

Council's Economic Stimulus & Financial Stability 25 Point Action Plan

City of
NELSON

Message from Mayor & Council

Council and I have been working with our staff, the community and the province to understand how the COVID-19 pandemic continues to financially and economically impact City operations and the community at large, including local businesses. As a result of this work, Council adopted this 25 Point Economic Stimulus and Financial Stability Action Plan that will stabilize City operations and help our community recover. This Plan first addresses the significant financial challenges the City is facing in its own operations; it then builds on the initiatives and programs in place through senior levels of government and our regional partners. The Plan includes waiving fees and penalties, extending payment periods, creating repayment plans and adopting the provincial framework for property tax payments.

Our Plan also focuses strongly on economic stimulus by targeting three key areas: capital infrastructure, business improvements, and housing. The Plan includes moving forward with City capital projects that will employ local contractors and employees, working with senior levels of government to fast track projects that are on their books, identifying and bringing other capital projects to a shovel ready stage, and creating a "Made-in-Nelson Economic Stimulus Fund" that will support our local business community.

In conjunction with our economic development partners Community Futures of Central Kootenay and the Nelson & District Chamber of Commerce, we launched the Business Outreach Program on April 16th. This included sending a letter to over 1,100 Nelson businesses and is being followed up by the outreach team contacting all local businesses. Initial feedback from the business community has helped shape this 25 Point Economic Stimulus and Financial Stability Action Plan. Going forward, it is critical that all of us, where possible, continue to support our local businesses.

On behalf of Nelson City Council,

Mayor Dooley

Financial Plan, Fees & Taxation

1. The 2020-2024 Financial Plan will be amended to reduce revenues by \$830,000, operating expenditures by \$800,000 and utilizes \$530,000 in reserve funding. A 0% property tax increase for 2020 will be incorporated in the financial plan.
2. The financial plan will be increased to add an allowance of \$100,000 for recovery and/or wildfire response and recovery.
3. A hiring freeze for 2020 will be implemented, except for replacement for critical positions and grant funded positions.
4. Salaries will be frozen for 2020; the current Council CPI increase will be rolled back to 2019 amount effective May 1, 2020; the freeze for union employees will be contingent on negotiations with the appropriate union; existing union contractual increases will be honoured.
5. The Nelson Hydro rate increase for 2020 will remain frozen at the 2019 amount.
6. The dividend to the City from Nelson Hydro for 2020 will be frozen at the 2019 amount.
7. Funding to reserves from taxation will be deferred where possible for 2020 unless this would have a significant negative impact on the City's sustainability and resiliency in the future.
8. Council will request the provincial and/or federal governments provide funding to cover the shortfall in fare revenue and operations for transit services provided through BC Transit.
9. Expenditures, where the majority of the economic benefit is external to the Greater Nelson area, will be deferred for 2020 (e.g. equipment replacement), unless critical to the operations of the City.
10. All organizations that receive grants from the City and/or lease city facilities will be asked to first access other funding support (grants) prior to requesting support from the City of Nelson.

For more information:
www.nelson.ca/covid19

Economic Stimulus Program

CAPITAL PROJECTS

11. City capital projects and other expenditures that generate spending within Nelson and region will be prioritized.
12. In conjunction with the FCM Community Energy Efficiency plan, the City will enhance the Eco-Save Energy retrofit program.
13. The City has created a Capital Infrastructure team to identify and develop 'shovel ready' infrastructure projects both within its operation and to work with other organizations that have similar Nelson-based projects in anticipation of economic stimulus funding being available through the provincial and federal governments.

BUSINESS IMPROVEMENTS

14. Organizations that are directly supporting businesses and/or can generate additional grant dollars as part of the recovery will continue to be fully funded if required. This includes funding to the NAEDP, VIC, Nelson Innovation Centre and CDC.
15. 50% of parking meter and fine revenue between May 1st and August 31st will be used to support our businesses eg. digital commerce, financial advisor team, energy upgrades, storefront improvement program and commercial area improvements (such as festival lighting, street furniture etc).
16. Staff will prioritize the development of Storefront Improvement Program to be rolled out in the summer of 2020.
17. Staff will prioritize the development of a Heritage Revitalization Incentive Program to be implemented in 2020.

HOUSING

18. Allow the 39 unit workforce housing project located at 520 Falls Street to proceed, the City has offered flexible financing to do some of the utility work and will transfer Falls Street Lane to Kootenay Christian Fellowship (if necessary) for \$1.00 subject to notice to the public.
19. The \$500 secondary suite development fee will be waived for the next 12 months.
20. Utility fee upgrades for secondary suites will be financed, where requested, by the City to a maximum of \$10,000 for a period to not exceed 15 years at the Municipal Finance Authority 15-year borrowing rate; these secondary suites cannot be used as a short-term rental until the debt is paid off.

Community Support

21. The period for penalties and disconnect fees on electrical bills will be extended until June 30th; after this time a customer demonstrating financial hardship will be able to roll any unpaid electrical bill into an equal payment plan over the next 12 months. Renters/lessors can only do this with the agreement of their landlord.
22. The period for Water & Sewer discount will be extended to May 15; after this time a customer demonstrating financial hardship will be able to roll any unpaid Water & Sewer into a quarterly payment plan over the next 12 months. Renters/lessors can only do this with the agreement of their landlord.
23. Outdoor patio rental fees will be waived for 2020.
24. All fees for sidewalk rentals and signage will be waived for 2020.
25. The provincial property tax framework will be adopted which waives the 10% penalty for Class 4,5,6, and 8 businesses if property taxes paid before October 1, 2020. Many homeowners will be able to defer taxes under the provincial tax deferral programs, this includes:
 - A person 55 or older during the current year
 - A surviving spouse of any age
 - A person with a disability
 - A parent or step parent supporting a child

