



**Council Member Motion
For the Council Meeting of January 23, 2025**

To: Council **Date:** January 17, 2025
From: Councillor Hammond
Subject: Balanced Information For Crystal Pool Referendum

BACKGROUND

With the City’s referendum on February 8, 2025, regarding financing and location of the new Crystal Pool plan, it’s important that the City gives the public pertinent information about the voting process and an explanation of what Victoria residents will be voting for.

From the executive summary of Council’s Committee of the Whole meeting on June 13, 2024, “In February 2023, Council directed staff to identify three to four potential sites for the new Crystal Pool and Wellness Centre and prepare for a referendum to seek elector assent for the required long-term debt and gauge residents’ opinion on a preferred location.”

At that June 13 meeting, Council unanimously agreed to offer two sites for the pool, with Central Park North being on the pool’s existing location and Central Park South being on the property just south of the existing location.

Also at the June 13 meeting, City staff recommended using \$30 million from the City’s Debt Reduction Reserve and the majority of council (Mayor and Coun. Gardiner opposing) voted to also take \$17 million from the City’s Parking Reserve Fund.

Fast forward and the voters of Victoria will decide in a referendum on February 8th if they want to borrow up to \$168.9 million and if they’d prefer the Central Park North or Central Park South location. The financing question is binding while the location is not binding, however it’s important in Council’s final decision.

Without instructions otherwise, Councillors presumed that all information given from the City will be factual, helpful, neutral and balanced.

While the information conveyed to the public from the City’s Legislative Branch has been informative, letting voters know their voting options, locations, times, etc., the other information coming from the City gives the appearance of promoting this new plan and giving more weight to the “yes” side of the binding financial question in the referendum.

For example, at numerous locations, transit shelter ads, in large letters, reads, “A sustainable modern bigger more accessible more inclusive Crystal Pool and Wellness Centre” before noting the

voting date, the City's web page about the referendum and locations for the "pop up" information locations throughout the City.

The same language is given in at least one, half page ad in the Victoria Times Colonist newspaper and perhaps other print publications.

While this proposed plan will surely be "sustainable modern bigger more accessible and more inclusive", there is no mention in these ads about the cost to residents and businesses to pay for the pool. One, without the other, gives a slanted view, making people think, who would not want a "sustainable modern bigger more accessible and more inclusive" pool and wellness centre?

For voters, residents, businesses and taxpayers, both sides of this referendum need to be up front and balanced. For example, borrowing \$168.9 million will add \$256 to the average homeowner during the four of five years of the building period and then an additional \$256 for each and every year for another 20 years, totaling \$5,376. The average business will pay \$660 during the building years and \$660 for the next 20 years, totalling \$13,860.

In addition, there's the cost of repaying the \$47 million Council is taking from City reserves and several residents have been asking about the additional costs to repay these reserves. When asked of City staff about this, here is the response:

"The legislation requires that any funds borrowed from a reserve be repaid, with interest, before the funding is required for the purpose of that specific reserve. In addition to that, our Financial Sustainability Policy sets the repayment term at 15 years. To pay back the \$47 million drawdown over 15 years with interest would require an annual repayment of about \$4 million (using estimated interest rates). Council has options regarding the funding of that repayment. For example, parking revenues can be used or property taxes. If Council chooses to fully fund by property taxes, this hypothetical scenario would require about a 2% tax increase. Ultimately, Council will decide on the term and the funding source for the repayment."

In other words, one way or another, the \$47 million must be paid back and the options of payment should be made available to the public.

As well, there will be additional operating costs with a larger facility which will be greater than the approximate \$2.7 million of tax subsidy that is budgeted for 2025. Thus far City staff have not been able to accurately predict what those additional costs will be, however, on further enquiry, the public should also know what that will do to the City's budget either in additional taxes or reduction of other City services.

There appears to be a lack of complete information about the removal of trees and in a recent Times Colonist article a Victoria resident stated there is still one appendix missing from the feasibility study.

Being that this is the most expensive project in the City of Victoria's history, it's important to give all sides for this very important decision by voters and taxpayers and it's not too late to give all the information as quickly as possible.

There is an argument to be made that we are already in the voting period and some people have already voted. However, there's an even stronger argument to be made that the City can't continue to put forward a lop-sided information campaign, just because it is already taking place.

RECOMMENDATION

That Council direct staff to immediately

1. Put a stop to one-sided advertising regarding the referendum
2. Replace upcoming advertising and information sessions (such as “pop up” locations) as well as the City’s website to include arguments or reasoning for both the “yes” and “no” sides of the binding question on the referendum
3. Have this information vetted by the City Manager before changes are made

That this matter be forwarded to the January 23, 2025, Council to follow Committee of the Whole Meeting.

Respectfully submitted,



Councillor Hammond



Councillor Gardiner