



STAFF REPORT

DATE: August 11, 2023 **FILE:** 0550-04 Board

TO: Chair and Directors,
Regional Board

FROM: Dave Leitch
Chief Administrative Officer

RE: BYLAW NO. 342 – STRATHCONA GARDENS LOAN AUTHORIZATION

PURPOSE/PROBLEM

To consider proceeding at this time with an alternative approval process for Bylaw No. 342 which proposes to authorize borrowing up to \$64,670,000 to be used for funding re-development of the Strathcona Gardens recreation complex to achieve the objectives of the REC-REATE project.

EXECUTIVE SUMMARY

At its April 26, 2023 meeting the Board gave third reading to Bylaw No. 342 and authorized approval of the electors to be obtained through an alternative approval process (AAP). Bylaw No. 342 was subsequently forwarded to the Inspector of Municipalities for approval which has now been obtained. The Board may therefore proceed at this time to seek elector approval.

Before proceeding with public notification for the AAP, the Board will need to establish the elector response form to be used, the deadline for elector responses and the total number of electors eligible to participate in the AAP. All of that information will be available to the public as part of the approval process. It is recommended that the deadline for elector responses be confirmed as noon on Wednesday, October 4, 2023 which will meet all of the statutory requirements for public notification and give sufficient time for submission of elector responses as required by the *Community Charter* and the *Local Government Act*. At the conclusion of the elector response period a further report will be presented to the Board confirming the total number of valid responses and the results of the AAP.

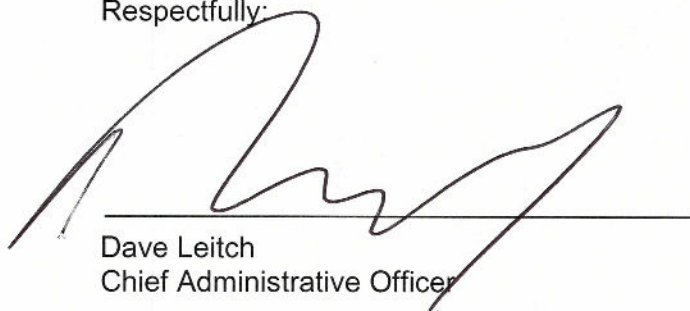
In the event that less than 10% of the electors submit responses to the Regional District prior to the deadline the Board may proceed with adoption of Bylaw No. 342 without further approvals. On the other hand, if at least 10% of the total electors respond in the negative, the Board will only be able to adopt Bylaw No. 342 if an assent voting opportunity is provided and a majority of electors who vote at that opportunity are in favour of the bylaw.

RECOMMENDATIONS

1. THAT the report from the Chief Administrative Officer be received.
2. THAT the total number of electors within the area affected by Bylaw No. 342 be fairly determined to be 32,880 for purposes of the alternative approval process.
3. THAT the deadline for submission of elector responses in respect of the alternative approval process for Bylaw No. 342 be established as 12:00 noon on Wednesday, October 4, 2023.

4. THAT the elector response form attached to the August 11, 2023 report from the Chief Administrative Officer be approved for use with the alternative approval process for Bylaw No. 342.

Respectfully:

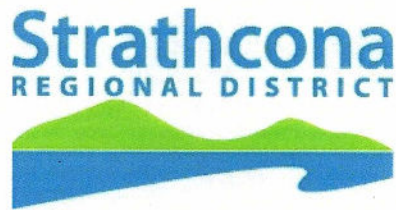


Dave Leitch
Chief Administrative Officer

Prepared by: T. Yates, Corporate Services Manager

Attachments: Bylaw No. 342
Elector Response Form for Bylaw No. 342 AAP
Estimate of Eligible Electors within Strathcona Gardens service area
Copy of April 19, 2023 report to the Regional Board

Schedule	Action
April 26, 2023	Regional Board gives third reading to amended Strathcona Gardens Recreation Facility Loan Authorization Bylaw No. 342 and authorizes approval to be obtained by alternative approval process (AAP).
May 3, 2023	Bylaw No. 342 submitted to Inspector of Municipalities for approval under s.406 of the <i>Local Government Act</i> .
August 10, 2023	Inspector of Municipalities approval received for Bylaw No. 342.
August 16, 2023	Regional Board approves elector response form, elector response deadline and determines total number of electors for AAP purposes.
August 23, 2023	First publication of AAP notice for Bylaw No. 342.
August 30, 2023	Second publication of AAP notice for Bylaw No. 342.
October 4, 2023	Deadline for filing AAP responses with Regional District.
October 11, 2023	If elector approval received, Regional Board adopts Bylaw No. 342.
November 14, 2023	Quashing period for Loan Authorization Bylaw No. 432 expires. Application made to Inspector of Municipalities for Certificate of Approval.



BYLAW NO. 342

A BYLAW TO AUTHORIZE THE BORROWING OF FUNDS FOR REDEVELOPMENT OF THE STRATHCONA GARDENS RECREATION FACILITY

WHEREAS the former Comox-Strathcona Regional District has, by Bylaw No. 1214, established a service to provide arena and swimming pool facilities with the City of Campbell River and Electoral Area D as participating member municipalities;

AND WHEREAS the aforesaid recreation facilities service has been provided as a continued service of the former Comox-Strathcona Regional District in accordance with the previous continuation authority as defined in the *Local Government Act*;

AND WHEREAS the Comox-Strathcona Regional District was, by Order in Council 059/08, divided into the Comox Valley Regional District and the Strathcona Regional District effective February 15, 2008;

AND WHEREAS a service of the Comox-Strathcona Regional District that was operated within all or part of the area comprising the Strathcona Regional District remains in force as a service of the Strathcona Regional District until amended or repealed;

AND WHEREAS the City of Campbell River and Electoral Area D are within the boundaries of the Strathcona Regional District;

AND WHEREAS the Regional District wishes to provide financing for the redevelopment of the Strathcona Gardens recreation facility, the estimated cost of which including expenses incidental thereto is \$77,587,000 (Seventy-Seven Million, Five Hundred and Eighty-Seven Thousand Dollars) of which \$64,670,000 (Sixty-Four Million, Six Hundred and Seventy Thousand Dollars) is the maximum amount of borrowing authorized by this bylaw;

AND WHEREAS participating area approval has been obtained in accordance with s.407 of the *Local Government Act*;

NOW THEREFORE the Board of Directors of the Strathcona Regional District, in open meeting assembled, enacts as follows:

Borrowing Authorized

1. The Regional District is hereby authorized and empowered to borrow upon its credit a sum not exceeding \$64,670,000 (Sixty-Four Million, Six Hundred and Seventy Thousand Dollars) for redevelopment of the Strathcona Gardens recreation facility and to do all things necessary or convenient in connection therewith including, without limiting the generality of the foregoing,

acquiring all such real property, easements, rights of way, licenses, rights or authorities as may be required.

Service Identification

2. The Regional District service for which the debt authorized by this bylaw would be incurred is the Greater Campbell River Pool/Arena service.

Term of Debt

3. The maximum term for which debentures may be issued to secure the debt created by this bylaw is 30 years.

Citation

4. This bylaw may be cited for all purposes as Bylaw No. 342, being Strathcona Gardens Recreation Facility Loan Authorization Bylaw 2018.

READ A FIRST TIME ON THE 6TH DAY OF DECEMBER, 2018

READ A SECOND TIME ON THE 6TH DAY OF DECEMBER, 2018

READ A THIRD TIME ON THE 26TH DAY OF APRIL, 2023

APPROVED BY THE INSPECTOR OF MUNICIPALITIES ON THE 10TH DAY OF AUGUST, 2023

APPROVAL OF THE ELECTORS RECEIVED ON THE DAY OF , 2023

RECONSIDERED, FINALLY PASSED AND ADOPTED ON THE DAY OF , 2023

Chair

Corporate Officer



ELECTOR RESPONSE FORM
**Bylaw No. 342 (Strathcona Gardens
Loan Authorization Bylaw 2018)**

I, the undersigned, being a duly qualified elector of the service area for the Strathcona Gardens Recreational Complex (City of Campbell River and Electoral Area D), am **opposed to** the adoption of Bylaw No. 342, being Strathcona Gardens Recreation Facility Loan Authorization Bylaw 2018, by the Board of Directors for the Strathcona Regional District without first obtaining the assent of the electors by voting, and

By affixing my signature below, I hereby certify that:

- I am eighteen years of age or older;
- I am a Canadian citizen;
- I have resided in British Columbia for at least the last six months;
- I am a resident of the City of Campbell River or Electoral Area D of the Strathcona Regional District,

OR

I have been a registered owner of real property within the City of Campbell River or Electoral Area D of the Strathcona Regional District for at least the last 30 days;

- I am not disqualified by law from voting in local elections; and
- I am entitled to sign this elector response form and have not previously signed an elector response form in relation to Bylaw No. 342.

ELECTOR'S FULL NAME (please print legibly including first, last and middle names)
RESIDENTIAL ADDRESS
MAILING ADDRESS (if different than residential address)
CHOOSE ONE:
<input type="checkbox"/> I am a resident elector within the City of Campbell River or Electoral Area D of the Strathcona Regional District.
<input type="checkbox"/> I am not a resident elector within the City of Campbell River or Electoral Area D of the Strathcona Regional District but own real property within the area described above that is legally described as follows: _____ _____
SIGNATURE OF ELECTOR



ELECTOR RESPONSE FORM
**Bylaw No. 342 (Strathcona Gardens
Loan Authorization Bylaw 2018)**

The Board of directors for the Strathcona Regional District is seeking the approval of the electors by alternative approval process for Bylaw No. 342, being Strathcona Gardens Recreation Facility Loan Authorization Bylaw 2018. If adopted, Bylaw No. 342 would authorize the Regional District to borrow up to \$64,670,000 (Sixty-Four Million, Six Hundred and Seventy Thousand Dollars) to be repaid over a period not exceeding 30 years to fund the redevelopment of the Strathcona Gardens recreation complex.

INSTRUCTIONS

1. If you qualify as an elector within the service area for the Strathcona Gardens recreation complex and are opposed to the adoption of Bylaw No. 342 without first seeking assent of the electors by voting, you can sign and submit an elector response form.
2. If you are **NOT opposed** to the adoption of Bylaw No. 342 you need not do anything.
3. To submit an elector response form you must qualify as a resident elector or a non-resident property elector within the City of Campbell River or Electoral Area D of the Strathcona Regional District.

[Note: Only one non-resident property elector may submit an elector response form per property regardless of the number of owners for that property. If a property is owned by more than one person, the elector appointed by a majority of the owners is the only person able to complete and submit a response form on behalf of the property. See Page 3 of this form.]

4. Only one elector per elector response form is permitted.

1.

Electro response forms must be received by the Regional District not later than 12:00 noon on Wednesday, October 4, 2023.

Emailed or faxed electro response forms cannot be accepted; forms **must** contain original signatures.

2.

The total number of electors in the service area for the Strathcona Gardens has been fairly determined to be 32,880. Unless at least 10% of those electors submit an electro response form to oppose the adoption of Bylaw No. 342, the Regional District may adopt the bylaw without first obtaining the assent of the electors by voting.

3.

For further information please contact:

Thomas Yates
Corporate Officer
Strathcona Regional District
990 Cedar Street
Campbell River, BC
V9W 7Z8

250-830-6700
corporate@srd.ca

**NON-RESIDENT PROPERTY ELECTOR
AUTHORIZATION TO SUBMIT A RESPONSE FORM*
Bylaw No. 342, Strathcona Gardens Loan Authorization**

*To be used only for property having multiple owners.

APPOINTMENT AND CONSENT	
We the undersigned persons, together with the person named as our appointee, constitute a majority of registered owners of the real property described below and we hereby appoint that person and give consent for them to act as the designated non-resident property elector for the purposes of this alternative approval process.	

NAME AND ADDRESS OF APPOINTEE	
LAST NAME	FIRST NAME(S)
RESIDENTIAL ADDRESS	
CITY/TOWN	POSTAL CODE
B.C.	

PROPERTY DESCRIPTION	
LEGAL DESCRIPTION	CIVIC ADDRESS (if applicable)
or	

OWNER SIGNATURES		
1. _____ (PRINT NAME)	_____ (SIGNATURE)	_____ (DATE)
2. _____ (PRINT NAME)	_____ (SIGNATURE)	_____ (DATE)
3. _____ (PRINT NAME)	_____ (SIGNATURE)	_____ (DATE)
4. _____ (PRINT NAME)	_____ (SIGNATURE)	_____ (DATE)
5. _____ (PRINT NAME)	_____ (SIGNATURE)	_____ (DATE)
6. _____ (PRINT NAME)	_____ (SIGNATURE)	_____ (DATE)

- Note:
- If more than one person owns the above property the person wishing to submit a response form for that property must provide, at the time of submission, written consent from a majority of the property owners.
 - The person appointed as the non-resident property elector must be one of the registered owners of the property.
 - The only persons who are registered owners of the real property, either as joint tenants or tenants in common, are individuals who are not holding the property in trust for a corporation or another trust.
 - A non-resident property elector may not submit more than one response form regardless of the number of properties owned.

Strathcona Gardens Loan Authorization **Bylaw No. 342**

Determination of Total Number of **Electors for Purposes of an Alternate Approval Process**

- Purpose:** To make a fair determination of the total number of electors within the area affected by Bylaw No. 342, being Strathcona Gardens Loan Authorization Bylaw 2018. An elector is defined as a person who would qualify to vote on the question of approving Bylaw No. 342 if such a vote was to be held on the date this report was prepared.
- Area Affected:** The area affected by Bylaw No. 342 is the City of Campbell River and Electoral Area D which comprises the current service area for the Strathcona Gardens recreation complex.
- Approval Process:** The Regional District intends to proceed with an alternative approval process to determine whether Bylaw No. 342 may be adopted without first obtaining the assent of the electors by voting. Should it be determined that less than ten percent of the eligible electors within the affected area file a written objection to Bylaw No. 342 prior to the deadline for responses, the Regional Board may proceed to adoption without the requirement to obtain elector assent by voting, in accordance with the provisions¹ of the *Local Government Act*. In the event that ten percent or more of the eligible electors object to adoption of Bylaw No. 342 prior to the response deadline, the bylaw may only be adopted if approved through an assent voting process.
- Authority:** The use of an alternative approval process for obtaining the approval of the electors for Bylaw No. 342 is authorized by section 407 of the *Local Government Act*.
- Elector Eligibility:** For the purposes of this report the criteria used for determining the eligibility of persons to vote as electors is based on Part 4 [*Assent Voting*] of the *Local Government Act* of British Columbia. That statute defines electors to include persons who meet the following criteria:
- Canadian citizen
 - 18 years of age or older
 - resident of British Columbia for the last 6 months
 - resident of Campbell River or Electoral Area D (or owner of real property within Campbell River or Electoral Area D for the last 30 days)
 - not otherwise disqualified from voting

Corporate entities are not permitted to qualify as electors in British Columbia.

Methodology: This report will attempt to make a fair determination of the total number of electors within the area affected by Bylaw No. 342. The number of electors will be the total of those persons who qualify to vote as resident electors and those who qualify to vote as non-resident property electors. Since the methodologies for determining the number of each type of elector differ significantly, they will need to be determined separately with the results of those calculations aggregated for the purposes of this report.

Resident Electors

Both the Federal and Provincial election authorities maintain lists of registered voters but the databases are not necessarily aligned with local government jurisdictional boundaries and are therefore not particularly useful for purposes of this report. Since there is no reliable information available from these sources, it is necessary to consider the use of other data for the purpose of preparing an estimate of eligible electors.

BC Stats, Elections BC and the Ministry of Municipal Affairs are public agencies that maintain comprehensive databases of population, population distribution, voter eligibility, voter participation rates and other demographics. The City of Campbell River also maintains data related to the number of electors within its boundaries. The following data are supplied by those agencies:

Demographic	Estimate	Source
Population of British Columbia	5,071,336	BC Stats (July 1, 2019)
Population of Strathcona Regional District	44,671	Municipal Affairs (November 1, 2017)
Population of Electoral Area D	4,396	Municipal Affairs (November 1, 2017)
Provincial electors in British Columbia	3,564,307	Elections BC (July 1, 2019)
Resident electors in City of Campbell River	29,600	Staff report to Council (June 15, 2023)

Using the above data, it can be determined that approximately 70.3% of the population of British Columbia would likely qualify as provincial electors. Notwithstanding minor variations in regional demographics it is believed that this ratio would be sufficiently accurate for estimating the number of provincial electors within Electoral Area D. Once this number has been determined, it can be added to the number of resident electors provided for the City of Campbell River and, since the majority of qualifications required for voting in provincial elections are the same as those required for voting as a resident in local elections, this total should provide a reasonable estimate of the number of resident electors within the current service area for the Strathcona Gardens recreation complex.

To summarize, the number of resident electors within the service area for the Strathcona Gardens may therefore be calculated as follows:

$$\begin{aligned} \text{Step 1: } & 3,564,307 \text{ (eligible provincial electors)} \\ & \div 5,071,336 \text{ (total population of B.C.)} \\ & = 70.28\% \text{ (B.C. average \% of electors)} \end{aligned}$$

$$\begin{aligned} \text{Step 2: } & 4,396 \text{ (Electoral Area D population)} \\ & \times 70.28\% \text{ (B.C. average \% of electors)} \\ & = 3,090 \text{ (Electoral Area D resident electors)} \end{aligned}$$

$$\begin{aligned} \text{Step 3: } & 3,090 \text{ (Electoral Area D resident electors)} \\ & + 29,600 \text{ (City of Campbell River resident electors)} \\ & = 32,690 \text{ (total resident electors within service area)} \end{aligned}$$

It is concluded that a fair estimate of the number of resident electors within the area affected by Bylaw No. 342, based on the above data, is 32,690.

Non-Resident Property Electors

Unlike Provincial elections in British Columbia, persons who do not reside within the local voting jurisdiction may qualify to vote in local elections solely on the basis of property ownership³. These non-resident property electors (NRPE's) must be qualified in all other respects (ie. Canadian citizen, 18 years of age or older, resident of BC, etc.) before they may be considered eligible electors. It is important to reiterate that persons who qualify as resident electors within a voting jurisdiction cannot also qualify as non-resident property electors for the same voting jurisdiction.

The following data has been extracted from the sources noted and will provide a reasonable starting point for estimating the number of non-resident property electors.

Demographic	Count	Source
Total properties within Electoral Area D	2,308	BC Assessment Authority (March 24, 2023)
Total registered owners within Electoral Area D	2,017	
Registered owners resident within Electoral Area D	1,744	
Electoral Area D owners resident outside of British Columbia	36	
Electoral Area D property owners being corporate entities	76	
Electoral Area D property owners being public entities	3	
Non-resident property electors in City of Campbell River	32	Staff report to Council (June 15, 2023)

In order to estimate the number of NRPE's within the boundaries of Electoral Area D, the database of the BC Assessment Authority was queried, and it was determined that there are 2,308 separate properties within Electoral Area D and 2,017 unique registered owners of those properties.

From this total of 2,017 potential non-resident property electors the following were eliminated in order:

- 1,744 owners of property who are residents of Electoral Area D;
- 36 owners of property who non-residents of British Columbia;
- 76 owners of property who are corporate entities; and
- 3 owners of property who are public (federal, provincial or local).

It was therefore concluded that a reasonable estimate of the number of persons who could qualify to vote as non-resident property electors within the area affected by Bylaw No. 342 (including the City of Campbell River), based on the most recently available data, is 190. In arriving at this estimate it is worth noting that voting requirements related to age, citizenship or length of property ownership have not been addressed since there is no data available to the Regional District upon which to evaluate this demographic.

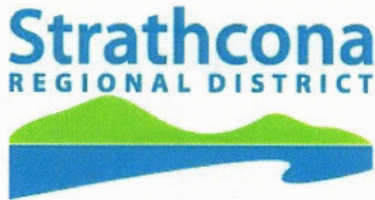
Summary:

The total number of eligible electors within the service area for the Strathcona Gardens recreation complex, being the City of Campbell River and Electoral Area D, has been fairly determined to include 32,690 resident electors and 190 non-resident property electors for a total of 32,880.

Conclusion:

For the purpose of the alternative approval process for Bylaw No. 342, being Strathcona Gardens Loan Authorization Bylaw 2018, the total number of eligible electors has been fairly determined to be 32,880. The number of valid elector responses that are required to withhold approval for the adoption of Bylaw No. 342 without first obtaining elector assent by voting is therefore 3288.

- References:
1. S.86 *Community Charter* and s.342 *Local Government Act*
 2. S.65(1)(d) *Local Government Act*
 3. S.66 *Local Government Act*



STAFF REPORT

DATE: April 19, 2023 **FILE:** 0550 Board

TO: Chair and Directors,
Regional Board

FROM: Dave Leitch
Chief Administrative Officer

RE: **BYLAW NO.342 - STRATHCONA GARDENS LOAN AUTHORIZATION BYLAW**

PURPOSE/PROBLEM

To consider increasing the amount of borrowing to be authorized by Bylaw No. 342 in support the redevelopment plan for the Strathcona Gardens facility as envisioned by the REC-REATE project.

EXECUTIVE SUMMARY

The 2023-2027 Financial Plan included an increase to the Strathcona Gardens REC-REATE project budget to include the redevelopment of Rod Brind'Amour arena in accordance with the January 31, 2023 recommendation of the Strathcona Gardens Commission.

The project's estimated cost, including the arena scope of work, is \$73 million. This is based on a Class A estimate for the new aquatic and wellness centre and a Class D estimate for the Rod Brind'Amour arena from 2019 which was escalated to include rising construction costs and inflation. The actual cost of adding the arena to the project will not be known until the detailed design is complete and the project has been tendered. Staff and the design consultants will strive to deliver the project within the projected \$73 million budget.

Before the construction of the REC-REATE project can begin, Bylaw No. 342 will need to be amended to reflect the revised borrowing amount and must then be approved by the electors. Given the relatively high cost associated with seeking elector assent by voting, it is recommended that the Board consider the use of an alternative approval process. This method would allow the Regional District to gauge the degree to which the public supports the borrowing of funds at a cost likely not exceeding a few hundred dollars.

RECOMMENDATIONS

1. THAT the report from the Chief Administrative Officer be received.
2. THAT third reading of Bylaw No. 342 be rescinded.
3. THAT Bylaw No. 342 be amended by deleting the words "\$27,000,000 (Twenty-Seven Million Dollars)" in the sixth clause of the recital and in section 1 and substituting therefor the words "\$64,670,000 (Sixty-Four Million, Six Hundred and Seventy Thousand Dollars)".
4. THAT Bylaw No. 342 be given third reading as amended.
5. THAT approval of the electors for Bylaw No. 342 be authorized to be obtained using an alternative approval process.

Respectfully:



Dave Leitch
Chief Administrative Officer

BACKGROUND/HISTORY

Bylaw No. 342 was first introduced to the Board on November 28, 2018, when it was given first three readings. It was introduced to support a grant application to the Investing in Canada Infrastructure Program (ICIP) for the full redevelopment of the Strathcona Gardens recreation facility. At that time, the borrowing limit was set at \$14,964,000, which represented the Regional District's 26.7% share of the projected \$77,587,000 cost of the project. The 2018 ICIP grant was not successful.

On June 22, 2022, the Board passed a resolution to increase the borrowing limit for Bylaw No. 342 to satisfy the Strategic Priorities Fund (SPF) grant application requirements for the Strathcona Gardens new aquatic centre. The limit was increased to \$27 million, and the maximum debt term was increased from 25 years to 30 years. The 2022 Strategic Priorities Fund grant application was not successful.

FINANCIAL IMPLICATIONS

- Currently, there is \$8,330,784 in reserves to support the Strathcona Gardens REC-REATE project. Reserve contributions are made annually; the reserve fund will continue to increase while electoral approval is obtained.
- An application to the Green and Inclusive Community Buildings Program for a \$13.5 million dollar grant was submitted in February of 2023 to support the construction of the Strathcona Gardens new aquatic center. No timeline for the announcement of successful projects was provided and it is anticipated that selected projects will be announced in Fall 2023.
- Staff will continue to pursue grant funding for the project, aiming to reduce the project's final cost to the residents.

Prepared by: S. Fisher, Engineering Services Coordinator

Attachments: Bylaw No. 342
Copy of November 28, 2018, report to the Board
Copy of June 15, 2022, report to the Board



BYLAW NO. 342

A BYLAW TO AUTHORIZE THE BORROWING OF FUNDS FOR REDEVELOPMENT OF THE STRATHCONA GARDENS RECREATION FACILITY

WHEREAS the former Comox-Strathcona Regional District has, by Bylaw No. 1214, established a service to provide arena and swimming pool facilities with the City of Campbell River and Electoral Area D as participating member municipalities;

AND WHEREAS the aforesaid recreation facilities service has been provided as a continued service of the former Comox-Strathcona Regional District in accordance with the previous continuation authority as defined in the *Local Government Act*;

AND WHEREAS the Comox-Strathcona Regional District was, by Order in Council 059/08, divided into the Comox Valley Regional District and the Strathcona Regional District effective February 15, 2008;

AND WHEREAS a service of the Comox-Strathcona Regional District that was operated within all or part of the area comprising the Strathcona Regional District remains in force as a service of the Strathcona Regional District until amended or repealed;

AND WHEREAS the City of Campbell River and Electoral Area D are within the boundaries of the Strathcona Regional District;

AND WHEREAS the Regional District wishes to provide financing for the redevelopment of the Strathcona Gardens recreation facility, the estimated cost of which including expenses incidental thereto is \$77,587,000 (Seventy-Seven Million, Five Hundred and Eighty-Seven Thousand Dollars) of which \$27,000,000 (Twenty-Seven Million Dollars) is the maximum amount of borrowing authorized by this bylaw;

AND WHEREAS participating area approval has been obtained in accordance with s.407 of the *Local Government Act*;

NOW THEREFORE the Board of Directors of the Strathcona Regional District, in open meeting assembled, enacts as follows:

Borrowing Authorized

1. The Regional District is hereby authorized and empowered to borrow upon its credit a sum not exceeding \$27,000,000 (Twenty-Seven Million Dollars) for redevelopment of the Strathcona Gardens recreation facility and to do all things necessary or convenient in connection therewith including, without limiting the generality of the foregoing, acquiring all

such real property, easements, rights of way, licenses, rights or authorities as may be required.

Service Identification

2. The Regional District service for which the debt authorized by this bylaw would be incurred is the Greater Campbell River Pool/Arena service.

Term of Debt

3. The maximum term for which debentures may be issued to secure the debt created by this bylaw is 30 years.

Citation

4. This bylaw may be cited for all purposes as Bylaw No. 342, being Strathcona Gardens Recreation Facility Loan Authorization Bylaw 2018.

READ A FIRST TIME ON THE 6TH DAY OF DECEMBER, 2018

READ A SECOND TIME ON THE 6TH DAY OF DECEMBER, 2018

READ A THIRD TIME ON THE 29TH DAY OF JUNE, 2022

APPROVED BY THE INSPECTOR OF MUNICIPALITIES ON THE DAY OF , 2022

APPROVAL OF THE ELECTORS RECEIVED ON THE DAY OF , 2022

RECONSIDERED, FINALLY PASSED AND ADOPTED ON THE DAY OF , 2022

Chair

Corporate Officer



STAFF REPORT

DATE: June 16, 2022 **FILE:** 0550-04 Board

TO: Chair and Directors,
Regional Board

FROM: Dave Leitch
Chief Administrative Officer

RE: BYLAW NO. 342 – STRATHCONA GARDENS LOAN AUTHORIZATION

PURPOSE/PROBLEM

To consider amending Bylaw No. 342 to increase the amount of borrowing available for redevelopment at the Strathcona Gardens.

EXECUTIVE SUMMARY

At its June 15, 2022 meeting the Board considered the attached report and passed the following resolution:

Evans/Adams: SRD 470/22

THAT a further report and amendments to Bylaw No. 342 be prepared for the Board's consideration that would increase the borrowing limit to \$27 million to support construction of the Strathcona Gardens aquatic centre and satisfy the requirements of the Strategic Priorities Fund - Infrastructure Building Project grant application.

In accordance with the Board's direction, the changes specified in the above resolution are incorporated for ease of reference into the version of Bylaw No. 342 attached to this report. Also included is a change to the amortization period associated with the borrowing, from 25 years to 30 years, as discussed at the meeting. The borrowing of \$27 million is expected to have negligible effect on ratepayers since the annual principal and interest payments on this debt would be met by diverting annual Strathcona Gardens reserve fund contributions for this purpose.

In order to proceed with the amendments outlined in this report, third reading of Bylaw No. 342 will need to be rescinded. Once the Board has finished making amendments, a resolution to give third reading to Bylaw No. 342 as amended would be in order so that the requirements of the Strategic Priorities Fund regarding local funding commitments are satisfied.

Advancing Bylaw No. 342 for elector approval can be considered once funding from the Strategic Priorities Fund has been confirmed.

RECOMMENDATIONS

1. THAT the report from the Chief Administrative Officer be received.
2. THAT third reading of Bylaw No. 342 be rescinded.
3. THAT Bylaw No. 342 be amended by deleting the words "\$14,964,000 (Fourteen Million, Nine Hundred and Sixty-Four Thousand Dollars)" in the sixth clause of the recital and in section 1 and substituting therefor the words "\$27,000,000 (Twenty-Seven Million Dollars)".

4. THAT Bylaw No. 342 be further amended by deleting the words “25 years” in section 3 and substituting therefor the words “30 years”.
5. THAT Bylaw No. 342 be given third reading as amended.

Respectfully:



Dave Leitch
Chief Administrative Officer

Prepared by: T. Yates, Corporate Services Manager

Attachments: Bylaw No. 342
Copy of June 9, 2022 report to the Board

COPY



BYLAW NO. 342

A BYLAW TO AUTHORIZE THE BORROWING OF FUNDS FOR REDEVELOPMENT OF THE STRATHCONA GARDENS RECREATION FACILITY

WHEREAS the former Comox-Strathcona Regional District has, by Bylaw No. 1214, established a service to provide arena and swimming pool facilities with the City of Campbell River and Electoral Area D as participating member municipalities;

AND WHEREAS the aforesaid recreation facilities service has been provided as a continued service of the former Comox-Strathcona Regional District in accordance with the previous continuation authority as defined in the *Local Government Act*;

AND WHEREAS the Comox-Strathcona Regional District was, by Order in Council 059/08, divided into the Comox Valley Regional District and the Strathcona Regional District effective February 15, 2008;

AND WHEREAS a service of the Comox-Strathcona Regional District that was operated within all or part of the area comprising the Strathcona Regional District remains in force as a service of the Strathcona Regional District until amended or repealed;

AND WHEREAS the City of Campbell River and Electoral Area D are within the boundaries of the Strathcona Regional District;

AND WHEREAS the Regional District wishes to provide financing for the redevelopment of the Strathcona Gardens recreation facility, the estimated cost of which including expenses incidental thereto is \$77,587,000 (Seventy-Seven Million, Five Hundred and Eighty-Seven Thousand Dollars) of which \$27,000,000~~14,964,000~~ (Twenty-Seven Million Dollars~~Fourteen Million, Nine Hundred and Sixty-Four Thousand Dollars~~) is the maximum amount of borrowing authorized by this bylaw;

AND WHEREAS participating area approval has been obtained in accordance with s.407 of the *Local Government Act*;

NOW THEREFORE the Board of Directors of the Strathcona Regional District, in open meeting assembled, enacts as follows:

Borrowing Authorized

1. The Regional District is hereby authorized and empowered to borrow upon its credit a sum not exceeding \$27,000,000~~14,964,000~~ (Twenty-Seven Million Dollars~~Fourteen Million, Nine Hundred and Sixty-Four Thousand Dollars~~) for redevelopment of the Strathcona Gardens

recreation facility and to do all things necessary or convenient in connection therewith including, without limiting the generality of the foregoing, acquiring all such real property, easements, rights of way, licenses, rights or authorities as may be required.

Service Identification

- 2. The Regional District service for which the debt authorized by this bylaw would be incurred is the Greater Campbell River Pool/Arena service.

Term of Debt

- 3. The maximum term for which debentures may be issued to secure the debt created by this bylaw is 30 ~~25~~ years.

Citation

- 4. This bylaw may be cited for all purposes as Bylaw No. 342, being Strathcona Gardens Recreation Facility Loan Authorization Bylaw 2018.

READ A FIRST TIME ON THE 6TH DAY OF DECEMBER, 2018

READ A SECOND TIME ON THE 6TH DAY OF DECEMBER, 2018

READ A THIRD TIME ON THE 6TH DAY OF DECEMBER, 2018

APPROVED BY THE INSPECTOR OF MUNICIPALITIES ON THE DAY OF , 2019

APPROVAL OF THE ELECTORS RECEIVED ON THE DAY OF , 2019

RECONSIDERED, FINALLY PASSED AND ADOPTED ON THE DAY OF , 2019

Chair

Corporate Officer



STAFF REPORT

DATE: June 9, 2022 **FILE:** 0550-04 Board

TO: Chair and Directors,
Regional Board

FROM: Dave Leitch
Chief Administrative Officer

RE: STRATHCONA GARDENS - LOAN AUTHORIZATION BYLAW

PURPOSE/PROBLEM

To consider increasing the amount of borrowing to be authorized by Bylaw No. 342 to support the redevelopment plan for the Strathcona Gardens facility REC-REATE project.

EXECUTIVE SUMMARY

At its December 6, 2018 meeting the Board considered the attached report and gave first 3 readings to Bylaw No. 342 which would authorize borrowing approximately \$15 million to support redevelopment of the Strathcona Gardens recreation complex.

At its May 25, 2022 meeting the Board passed a further resolution to seek grant funding for this project:

Evans/Cornfield: SRD 424/22

THAT a grant application through the 2022 Strategic Priorities Fund – Infrastructure Building Projects be submitted for the Rec-reate Project at Strathcona Gardens/Aquatic Center.

When Bylaw No. 342 was introduced in 2018 the scope of the REC-REATE project and available grant funding differed from what it is currently, and \$15 million in borrowing is no longer sufficient to meet the new funding threshold requirements of approximately \$39 million for the Strategic Priorities Fund (SPF) grant application for the aquatic centre portion of the project.

To apply for the SPF grant, the applicant must demonstrate how all the funds for the project will be secured. The aquatic center portion of the REC-REATE project is estimated to cost \$39 million. There is currently \$6.5 million in funding available from the Strathcona Gardens reserves, plus an anticipated \$6 million available through the SPF grant, for a total of \$12.5 million. The remaining \$27 million would need to come from the Regional District.

As part of the Regional District's application to the Strategic Priorities Fund it will need to provide confirmation that it has sufficient funds to proceed with the project. Providing a copy of Bylaw No. 342 with revised borrowing authority of \$27 million would satisfy this requirement. The deadline for submitting the application to the SPF is June 30, 2022.

RECOMMENDATIONS

1. THAT the report from the Chief Administrative Officer be received.
2. THAT a further report and amendments to Bylaw No. 342 be prepared for the Board's consideration that would increase the borrowing limit to \$27 million to support construction of

the Strathcona Gardens aquatic centre and satisfy the requirements of the Strategic Priorities Fund – Infrastructure Building Project grant application.

Respectfully:



Dave Leitch
Chief Administrative Officer

Prepared by: *S. Fisher, Engineering Services Coordinator*

Attachment: Copy of November 28, 2018 report to the Board

COPY



STAFF REPORT

DATE: November 28, 2018 **FILE:** 0550-04 Board

TO: Chair and Directors,
Regional Board

FROM: Dave Leitch
Chief Administrative Officer

RE: BYLAW NO. 342 – STRATHCONA GARDENS LOAN AUTHORIZATION

PURPOSE/PROBLEM

To consider first 3 readings of Bylaw No. 342 which proposes to authorize the borrowing of approximately \$15 million as part of a \$78 million redevelopment plan for the Strathcona Gardens recreation facility.

EXECUTIVE SUMMARY

At its November 22, 2018 regular meeting the Board considered the attached report and passed the following resolution:

Leigh/Kerr: SRD 1044/18

THAT an application be prepared for submission to the Investing in Canada Infrastructure Program (Community, Culture and Recreation Stream) for the redevelopment of Strathcona Gardens based on the approved schematic design, and

THAT a further report and loan authorization bylaw for the Regional District's share of project costs be prepared for the Board's consideration at the next meeting.

A loan authorization bylaw has been prepared for the Board's consideration which reflects the financing option selected by the Board at its last meeting. The attached Bylaw No. 342 proposes to authorize borrowing of up to \$14,964,000 which represents the Regional District's 26.7% share of the projected \$77,587,000 cost of redeveloping the Strathcona Gardens recreation facility. The bylaw must be given first 3 readings and accompany the application for grant funding as evidence that the Regional District is prepared to commit to the REC-REATE project should it be successful in attracting funds through the Investing in Canada Infrastructure Program.

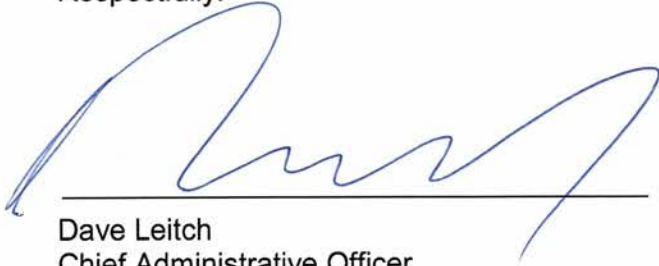
Although the Board could decide to obtain elector approval for Bylaw No. 342 in advance of grant confirmation, this course of action is not recommended at this time since the award of a lesser grant may require that the Board consider further amendments to the bylaw prior to seeking approval.

RECOMMENDATIONS

1. THAT the report from the Chief Administrative Officer be received.
2. THAT Bylaw No. 342, being a bylaw to authorize the borrowing of funds for redevelopment of the Strathcona Gardens recreation facility, be now introduced and read a first time.

3. THAT the rules be suspended and Bylaw No. 342 be given second and third readings.
4. THAT a further report be prepared for the Board's consideration following a decision on the funding application by the Investing in Canada Infrastructure program.

Respectfully:



Dave Leitch
Chief Administrative Officer

Prepared by: Tom Yates, Corporate Services Manager

Attachments: Loan Authorization Bylaw No. 342
Copy of November 15, 2018 report to Board

COPY



BYLAW NO. 342

A BYLAW TO AUTHORIZE THE BORROWING OF FUNDS FOR REDEVELOPMENT OF THE STRATHCONA GARDENS RECREATION FACILITY

WHEREAS the former Comox-Strathcona Regional District has, by Bylaw No. 1214, established a service to provide arena and swimming pool facilities with the City of Campbell River and Electoral Area D as participating member municipalities;

AND WHEREAS the aforesaid recreation facilities service has been provided as a continued service of the former Comox-Strathcona Regional District in accordance with the previous continuation authority as defined in the *Local Government Act*;

AND WHEREAS the Comox-Strathcona Regional District was, by Order in Council 059/08, divided into the Comox Valley Regional District and the Strathcona Regional District effective February 15, 2008;

AND WHEREAS a service of the Comox-Strathcona Regional District that was operated within all or part of the area comprising the Strathcona Regional District remains in force as a service of the Strathcona Regional District until amended or repealed;

AND WHEREAS the City of Campbell River and Electoral Area D are within the boundaries of the Strathcona Regional District;

AND WHEREAS the Regional District wishes to provide financing for the redevelopment of the Strathcona Gardens recreation facility, the estimated cost of which including expenses incidental thereto is \$77,587,000 (Seventy-Seven Million, Five Hundred and Eighty-Seven Thousand Dollars) of which \$14,964,000 (Fourteen Million, Nine Hundred and Sixty-Four Thousand Dollars) is the maximum amount of borrowing authorized by this bylaw;

AND WHEREAS participating area approval has been obtained in accordance with s.407 of the *Local Government Act*;

NOW THEREFORE the Board of Directors of the Strathcona Regional District, in open meeting assembled, enacts as follows:

Borrowing Authorized

1. The Regional District is hereby authorized and empowered to borrow upon its credit a sum not exceeding \$14,964,000 (Fourteen Million, Nine Hundred and Sixty-Four Thousand Dollars) for redevelopment of the Strathcona Gardens recreation facility and to do all things necessary or convenient in connection therewith including, without limiting the generality of

the foregoing, acquiring all such real property, easements, rights of way, licenses, rights or authorities as may be required.

Service Identification

- 2. The Regional District service for which the debt authorized by this bylaw would be incurred is the Greater Campbell River Pool/Arena service.

Term of Debt

- 3. The maximum term for which debentures may be issued to secure the debt created by this bylaw is 25 years.

Citation

- 4. This bylaw may be cited for all purposes as Bylaw No. 342, being Strathcona Gardens Recreation Facility Loan Authorization Bylaw 2018.

READ A FIRST TIME ON THE DAY OF , 2018

READ A SECOND TIME ON THE DAY OF , 2018

READ A THIRD TIME ON THE DAY OF , 2018

APPROVED BY THE INSPECTOR OF MUNICIPALITIES ON THE DAY OF , 2019

APPROVAL OF THE ELECTORS RECEIVED ON THE DAY OF , 2019

RECONSIDERED, FINALLY PASSED AND ADOPTED ON THE DAY OF , 2019

Chair

Corporate Officer



STAFF REPORT

DATE: November 15, 2018 **FILE:** 0550-04 Board

TO: Chair and Directors,
Regional Board

FROM: Dave Leitch
Chief Administrative Officer

RE: STRATHCONA GARDENS RECREATE PROJECT

PURPOSE/PROBLEM

To consider proceeding with an application for funding in connection with the redevelopment of the Strathcona Gardens recreation facility.

EXECUTIVE SUMMARY

At its November 7, 2018 meeting the Strathcona Gardens Commission considered the attached report and recommended:

- that an application be prepared for submission to the Investing in Canada Infrastructure Program (Community, Culture and Recreation Stream) for the redevelopment of Strathcona Gardens based on the approved schematic design, and
- that the application be based on financing Option 1 (full facility redevelopment) at a cost of between \$83 million and \$72 million with 73.33% funding from senior government.

As outlined in the background information, Option 1 would maintain the requisition for the Strathcona Gardens at current levels through long-term capital financing of the Regional District's 26.7% share of project costs. This would require that the Regional District introduce a loan authorization bylaw to confirm the details of proposed borrowing and that the bylaw receive third reading at the next meeting to ensure inclusion with the project funding application.

The deadline for submission of applications (including all supporting documentation) is January 23, 2019.

RECOMMENDATIONS

1. THAT the report from the Chief Administrative Officer be received.
2. THAT an application be prepared for submission to the Investing in Canada Infrastructure Program (Community, Culture and Recreation Stream) for the redevelopment of Strathcona Gardens based on the approved schematic design, and

THAT a further report and loan authorization bylaw for the Regional District's share of project costs be prepared for the Board's consideration at the next meeting.

Respectfully:



Dave Leitch
Chief Administrative Officer

Prepared by: Tom Yates, Corporate Services Manager

Attachments: Copy of November 2, 2018 report to the Strathcona Gardens Commission

COPY



STAFF REPORT

DATE: November 2, 2018

FILE: 0540-04SGC

TO: Chair and Commissioners,
Strathcona Gardens Commission

FROM: David Leitch
Chief Administrative Officer

RE: RECREATE STRATHCONA GARDENS – DRAFT SCHEMATIC DESIGN PRESENTATION

PURPOSE

To present the draft schematic design for the redevelopment of Strathcona Gardens and seek Commission's direction on making a funding application.

EXECUTIVE SUMMARY

In June 2018, the Strathcona Regional District (SRD) Board directed staff to proceed with schematic design work for the proposed redevelopment of Strathcona Gardens as recommended by the Commission. The schematic design is intended to build on the concept developed through the feasibility study completed in 2017 and provide greater detail and certainty around costs, site constraints and integration of other projects and interests.

HCMA Architecture and Design was appointed to undertake the schematic design phase and will present the findings of this phase at the meeting. SRD staff will also present options for financing the project through a combination of anticipated grant funding and local contributions.

Commission will be asked to endorse the schematic design and recommend to the SRD Board that staff proceed with obtaining authorizations required for financing and prepare a funding application to the recently announced Investing in Canada Infrastructure Program (ISIP) – Community, Culture and Recreation Stream (CCR). Funding applications for this program are due January 23, 2019.

RECOMMENDATION

1. THAT the report from the Chief Administrative Officer be received.
2. THAT the schematic design for the redevelopment of Strathcona Gardens as presented by HCMA on November 7, 2018 be endorsed.
3. THAT the Strathcona Regional District Board direct staff to develop an application to the Investing in Canada Infrastructure Program – Community, Culture and Recreation Stream for the redevelopment of Strathcona Gardens based on the endorsed schematic design.
4. THAT the Strathcona Regional District Board support a project financing model, presented at the November 7, 2018 Commission meeting and described as:
_____, and;

5. THAT the Strathcona Regional District Board proceed with obtaining any authorizations required to support this financing model.

Respectfully:



David Leitch
Chief Administrative Officer

Prepared by: V. Smith, Manager Strategic Initiatives

COPY

RECREATE

STRATHCONA GARDENS

November 7, 2018



Victoria Smith

Myriah Foort

Strathcona Regional District

Paul Fast

Steve DiPasquale

HCMA Architecture + Design



Agenda

1. Timeline
2. Community Engagement
3. Schematic Design
4. Costing Considerations
5. Grant Funding
6. Project Financing



Timeline

Project Phasing + Timeline



- Extensive Community Survey
- Staff + Stakeholder Engagement
- Building Condition Assessment
- Program Analysis



- Staff + Stakeholder Engagement
- Preliminary Engineering Investigations
- Preliminary Costing
- Preliminary Discussion with Funding Authorities
- Business Analysis



- Updated Costing Exercise
- Traffic Impact Study
-
- Successful Energy Project Recovery Grant

Project Phasing + Timeline



A large, light gray number '2' is centered on the page. The text 'Community Engagement' is overlaid on the middle of the number.

Community Engagement

Who we've engaged with...



Through all three phases of the rec-reate project, there has been broad public support

Needs Assessment

1. Community Survey
262 respondents

2. Focus Groups
& Key Interviews

3. Public Open House

97% feel Strathcona Gardens plays an important role in providing the region with recreation service

95% of households with children in the home reported use during the previous year

90% Currently participate in programs, events or activities at the facility

Feasibility Study

1. Open House

2. Stakeholder Workshops

3. Second Public Engagement

- General Public and Users
- Sports Associations
- Staff

- Working Committee
- Programming Staff
- Rehabilitation Staff

- City of Campbell River Planning and Development Staff
- Project Community Advisory Group

Schematic Design

- Strathcona Gardens User Group Interviews
- Kids Camp Participants
- Facility Staff — Supervisory Team

- SRD — Emergency Operations
- City of Campbell River Planning and Engineering Departments

- Campbell River Fire Department
- School District 72

A large, light gray number '3' is centered on a black background. The number is rendered in a bold, sans-serif font. The text 'Schematic Design' is overlaid on the middle of the number.

Schematic Design

Facility Vision

The renewed Strathcona Gardens will be a place where:



- Fitness
- Rehabilitation
- Therapy
- Competitive sport
- Recreational sport

Form a holistic approach to **wellness**, vital to the social fabric of Campbell River and the surrounding region.



Opportunities are created for true community to be forged in the water, on the ice or around a cup of coffee.



People rally around a team and each other.

Program

New build option program includes the following spaces:

AQUATIC - NEW BUILD	WELLNESS CENTRE	MULTI-PURPOSE ROOMS	ADMIN + GATHERING	ROD BRIND 'AMOUR ARENA
Main Tank - 25 m / 8 Lane	Fitness Room (Retrofit from Existing Natatorium)	4 New Multi-purpose Rooms	New Administration Offices	4 New Team Rooms
Leisure Pool - Climbing Wall, Lazy River, Waterslide	New Treatment & Assessment Rooms	3 Renovated Multi-Purpose Rooms	New Reception Area	New First Aid + Referee Rooms
Change Rooms		* Optional EOC being considered	Renovated Lobby and Gathering Space	Target 2000 New Bucket Seats
Sauna and Steam Rooms			New Concession	Walking Track
Pool Admin Spaces (Life-guarding, etc.)				Zamboni Room(s) and Ice Melt Pit(s)
Hot Pool				
Wellness Pool				

Existing Conditions



Existing Conditions North Elevation



Existing Conditions Northwest Corner



Existing Conditions Views to West



Concept Diagram



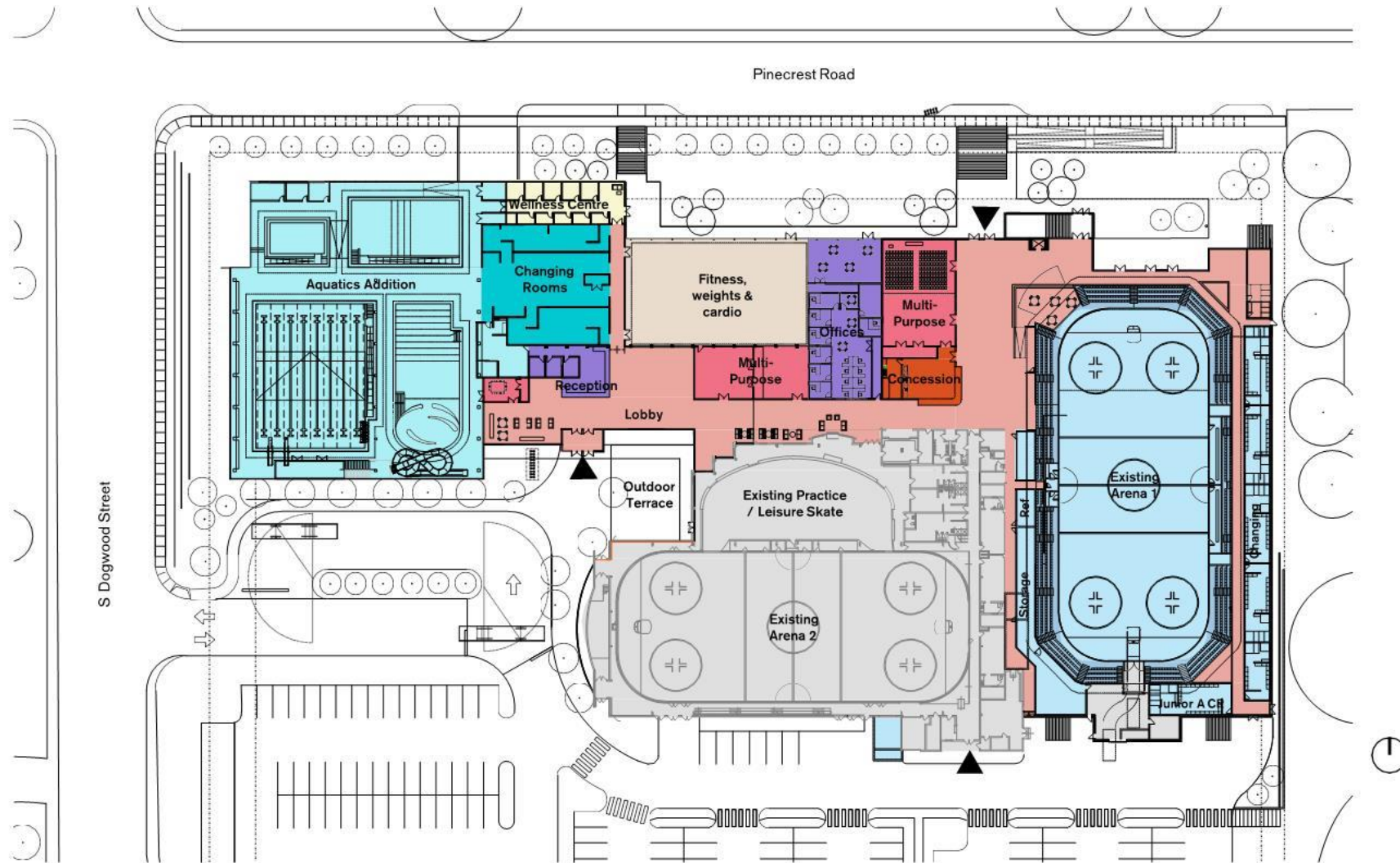
Site Plan



Perspective View



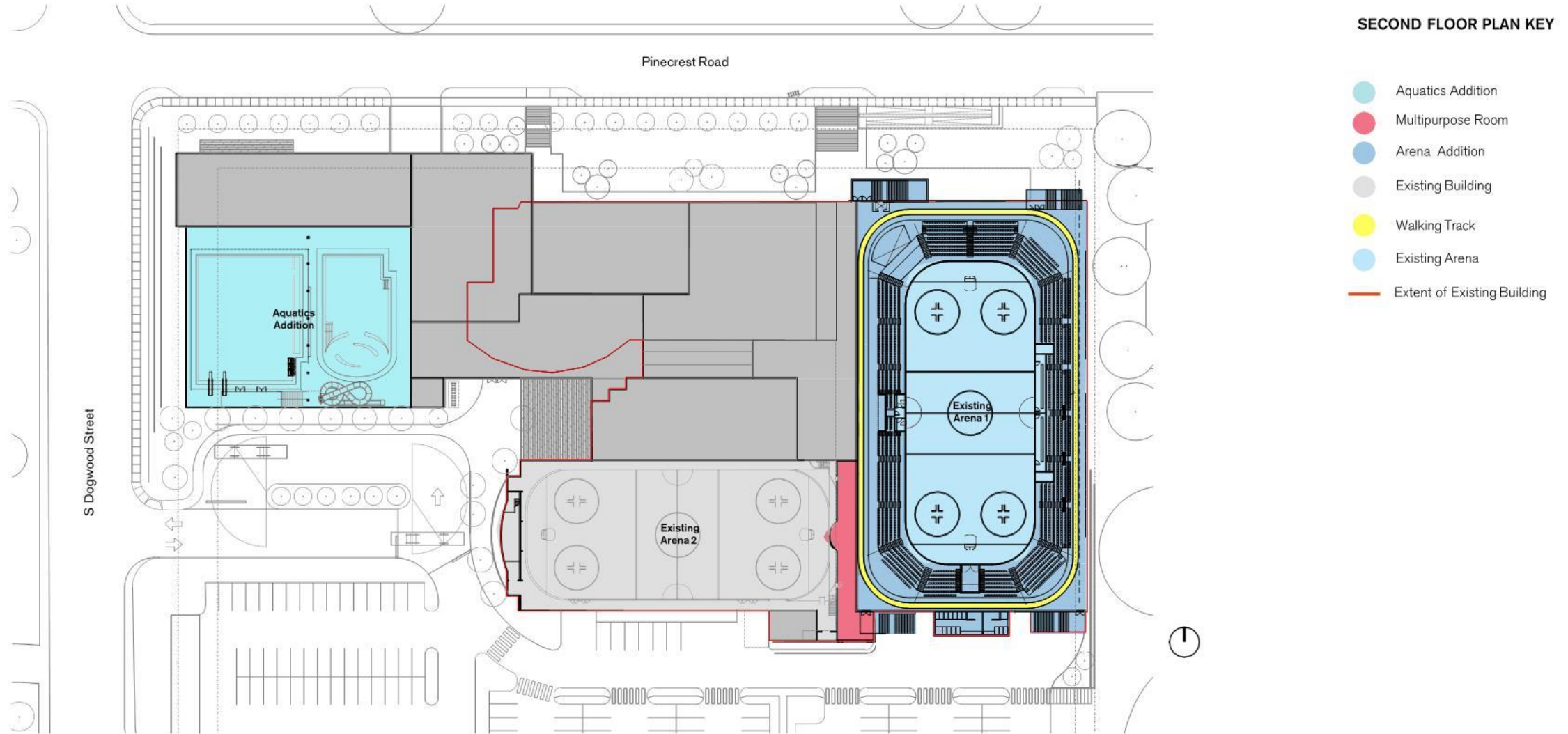
Ground Floor Plan



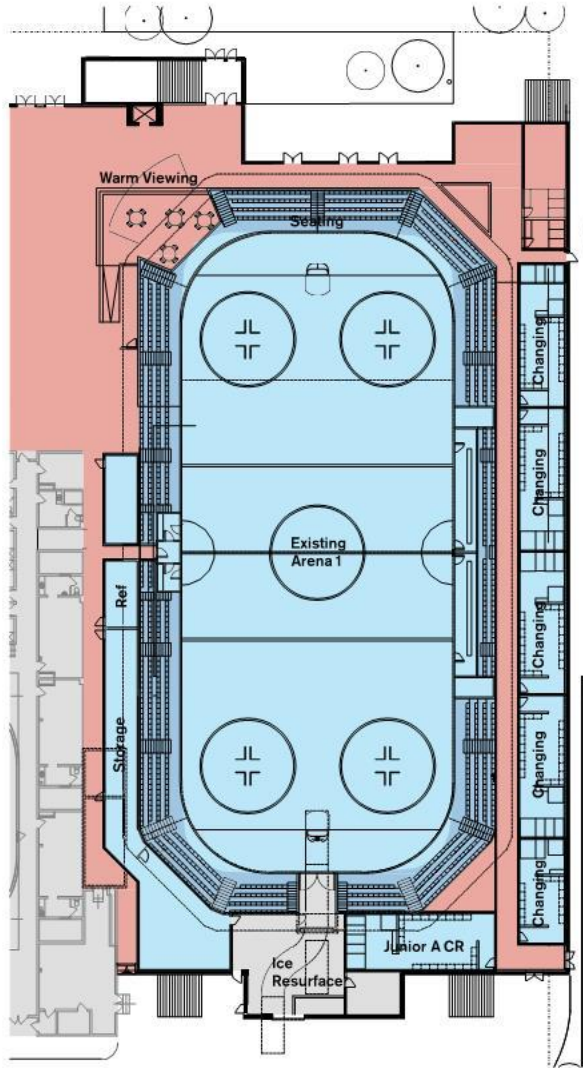
GROUND FLOOR PLAN KEY

- Aquatics Addition
- Changing Rooms Addition
- Wellness Centre Addition
- Multipurpose Room (new + repurposed)
- Offices (new + repurposed)
- Concession (repurposed)
- Social Space: Renovate & Expand
- Arena Addition
- Arena Addition: New Changing Rooms, Storage, + Mech
- Existing Building
- E.O.C.
- Extent of Existing Building
- ▲ Entrance

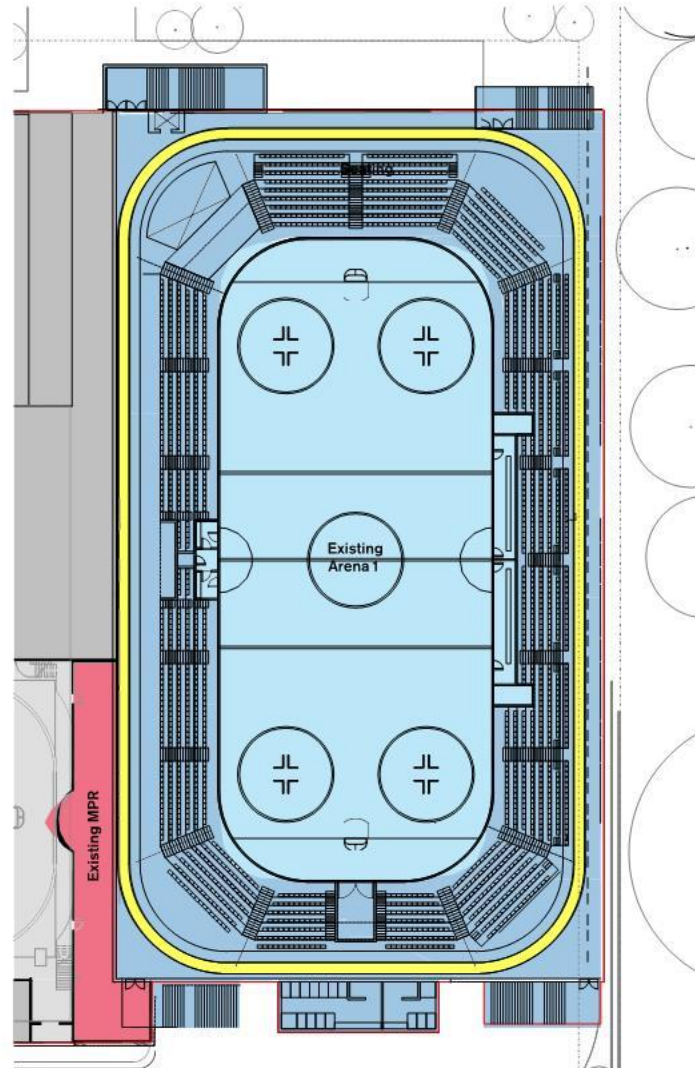
Second Floor Plan



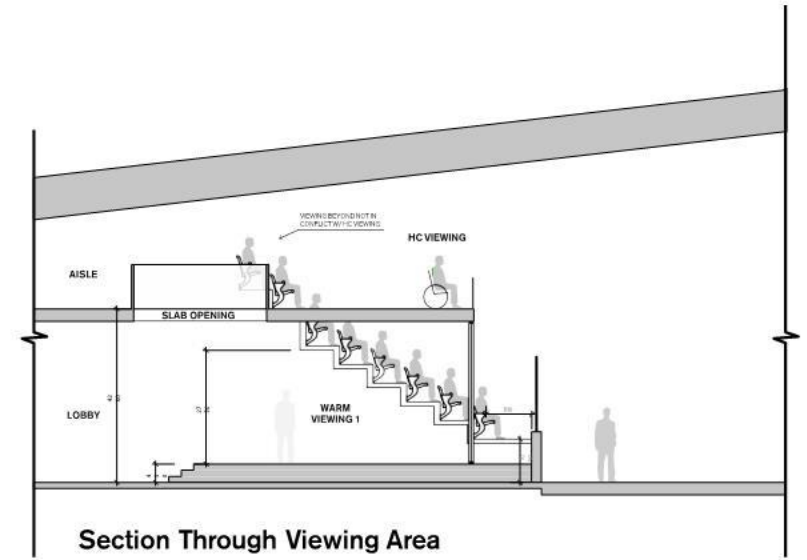
Arena



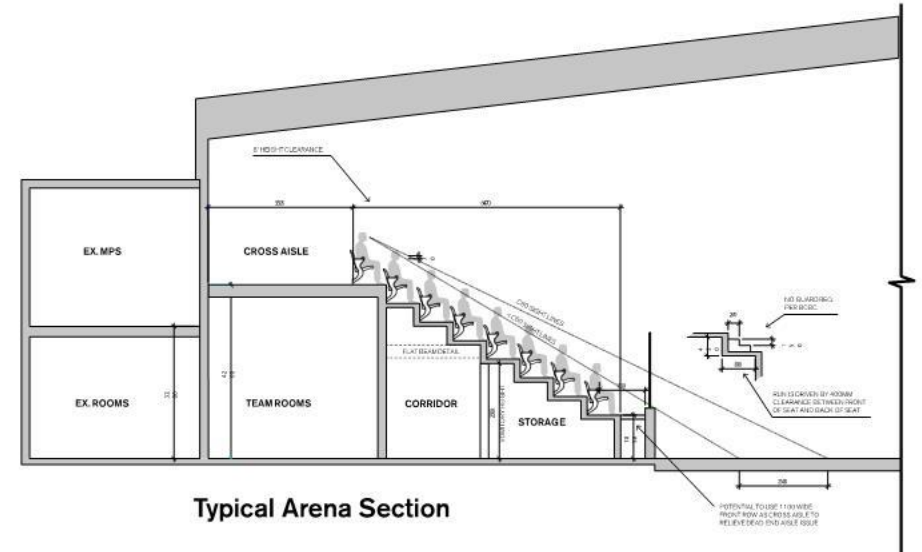
Level 1



Level 2

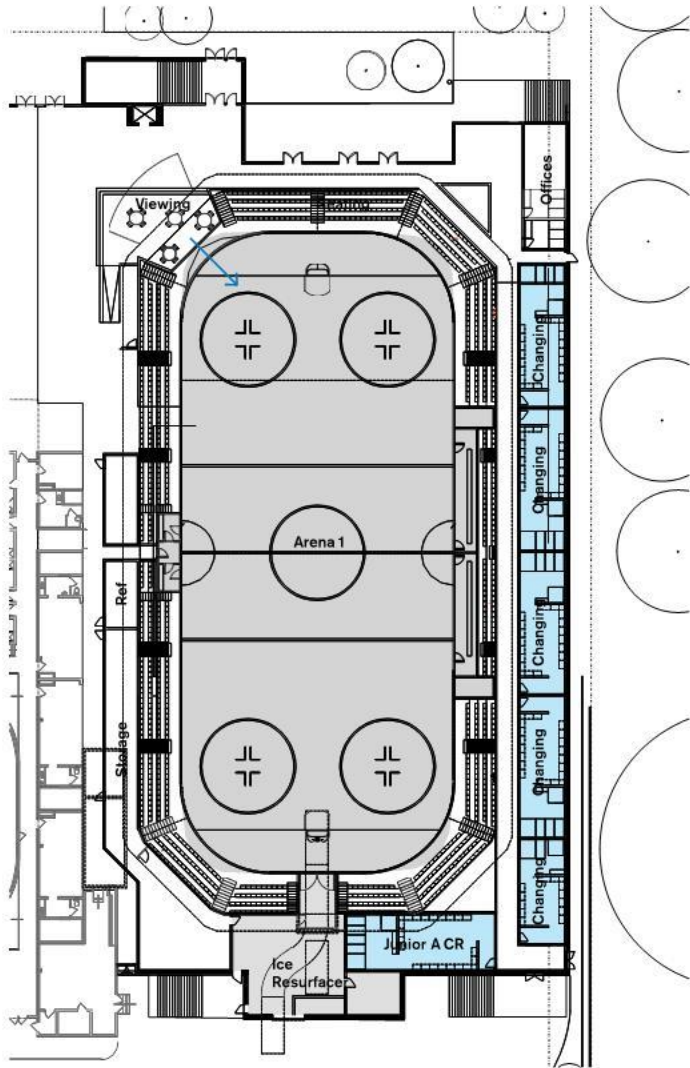


Section Through Viewing Area



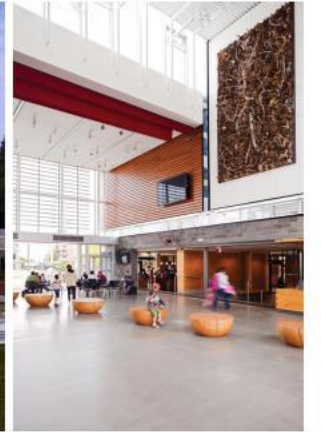
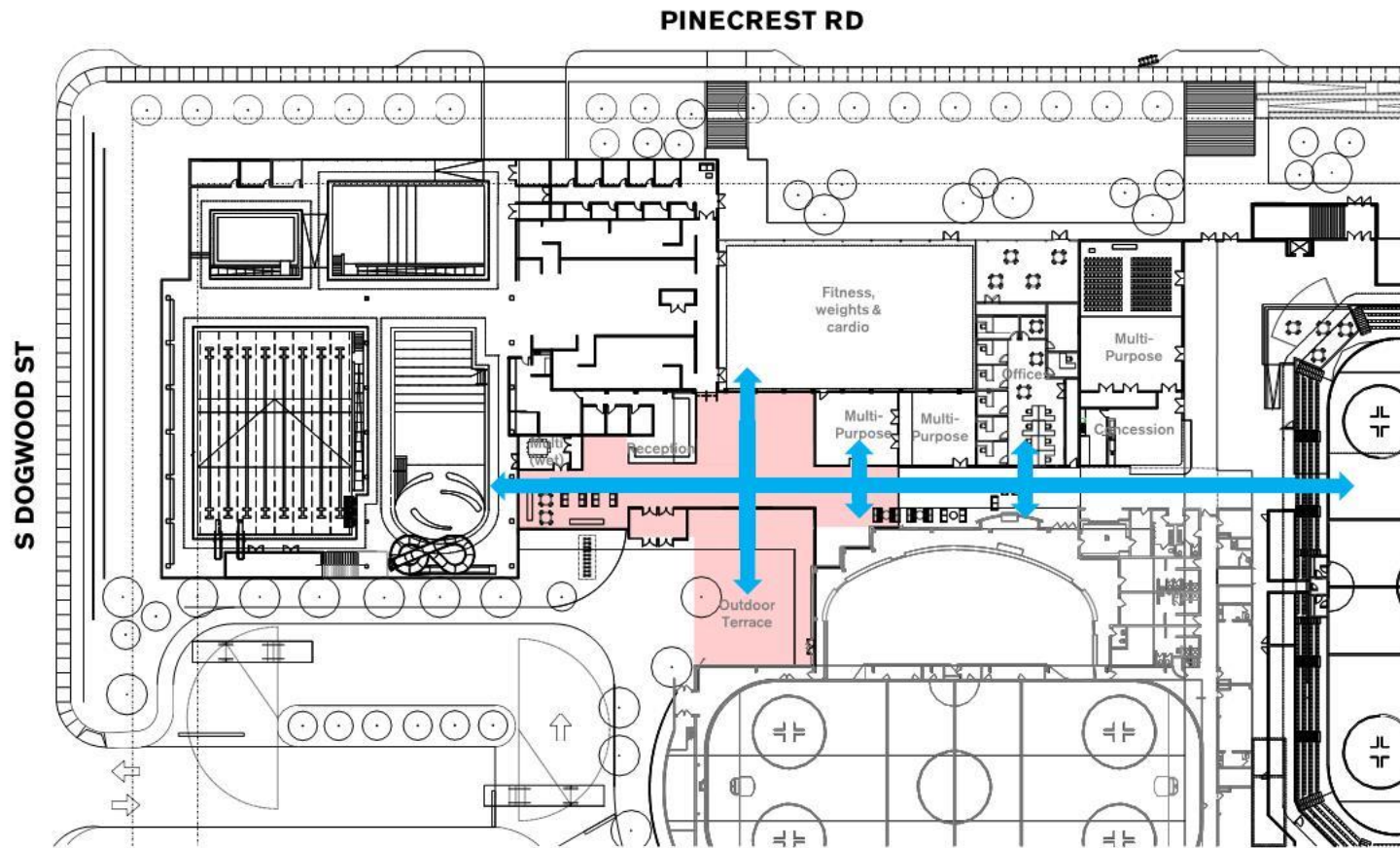
Typical Arena Section

Arena



Central Interior Space

View Connections + Social Heart



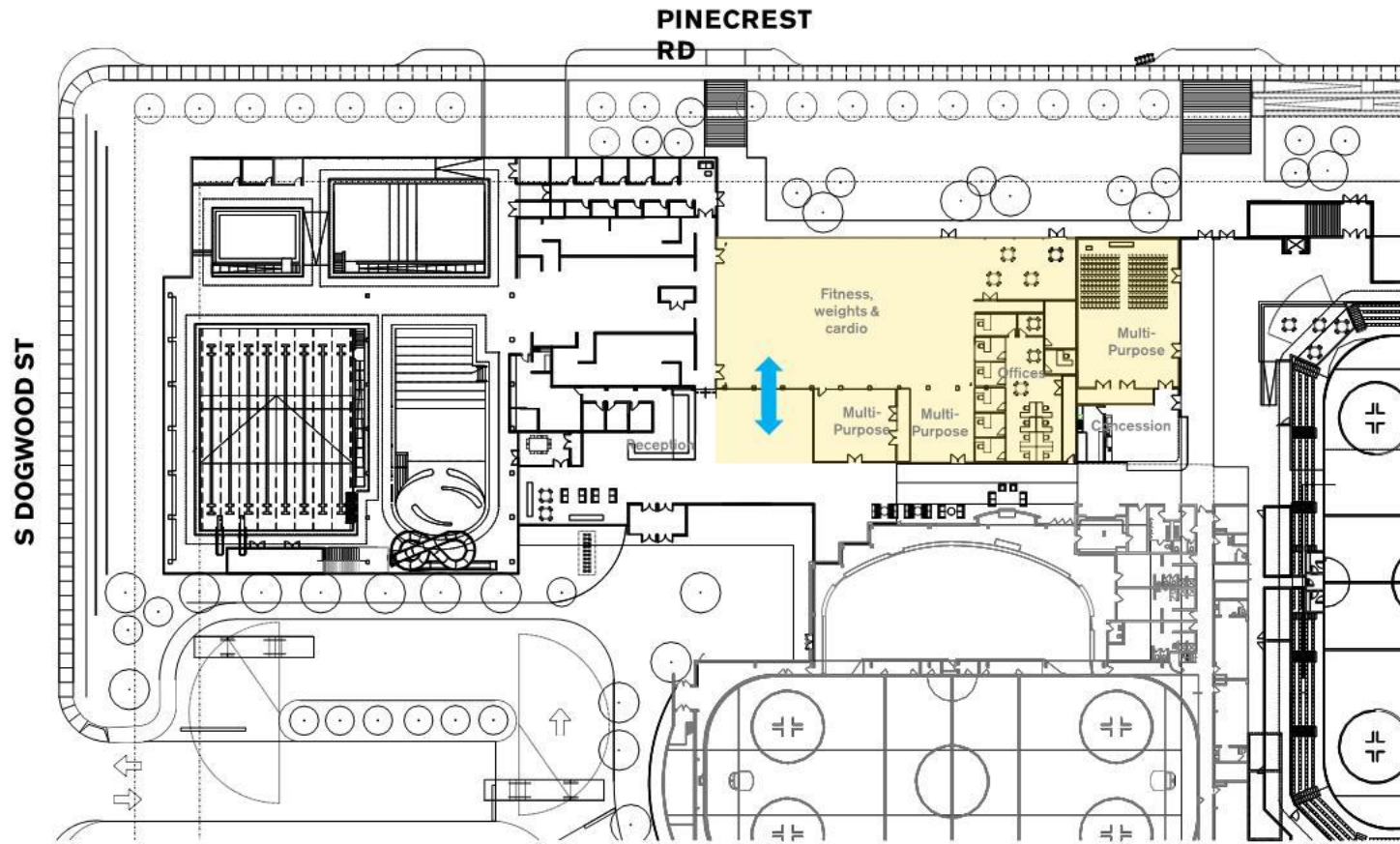
Central Interior Space

View Connections + Social Heart

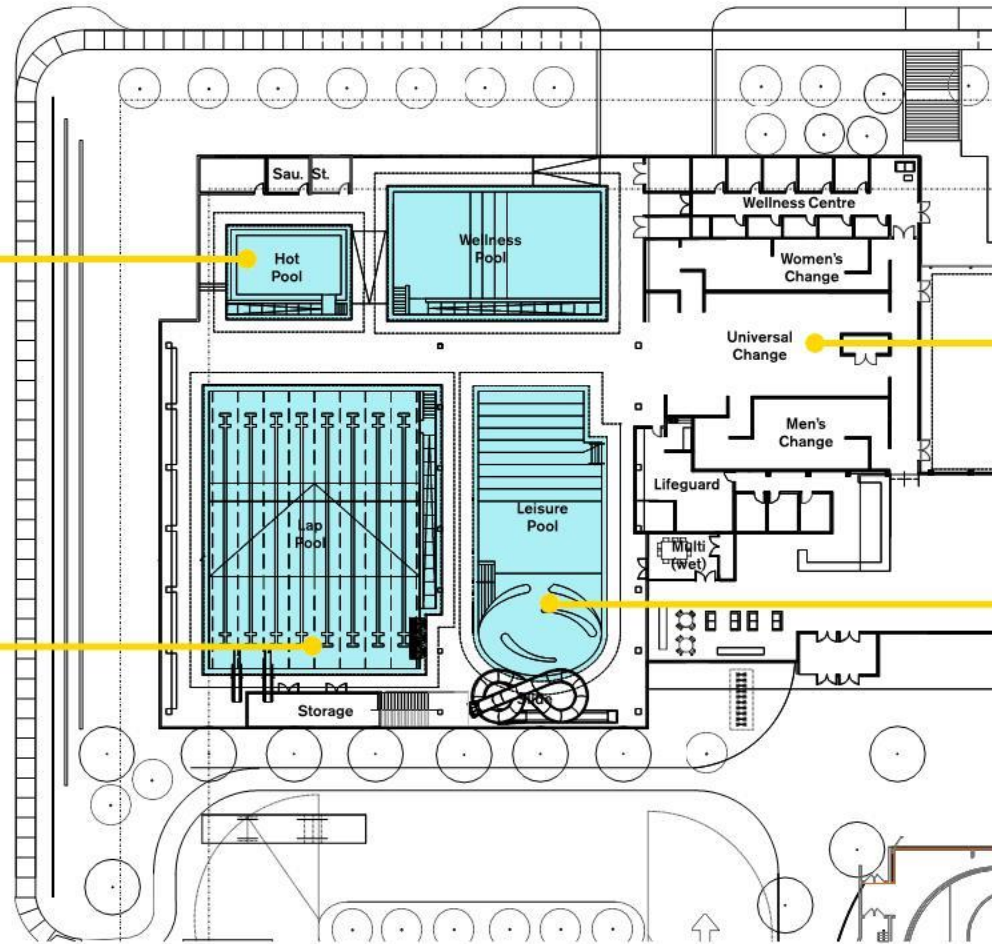


Central Interior Space

Fitness

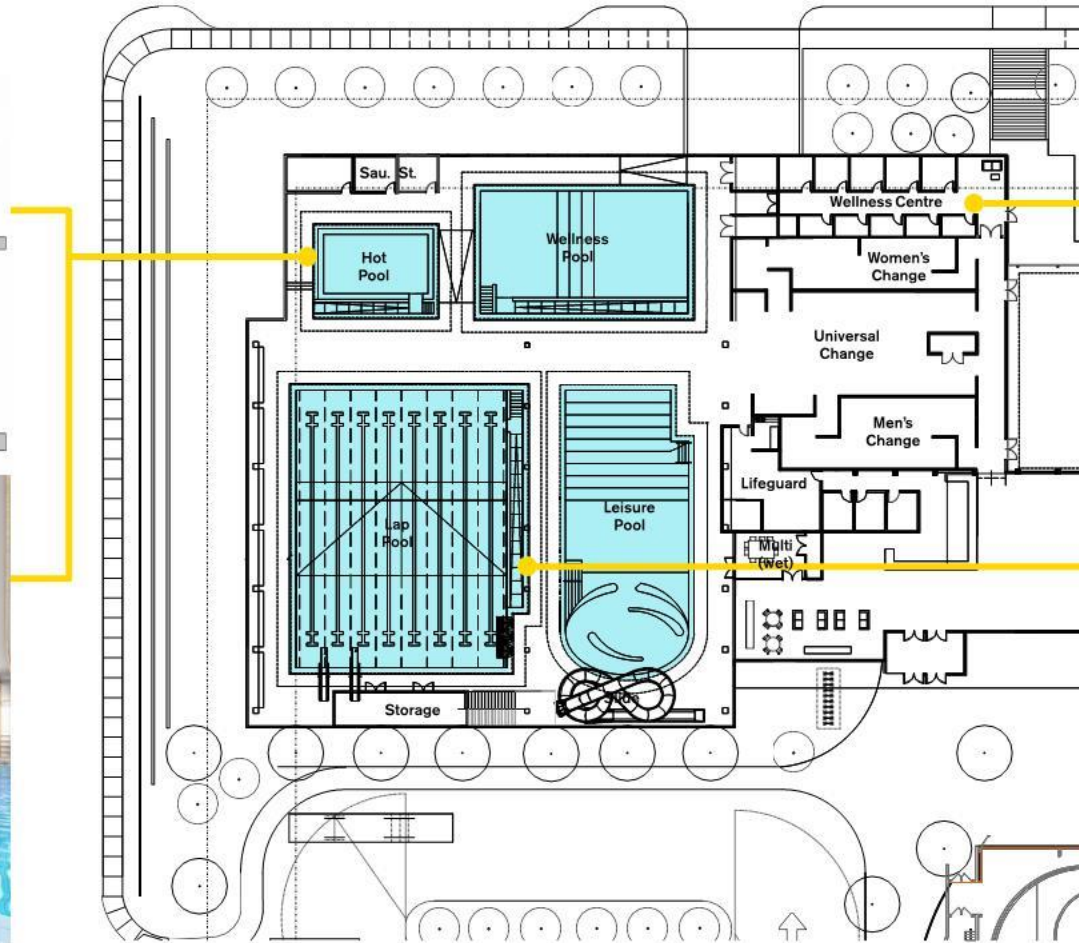
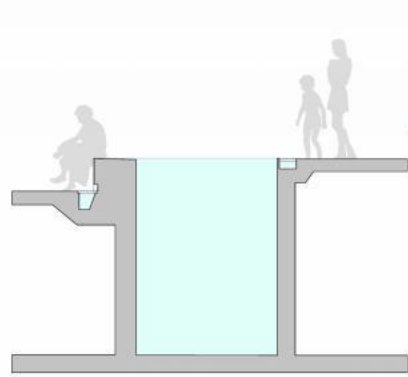


Aquatic Centre



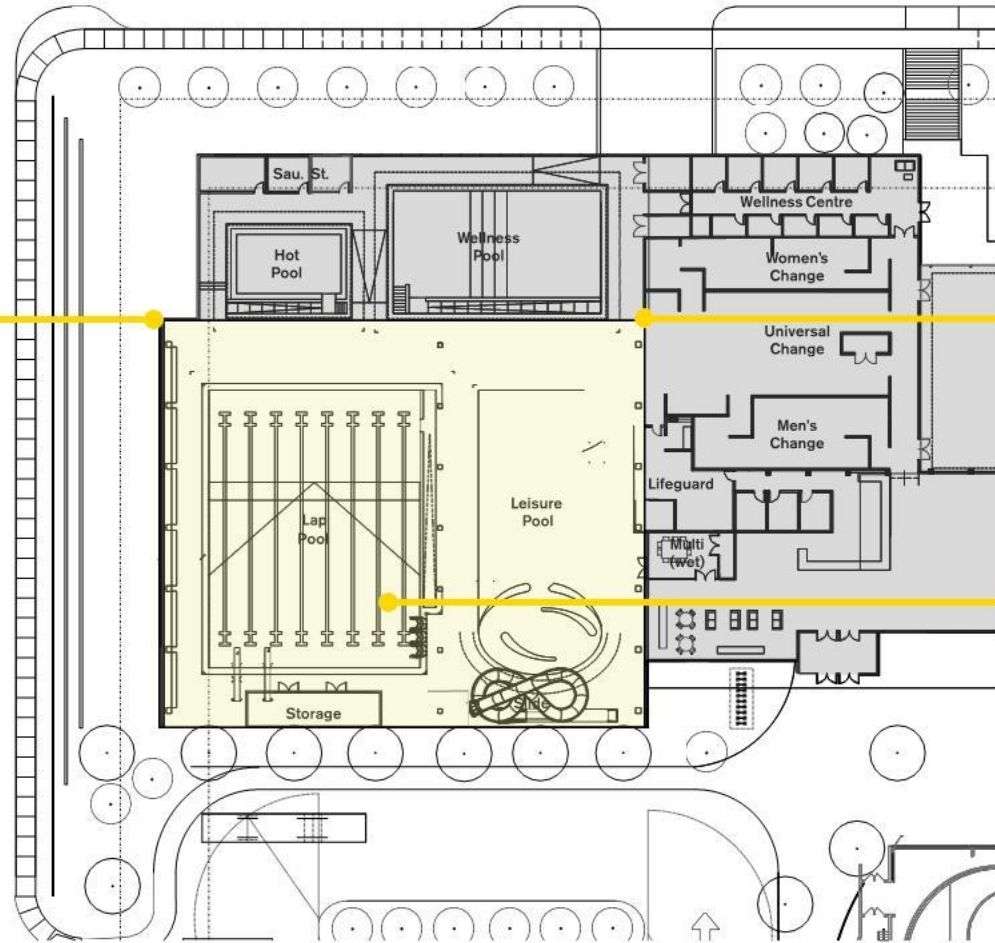
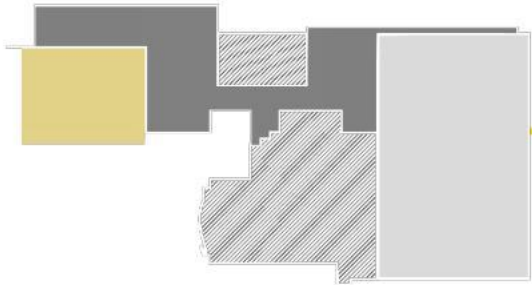
Aquatic Centre

Accessibility + Wellness



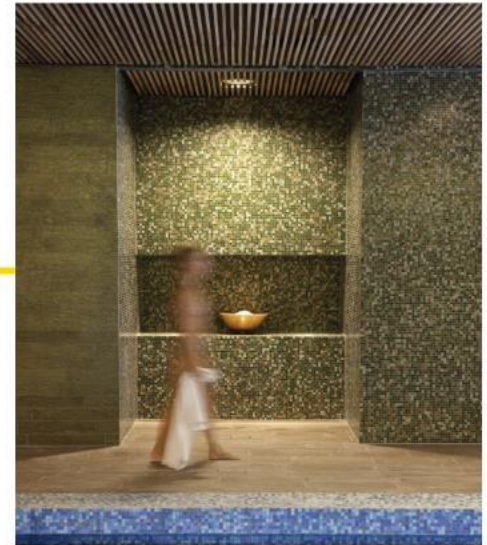
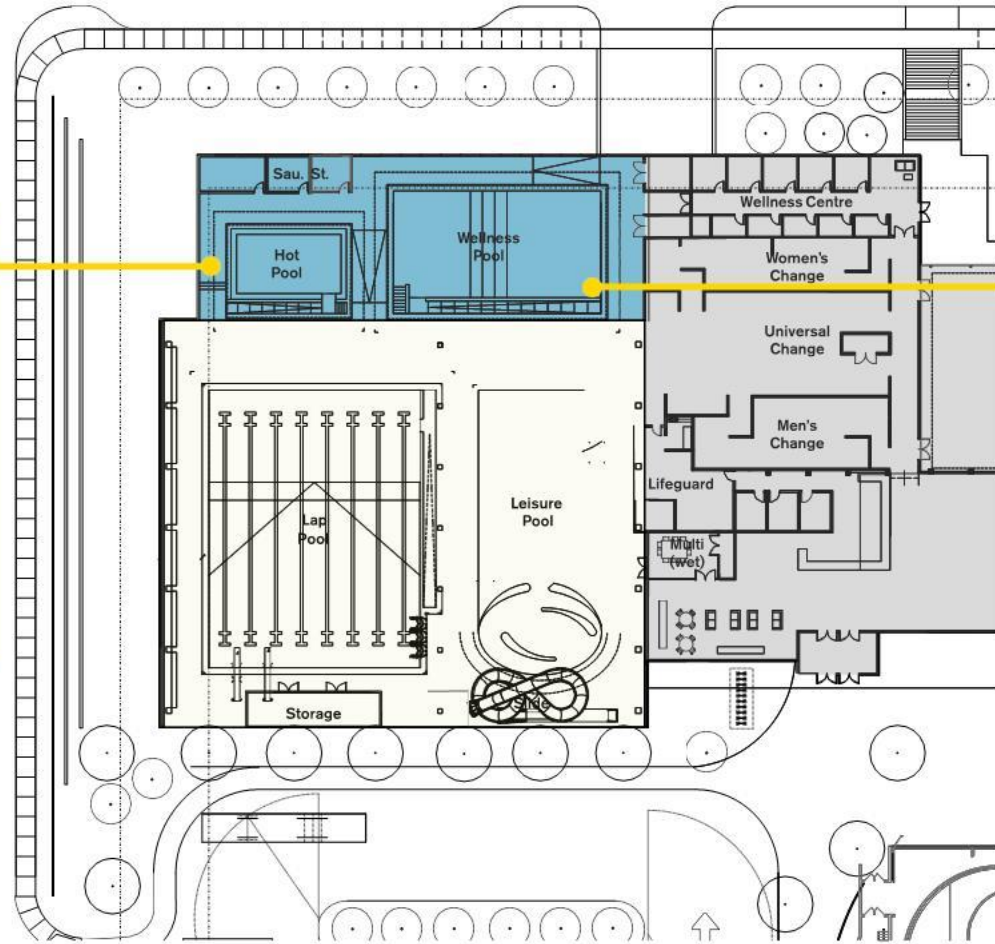
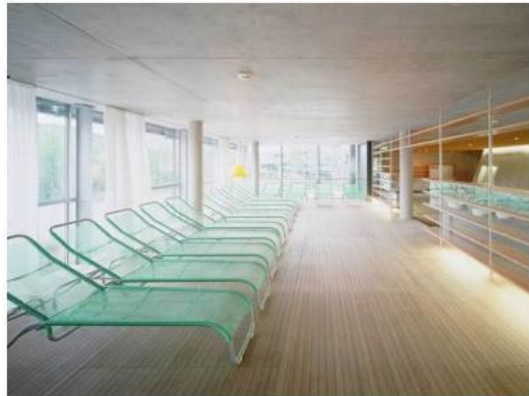
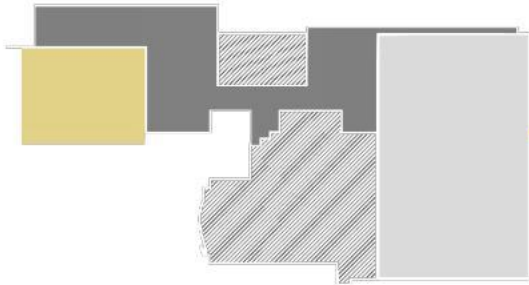
Aquatic Centre

Space + Materials



Aquatic Centre

Space + Materials



North Elevation















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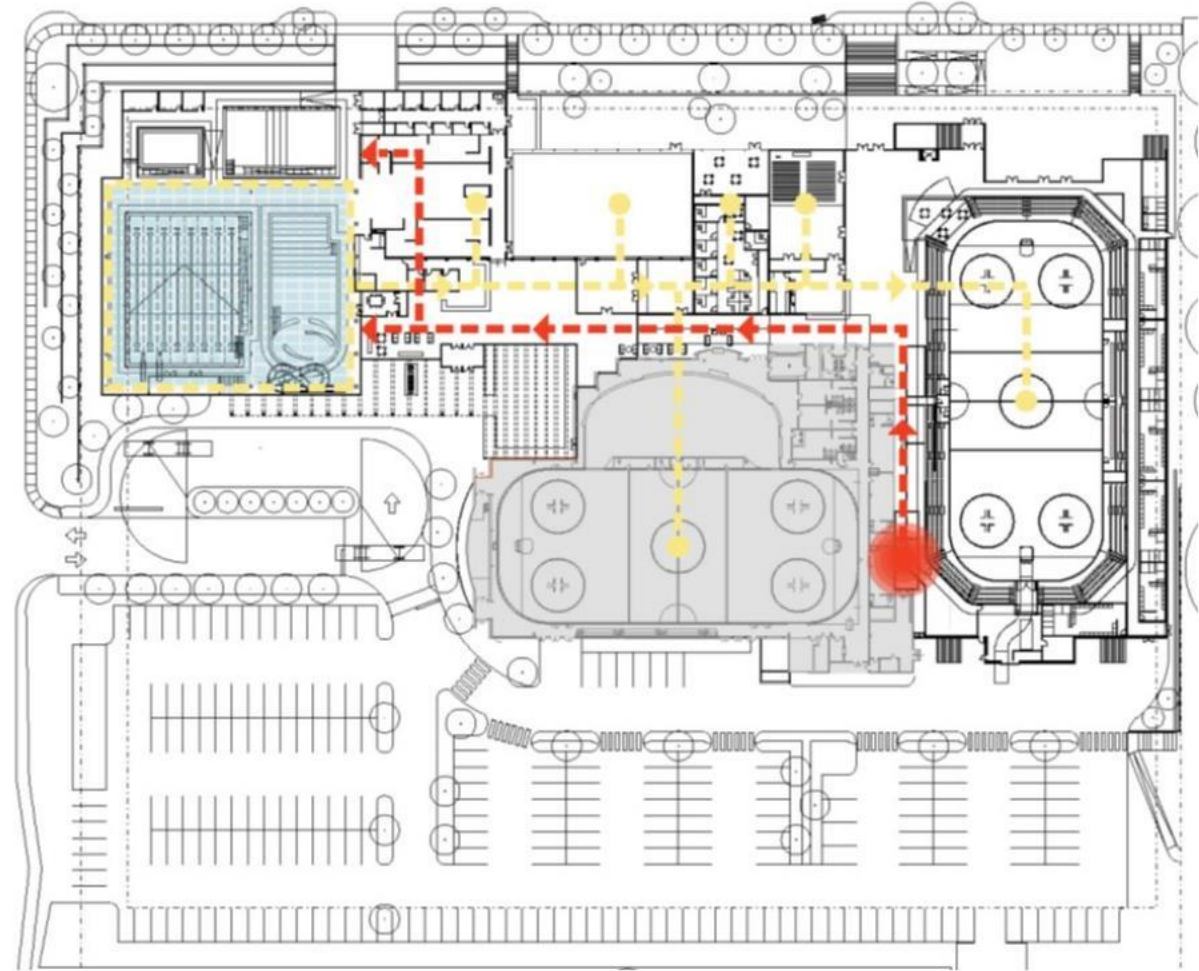
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Energy Recovery Project Grant





Grant Funding Secured For:

1. Energy Recovery System
2. Ice Melting Pits
3. Solar Array
4. Air Handling System Replacement

These systems have been folded into **Schematic Design** investigations.



Project Phasing

-  New Build
-  Demo Existing + New Build
-  Intensive Renovation
-  Existing Building



4

Costing Considerations

Cost Considerations

As the project moved towards a more detailed cost estimate (Class C), our team identified the following items that could have an influence on this estimate:

- **Market Conditions (Escalation)**

Uncertainty in the market place is impacting pricing, particularly with respect to steel and aluminum products

- **Aquatic Changeroom design considerations**

Increased size of changerrooms in aquatic area will result in higher construction costs

- **Fitness Area design considerations**

Retrofitting more fitness area will result in higher construction costs

- **Geotechnical**

Detailed testing has recently been completed and more retaining work is necessary at north and west of site

- **Site Servicing**

Service line running underneath existing lane at east of site will need to be relocated

Costing Comparison – Project Costs

		Class C Estimate – November 2018		
Future Development				
Phase 1	<i>Aquatics</i>	\$ 24,035,846		
Phase 2	<i>Interior Retrofit</i>	\$ 8,056,570		
Phase 3	<i>Arena 1</i>	\$ 28,271,170		
Phase 4	<i>Site work & Painting</i>	\$ 1,819,314		
TOTAL PROJECT COST		\$ 62,182,900		

Estimate Reconciling

	\$	54,582,900 Reconciled Project Cost
+	\$	4,800,000 Escalation (2017-2018)
+	\$	2,800,000 Tariffs
<hr/>		
	\$	62,182,900 Project Cost

Estimate Reconciling

	\$	54,582,900 Reconciled Project Cost
+	\$	4,800,000 Escalation (2017-2018)
+	\$	2,800,000 Tariffs
<hr/>		
	\$	62,182,900 Project Cost

+ High Escalation: \$ 20,706,000

TOTAL PROJECT COSTS: \$ 82,888,900

Estimate Reconciling

	\$	54,582,900 Reconciled Project Cost
+	\$	4,800,000 Escalation (2017-2018)
+	\$	2,800,000 Tariffs
<hr/>		
	\$	62,182,900 Project Cost

+ Low Escalation: \$ 10,102,020

TOTAL PROJECT COSTS: \$ 72,284,920

Cost-Value Analysis

We analyzed each component in the project and have worked to reduce costs with the following measures:

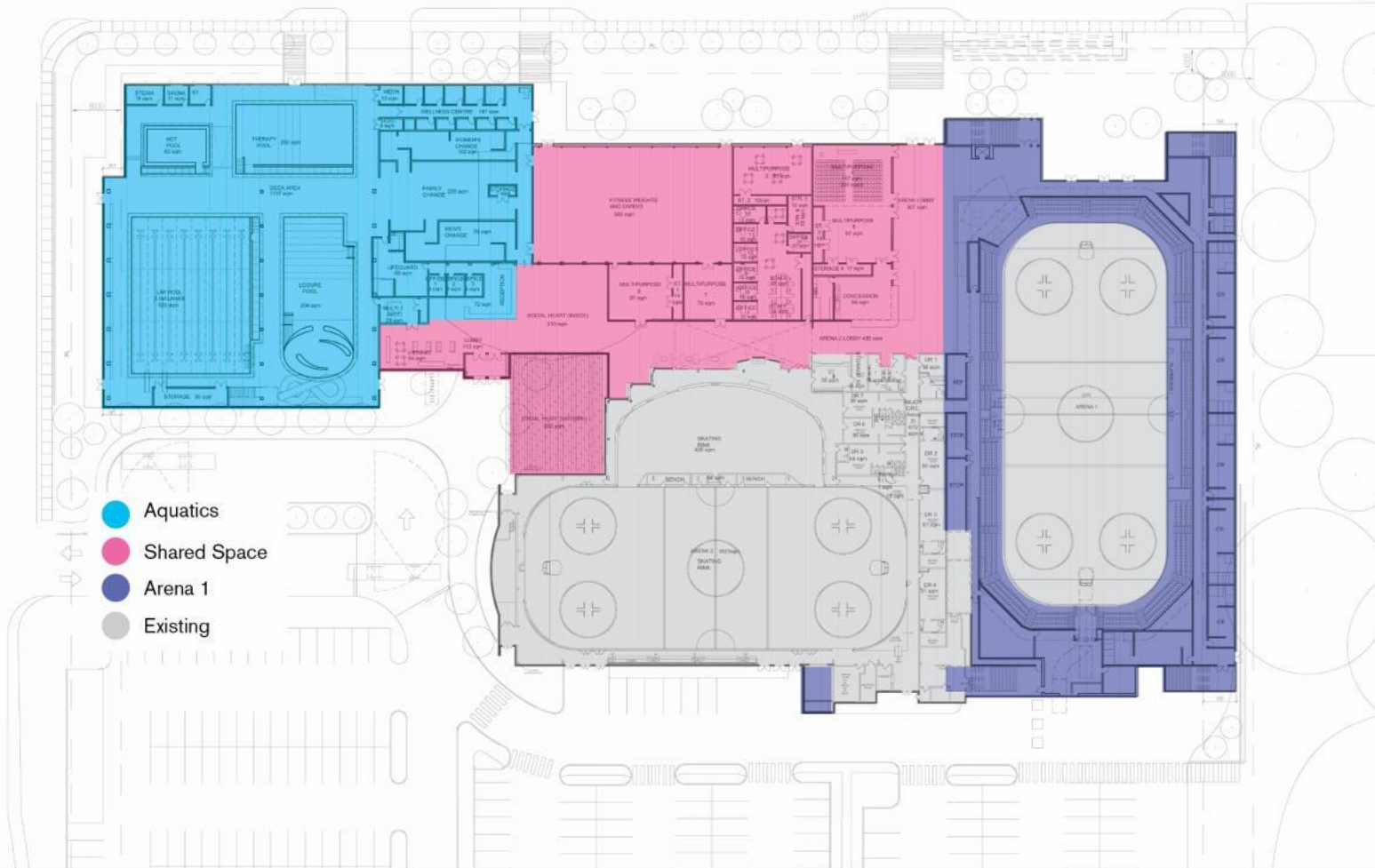
- **Use Seismic Importance Factor of 1.0**
- **Include EOC within Multi-Purpose Room**
- **Delete Minor Refinishing of Arena 2**
- **Remove Immediate Repairs from project budget**
- **Remove 1-5 Year Repairs from project budget**
- **Remove Option B – Arena 2 as possibility**

Other Cost Considerations

We also looked at reducing some program areas to see what cost savings could be achieved:

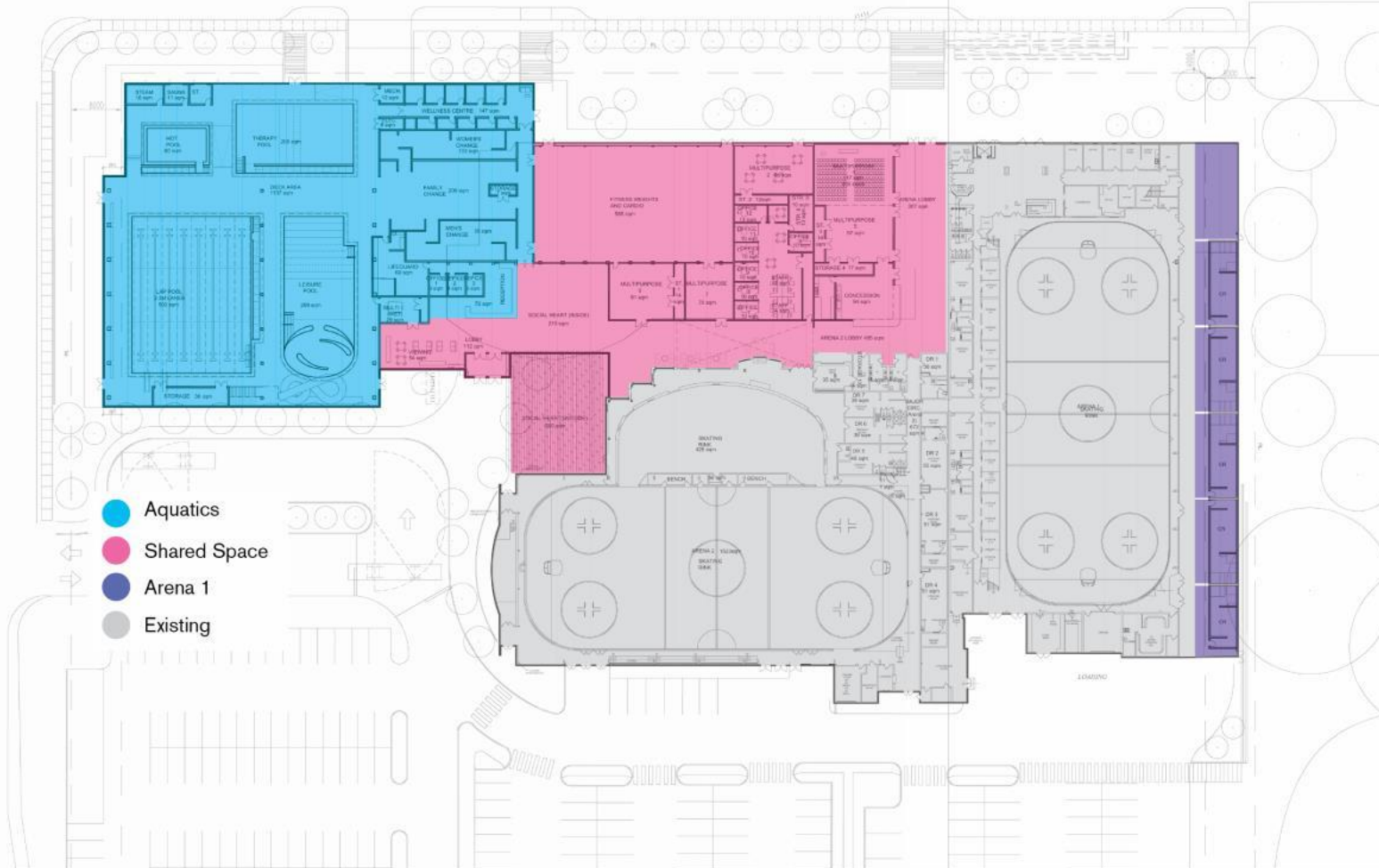
- **Decrease Changeroom area by 25%**
- **Decrease Leisure Pool area by 50% + assoc. deck space**
- **Decrease lane width in Competition Pool from 2.3m to 2.0m + remove assoc. deck space**
- **Remove Waterslide + 3m Springboard, and drop height of Natatorium by 3m**
- **Remove portion of north area of Arena 1**
- **Remove cost of N. Boulevard upgrade from the project**

Option 1 – Full Program Schematic Design



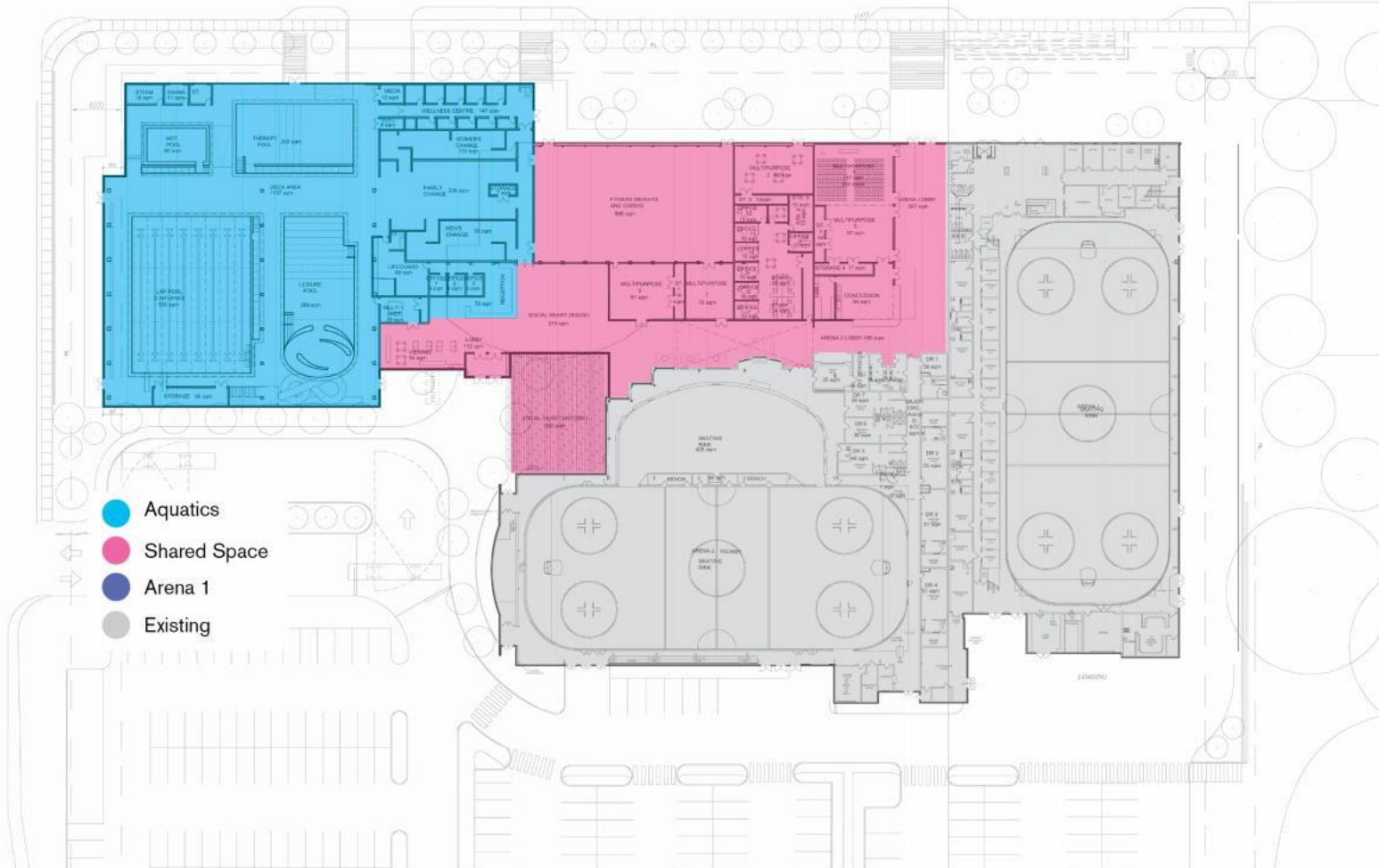
	HIGH	LOW	BLENDED
Class C Cost Est.	\$ 62, 182, 900	\$ 62, 182, 900	\$ 62, 182, 900
Escalation	\$ 20, 706, 000	\$ 10, 102, 000	\$ 15, 404, 000
TOTAL	\$ 82, 888, 900	\$ 72, 284, 900	\$ 77, 586, 900

Option 2 – Enhanced Phased Application (Arena in Future)



	HIGH	LOW	BLENDED
Class C Cost Est.	\$ 38,485,093	\$ 38,485,093	\$ 38,485,093
Escalation	\$ 14,739,000	\$ 7,197,552	\$ 10,968,276
TOTAL	\$ 53,224,093	\$ 45,682,645	\$ 49,453,369

Option 3 – Phased Application (Arena in Future)



	HIGH	LOW	BLENDED
Class C Cost Est.	\$ 34, 409, 343	\$ 34, 409, 343	\$ 34, 409, 343
Escalation	\$ 13, 639, 000	\$ 7, 197, 552	\$ 10, 418, 276
TOTAL	\$ 48, 048, 343	\$ 41, 011, 895	\$ 44, 827, 619

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Grant Funding

Grant Funding

Canada-British Columbia Investing in Canada Infrastructure Program— Community Culture and Recreation Stream

- Initial intake funding available \$134.84 M
- Funding 73.33% costs for eligible projects that can be complete by 2024
- Applications and all supporting documentation to be submitted by January 23, 2019
- Award anticipated late 2019

Important Considerations:

- No max cap; however, consideration to fair distribution
- If funding request is greater than 10% (\$13.4 M) of total funding available for intake, applicants should consider whether phasing is an option
- Applicants should submit project that will give them the best value for the given cost
- Board resolution required endorsing the project and identifying source for local contributions
- SRD Bylaw authorizing borrowing of funds at 3rd reading

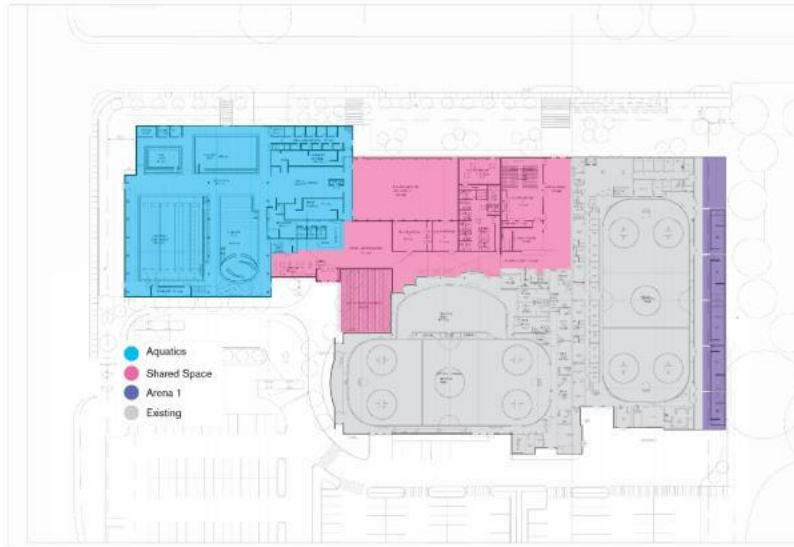
Summary – Options 1 - 3

1



	HIGH	LOW	BLENDED
Class C Cost Est.	\$ 62, 182, 900	\$ 62, 182, 900	\$ 62, 182, 900
Escalation	\$ 20, 706, 000	\$ 10, 102, 000	\$ 15, 404, 000
TOTAL	\$ 82, 888, 900	\$ 72, 284, 900	\$ 77, 586, 900

2



	HIGH	LOW	BLENDED
Class C Cost Est.	\$ 38, 485, 093	\$ 38, 485, 093	\$ 38, 485, 093
Escalation	\$ 14, 739, 000	\$ 7, 197, 552	\$ 10, 968, 276
TOTAL	\$ 53, 224, 093	\$ 45, 682, 645	\$ 49, 453, 369

3



	HIGH	LOW	BLENDED
Class C Cost Est.	\$ 34, 409, 343	\$ 34, 409, 343	\$ 34, 409, 343
Escalation	\$ 13, 639, 000	\$ 7, 197, 552	\$ 10, 418, 276
TOTAL	\$ 48, 048, 343	\$ 41, 011, 895	\$ 44, 827, 619

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Project Financing

Myriah Foort

CFO Strathcona Regional District



Re-Create Financing Background

- Starting in 2016 Board approved
 - \$1,038,095 annual reserve transfers for Re-Create
 - \$500,000 utilized for schematic design in 2018
 - \$5,728,570 funding available by 2021 when construction would commence
- Early 2018 Provincial government announced Recreation funding up to 73.33% funding available
 - SRD primed to submit application for Re-Create
 - Recreation grant funding is not a regular grant program

Option 1 – Full program schematic design

	Option 1a (High Escalation Rate)	Option 1b (Low Escalation Rate)
Total Cost	\$82,888,900	\$72,284,900
Grant Funding (73.33%)	<u>(60,782,430)</u>	<u>(53,006,517)</u>
SRD Contribution	22,106,470	19,278,383
Reserve Funding	<u>(5,728,570)</u>	<u>(5,728,570)</u>
Borrowing Required	<u>\$16,377,900</u>	<u>\$13,549,813</u>
Annual debt repayment	\$1,038,095	\$1,038,095
Debt term	28 years	20 years

Option 2 – Enhanced Phased Application (Arena in Future)

	Option 2a (High Escalation Rate)	Option 2b (Low Escalation Rate)
Total Cost	\$53,224,093	\$45,682,645
Grant Funding (73.33%)	<u>(39,029,227)</u>	<u>(33,499,084)</u>
SRD Contribution	14,194,866	12,183,561
Reserve Funding	<u>(5,728,570)</u>	<u>(5,728,570)</u>
Borrowing Required	<u>\$8,466,296</u>	<u>\$6,454,991</u>
Annual debt repayment	\$1,038,095	\$1,038,095
Debt term	10 years	8 years

Option 3 – Phased Application (Arena in Future)

	Option 3a (High Escalation Rate)	Option 3b (Low Escalation Rate)
Total Cost	\$48,048,343	\$41,011,895
Grant Funding (73.33%)	<u>(35,233,850)</u>	<u>(30,074,023)</u>
SRD Contribution	12,814,493	10,937,872
Reserve Funding	<u>(5,728,570)</u>	<u>(5,728,570)</u>
Borrowing Required	<u>\$7,085,923</u>	<u>\$5,209,302</u>
Annual debt repayment	\$1,038,095	\$1,038,095
Debt term	8 years	6 years

Option 4

Main pool tank renewal only

	Option 4a (High Escalation Rate)	Option 4b (Low Escalation Rate)
Total Cost	\$18,018,000	\$15,400,000
Grant Funding (73.33%)	(-)	(-)
SRD Contribution	18,018,000	15,400,000
Reserve Funding	<u>(5,728,570)</u>	<u>(5,728,570)</u>
Borrowing Required	<u>\$12,289,430</u>	<u>\$9,671,430</u>
Annual debt repayment	\$1,038,095	\$1,038,095
Debt term	17 years	12 years

Financing Options Summary

	Option 1	Option 2	Option 3	Option 4
High Escalation				
Total Cost	\$82,888,900	\$53,224,093	\$48,048,343	\$18,018,000
Borrowing	\$16,377,900	\$8,466,296	\$7,085,923	\$12,289,430
Debt term	28 years	10 years	8 years	17 years
Low Escalation				
Total Cost	\$72,284,900	\$45,682,645	\$41,011,895	\$15,400,000
Borrowing	\$13,549,813	\$6,454,991	\$5,209,302	\$9,671,430
Debt term	20 years	8 years	6 years	12 years

Victoria Smith

Recommendations + Discussion

Summary

- Considerable time and effort invested to arrive at a well-considered design, to meet community needs now and into the future
- Strong public support for a major redevelopment
- A more inclusive facility to meet the community's diverse population
- Greater certainty around cost estimates
- Rare opportunity to secure significant grant funding
- Extends term of requisition but no increase to current requisition levels
- Enable SRD to keep pace with operating costs
- If SRD does not proceed with project, there will still be a need to budget for high asset renewal/replacement costs, likely without the benefit of funding

Rare opportunity to significantly enhance a highly valued community asset, in line with the community's needs, that will last for the next 50 years.

Recommendation to develop application for option 1 – full program schematic design, using a blended rate of escalation, with the potential to phase (option 2) if grant funding is insufficient.

Next Steps

**Present Selected
Option to Board**
November 22

**Communications
Update**
December

**Close out Schematic
Design Report**
January

**Intake
Application**
January

**Anticipated Funding
Announcement**
Q3 2019