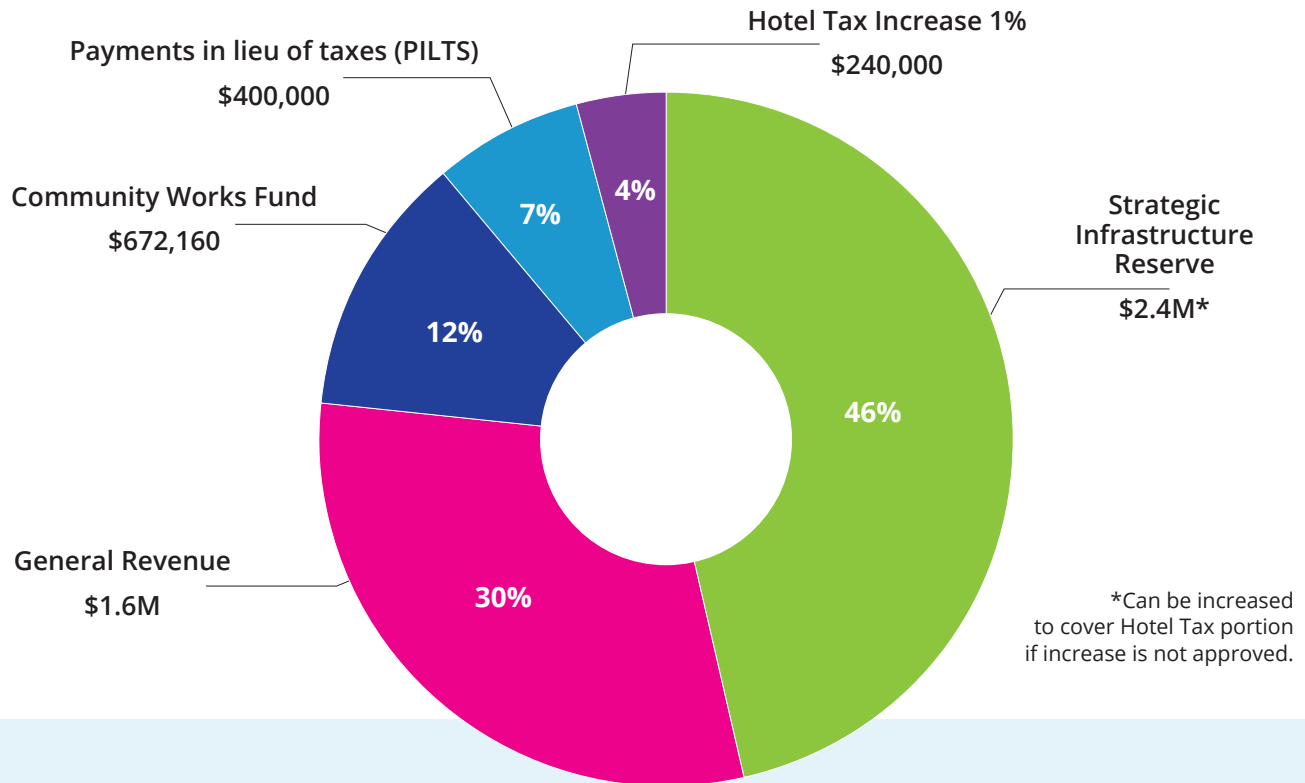
\$80M

**\$80M in borrowing results in 20-year
debt repayment of \$5.4M per year**

**Funded without an increase to
property taxes**

HOW CAN THERE BE NO TAX INCREASE?

PAID FROM EXISTING AND NEW REVENUE SOURCES



CITY OF NANAIMO IS IN SOLID FINANCIAL POSITION

- **Responsible Capital Planning**
 - 20-year capital plan for roads, water, sewer and facilities
 - A national leader in asset management: \$5M compounded annually for necessary upgrades to existing assets
- **Healthy Reserves**
- **Provincial Government approved events centre debt financing plan**
- **Low debt annual repayment**

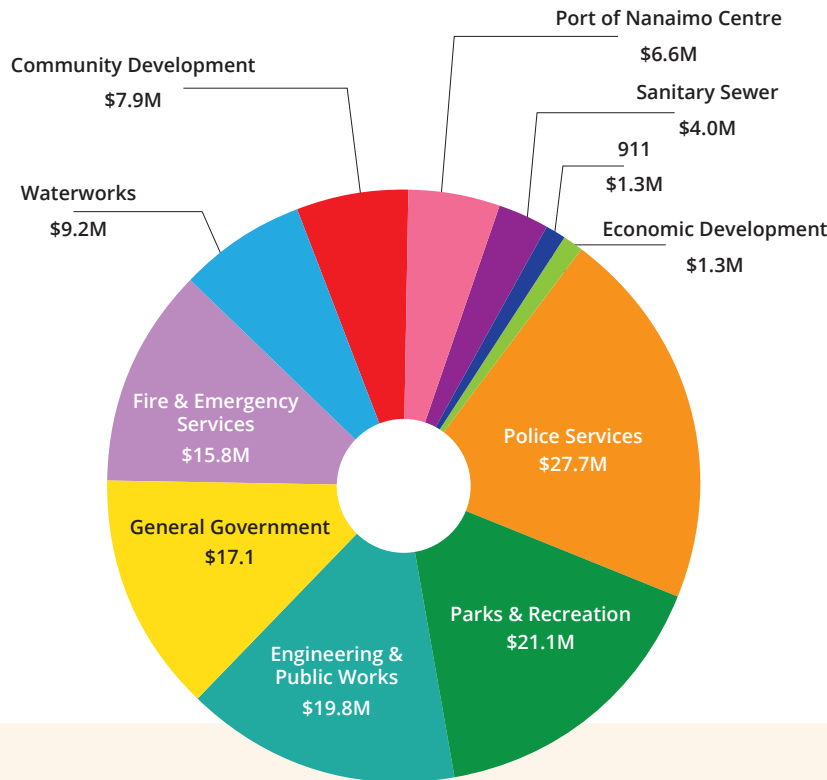
Annual debt repayment limit \$39M per year



WILL OTHER SERVICES BE AFFECTED? NO.

SERVICES AND PROJECTS IN APPROVED 2017-2021 FINANCIAL PLAN NOT AFFECTED

2017 Operating Budget: \$132M



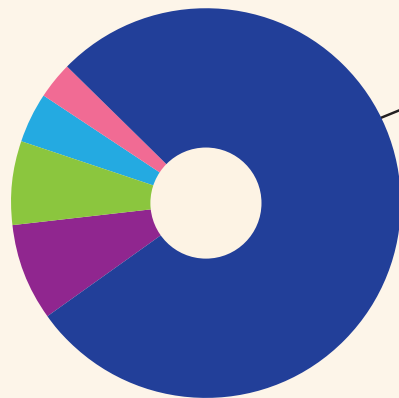
OTHER KEY INVESTMENTS FOR 2017-2021

- \$179M: Infrastructure Renewal/ New Infrastructure
- \$2.6M: Harewood Centennial Park multi-use facility and outdoor lacrosse box
- \$8M: Pedestrian, cycling and transit amenities (including \$990k for Georgia Ave. Greenway)
- \$165,000: Legacy Housing Reserve (annual contribution)
- \$200,000: Affordable Housing & Social Wellness strategies
- \$5.3M: Rotary Bowl and Serauxmen Stadium purchase and artificial turf projects

Where do your tax dollars go?

2017 Property Taxes for a Typical Home = **\$1,936**

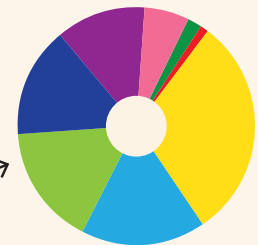
- \$1,502 City Services
- \$155 Reserves
- \$136 Projects
- \$83 VI Regional Libraries
- \$60 Debt Servicing



City Services

Portion of Property Taxes to City Services = **\$1,502**

- \$454 Police Services
- \$260 Fire & Rescue
- \$239 Parks & Recreation
- \$225 General Government
- \$183 Engineering & Public Works
- \$93 Community Development
- \$29 Economic Development
- \$20 Port of Nanaimo Centre



WHAT WILL IT COST TO OPERATE?

OPERATING RESULTS

Year 1	(\$46,237)
Year 2	(\$11,000)
Year 3	\$176,205



REVENUE RESOURCES

- Food and beverage sales
- Ticket revenues
- Naming rights
- Sponsorships
- Retail sales
- Advertising
- Suite sales
- Leases

Ernest & Young established a worst-case operating result for year 1 of up to \$200,000. Mitigation strategies have been developed for this outcome.

WHAT'S IN IT FOR NANAIMO?

JOBS

- 705 construction jobs
- 107 permanent jobs in operations
- 56 new jobs in our community



GDP IN BC

- \$59M from construction
- \$6.2M per year from operations
- \$4M per year from visitors

BENEFITS BASED ON:

- Protecting Nanaimo's interests
- Creating community meeting place for all and promoting community wellness
- Funding from a mix of public, private and other sources
- Complements existing facilities

PARKING



- **97%** of parking demand captured with current parking (within 800m of Centre)
- Onsite parking prioritized for **accessibility**
- City of Nanaimo and Nanaimo Port Authority will partner in building a **transportation plan** supporting visitors to the event centre and existing transportation providers
- Dispersed parking model will spread arrivals and departures over a longer period to **reduce peak traffic** loads

RISKS & MITIGATION

ENVIRONMENTAL

Third-party environmental site assessment reported:

- Limited areas on the site with potentially contaminated soils
- Risk to the community is considered very low
- If found, contaminated land would be managed using Ministry of Environment best practices

FINANCIAL

Financial investments and returns:

- Third-party Staffords Sport Business Plan reviewed by Ernest & Young (EY)
- The City already owns the property therefore reducing the investment
- Can use reserves for additional funding during construction phase
- Borrowing rate of three per cent

YOUR QUESTIONS AND COMMENTS HERE