

# Parks Development Funding Strategy

June 11, 2018

# Objectives

- ▶ Identify the future funding requirements
- ▶ Identify potential funding sources
- ▶ Prioritize potential funding sources
- ▶ Strategy and action

# Background

- ▶ May 2017 – Council received the Parks Development Report
  - ▶ Existing undeveloped and under-developed parks
  - ▶ Anticipated future park acquisitions
  - ▶ Current funding in 2030 Capital Plan
  - ▶ Potential funding sources to address the shortfall
  - ▶ Interim parks access



# Council engagement process

- **Workshop 1:** Engaged Council in shaping the key public policy questions to be addressed in the City's overall approach to parkland acquisition and development moving forward;
- **Workshop 2:** Engaged Council in providing direction and building an evaluation and priority setting tool;
- **Workshop 3:** Council participated in aligning financing tools with specific public policy objectives and funding needs associated with parkland acquisition and development.

# Public demand



- ▶ Local playgrounds
- ▶ Off-leash dog parks
- ▶ Anti-social behaviour
- ▶ Sports fields: baseball, softball, soccer
- ▶ Courts: pickleball, etc
- ▶ Artificial turf
- ▶ Water front access
- ▶ Outdoor events
- ▶ Washrooms
- ▶ Tourism
  
- ▶ Accessibility for all: seniors, toddlers, cognitive and physical disabilities



# Funding targets



Neighbourhood parks



Community parks



Recreation parks



City-wide parks



Linear parks & natural areas

# Funding targets

## 5.3 UNDEVELOPED, UNDERDEVELOPED + FUTURE COMMUNITY PARKS

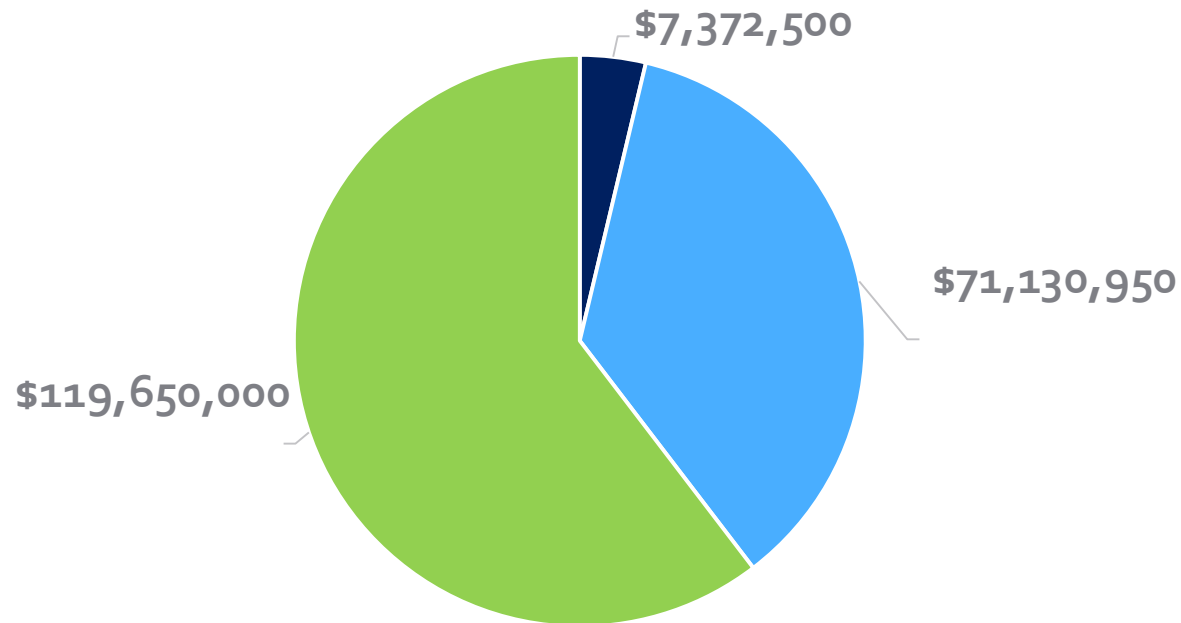
Name	Status	Area (ha)	Key Features	2030 Capital Plan
Rowcliffe Park	Undeveloped	2.02 ha	<p><u>Existing</u> Off-leash dog park</p> <p><u>Funded</u> Phase 1: Playground w/ walkway + sod berm Phase 2: perimeter walkway, stage, vehicle access easement Phase 3: play field, community gardens, dog park, heritage walk, plaza area</p>	<p>Funded in 2017 (\$1.7 million) P1 in 2018 (\$1 million)</p> <p>P1 in 2019 (\$1.2 million) P1 in 2021 (\$500,000)</p>
Rutland Centennial	Underdeveloped	2.46 ha	<p><u>Existing</u> Playground, pathway + benches</p> <p><u>Funded</u> Performance stage, sport court/field, multi-cultural gardens, washrooms</p>	P1 in 2018-20 (\$3.5 million)
Dehart Park	Undeveloped	3.74 ha	<p><u>Existing</u> Comm. garden, tennis courts</p> <p><u>Funded</u> Walking trails, bike course, youth area</p>	P1 in 2021-24 (\$4.7 million)
Gallagher Park (Black Mountain)	Undeveloped	6.00 ha	Not yet planned	P2 in 2024-25 (\$900,000)
University South Park	Undeveloped	N/A	<p><u>Proposed</u> Washrooms Sport field Playground Pathway</p>	P2 in 2025-26 (\$1.6 million)
Aurora Park	Undeveloped	0.34 ha	Not yet planned	Unfunded
Begbie Park	Undeveloped	1.27 ha	Not yet planned	Unfunded
Quilchena Park / Blair Pond Park	Underdeveloped	N/A	Both parks require washrooms	Unfunded
Ponds Community Park	Underdeveloped	7.6 ha	Requires a sports park	Unfunded
Wilden - Village Centre Park	Future	-	-	Unfunded
Dayton Park	Future	-	-	Unfunded
Ellison Lake Park	Future	-	-	Unfunded
Rutland Town Centre Park	Future	-	-	Unfunded

# Funding targets

- ▶ Full development of all undeveloped, under-developed or future parks over twenty years
- ▶ To typical City standards or agreed masterplans



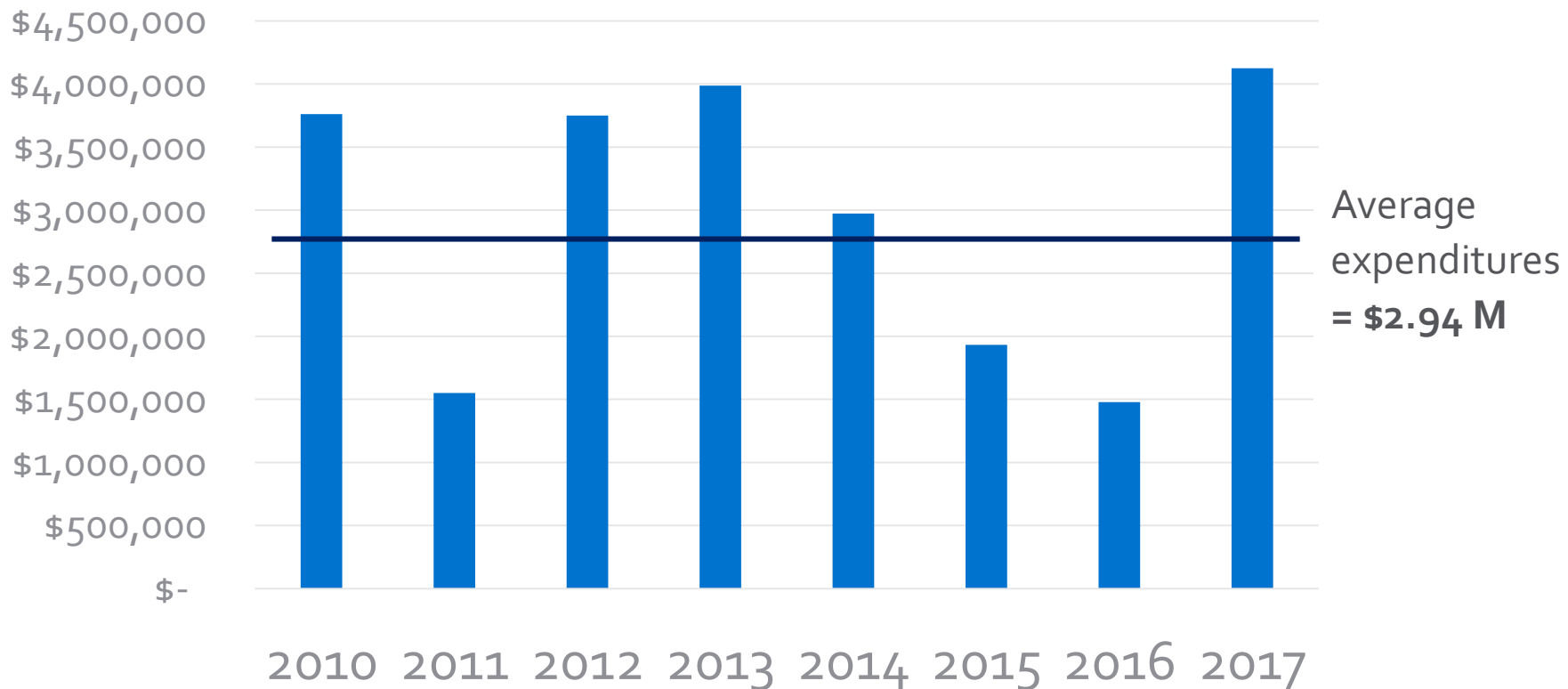
# Funding targets



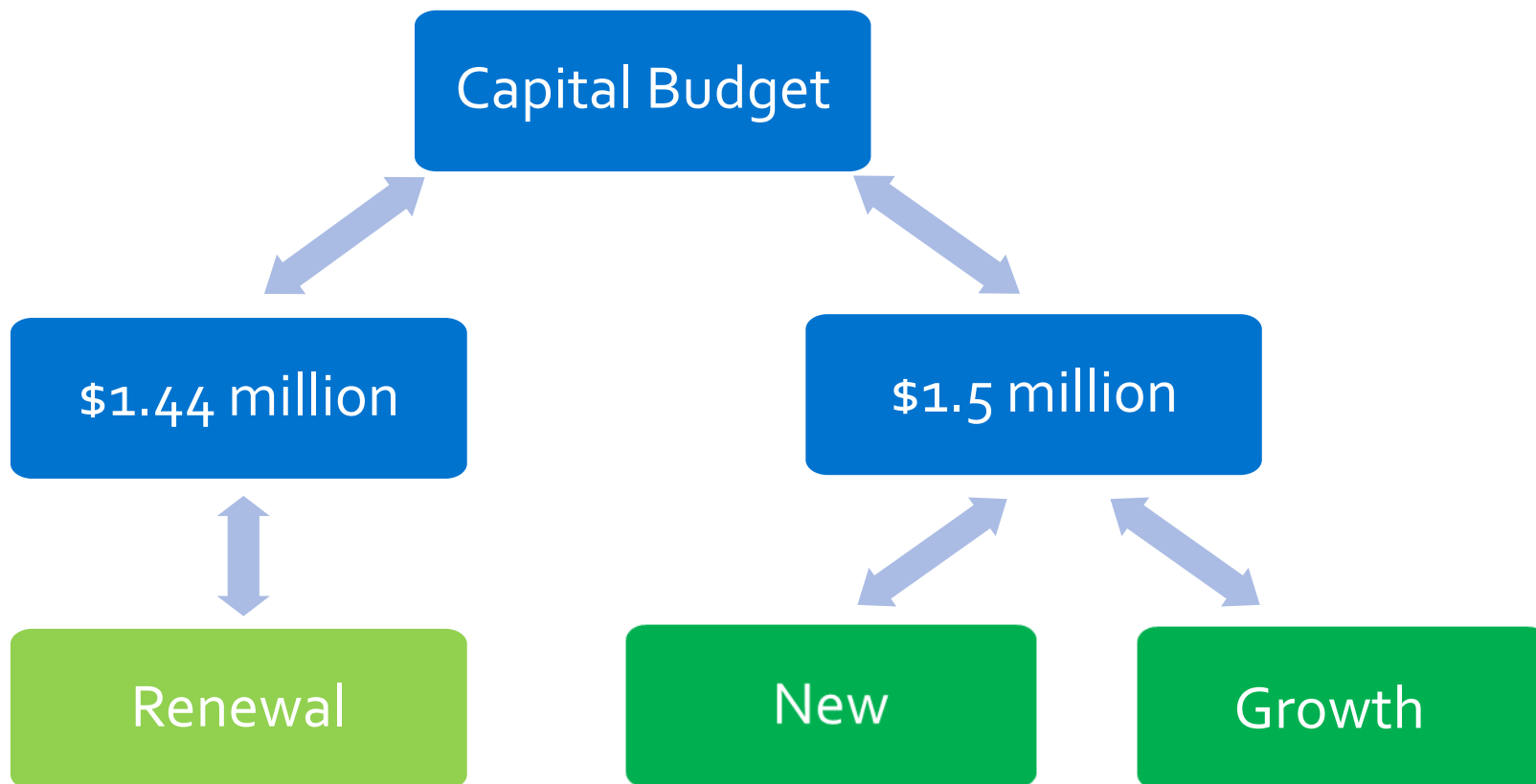
- Linear Parks Development
- Total Partially Developed/Funded
- Total Undeveloped / Future

# Past funding levels

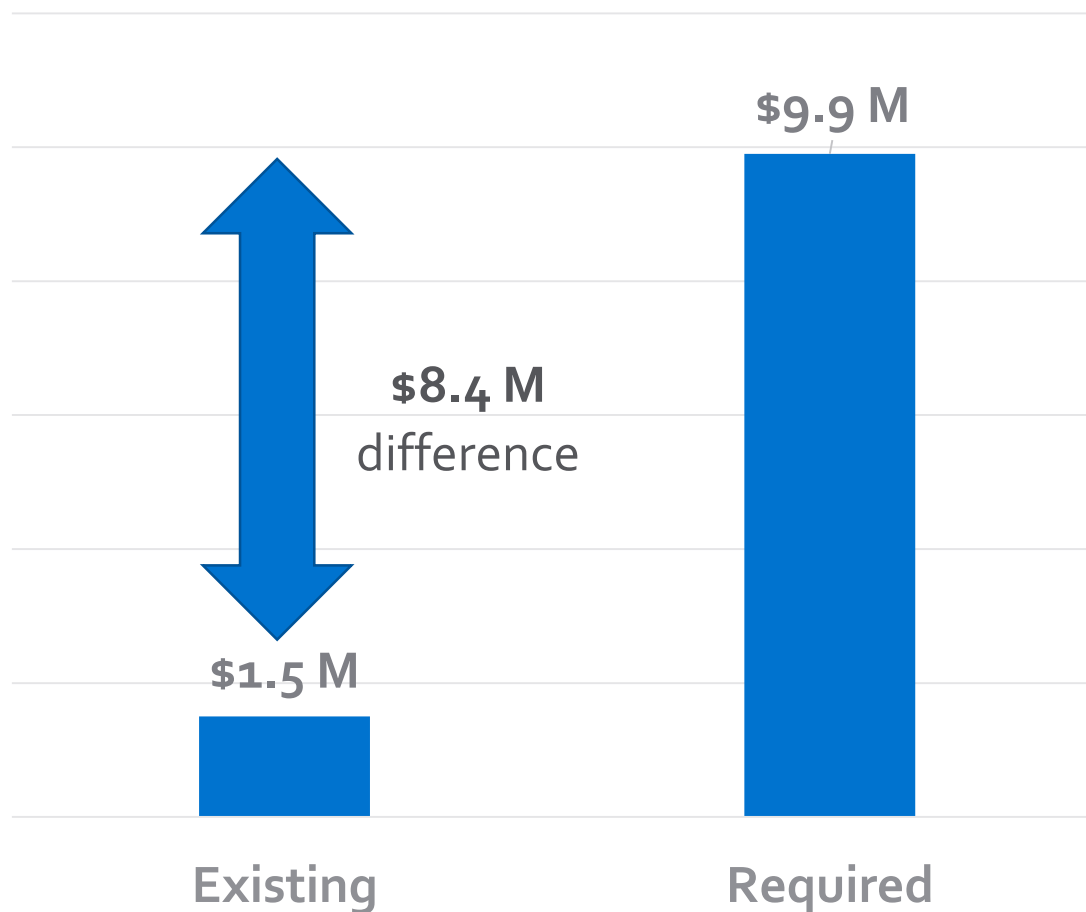
Parks Improvement Expenditures (2010 - 2017)



# Parks expenditures



# Existing & target expenditures



# Tools and strategy

- ▶ Press forward
- ▶ Potentially move forward
- ▶ Not sure yet – Consider and explore
- ▶ No additional effort - Maintain status quo



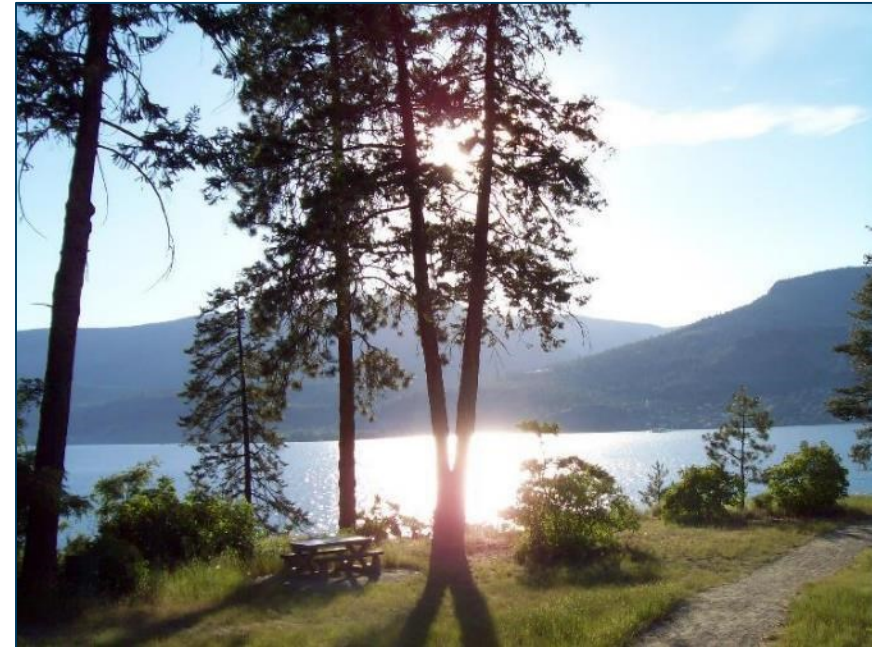
# Tools and strategy

- ▶ **Press forward**
  - ▶ Parks development DCCs
  - ▶ Infrastructure levy - general taxation
  - ▶ Shift taxation from acquisition to development
  - ▶ Commercial/Industrial parks acquisition & development DCCs



# Tools and strategy

- ▶ **Potentially move forward**
  - ▶ Linear parks acquisition DCCs
  - ▶ Park-specific parcel taxation



# Tools and strategy

- ▶ **Not sure yet – Consider and explore further**
  - ▶ Reduce Parks DCC taxation assist factor
  - ▶ Tourism taxation – Airport dividend
  - ▶ Developer partnerships
  - ▶ Community partnerships
  - ▶ Parks revenues





# Tools and strategy

- ▶ **No additional effort - Maintain status quo:**
  - ▶ Tourism taxation – Hotels
  - ▶ Community amenity contributions
  - ▶ Requirement for developers to build parks in new residential developments
  
- ▶ Sponsorships
- ▶ Commercial lease, or sale of surplus land
- ▶ Grants

# Eligible Parks Development DCCs

Park Class	Park Area (Ha)	% developed/funded	Area un/under developed (Ha)	Typical cost per hectare	Total Funding Required	% eligible for development DCC	Benefit Allocation	Funded by development DCC (less 11% tax assist)	Total % funded by development DCC	Total \$ funded by development DCC	Total unfunded remaining
<b>Neighbourhood - Partially Dev. / Funded</b>											
Barlee Park	0.37	20%	0.296	\$1,250,000	\$370,000	85%	27%	89%	20%	\$75,574	\$294,426
Ballou Park	1.44	50%	0.72	\$1,250,000	\$900,000	85%	27%	89%	20%	\$183,829	\$716,171
<b>Neighbourhood - Undev. / Future</b>											
Overall	15	0%	15	\$1,250,000	\$18,750,000	85%	100%	89%	76%	\$14,184,375	\$4,565,625
<b>Community - Partially Dev. / Funded</b>											
Quilchena Park (washrooms)	2.5	80%	0.5	\$750,000	\$375,000	100%	27%	89%	24%	\$90,112	\$284,888
Blair Pond Park (washrooms)	2.5	80%	0.5	\$750,000	\$375,000	100%	27%	89%	24%	\$90,112	\$284,888
Ponds Community Park (sports field)	7.6	90%	0.76	\$2,500,000	\$1,900,000	100%	27%	89%	24%	\$456,570	\$1,443,430
<b>Community - Undev. / Future</b>											
Overall	27	0%	25	\$2,500,000	\$62,500,000	65%	100%	89%	58%	\$36,156,250	\$26,343,750
<b>Recreation - Partially Dev. / Funded</b>											
Glenmore Recreation	11.48	35%	7.462	\$1,350,000	\$10,073,700	28%	27%	89%	7%	\$677,799	\$9,395,901
Mission Recreation	46.55	90%	4.655	\$1,350,000	\$6,284,250	28%	27%	89%	7%	\$422,829	\$5,861,421
Parkinson Recreation	19.49	40%	11.694	\$1,350,000	\$15,786,900	28%	27%	89%	7%	\$1,062,206	\$14,724,694
Rutland Recreation	14.56	40%	8.736	\$1,350,000	\$11,793,600	28%	27%	89%	7%	\$793,520	\$11,000,079
<b>Recreation - Undev. / Future</b>											
Tutt Ranch Recreation	16	0%	16	\$900,000	\$14,400,000	28%	100%	89%	25%	\$3,588,480	\$10,811,520
<b>City-wide - Partially Dev. / Funded</b>											
Kerry Park	0.7	30%	0.49	\$6,000,000	\$2,940,000	36%	27%	89%	9%	\$254,333	\$2,685,666
City Park	13.2	70%	3.96	\$2,000,000	\$7,920,000	36%	27%	89%	9%	\$685,143	\$7,234,857
Sutherland Bay	2	50%	1	\$4,000,000	\$4,000,000	36%	0%	89%	0%	\$0.00	\$4,000,000
Bennett Plaza	0.06	0%	0.06	\$30,000,000	\$1,800,000	36%	0%	89%	0%	\$0.00	\$1,800,000
Waterfront Park (renovs)	8.5	75%	2.125	\$1,500,000	\$3,187,500	36%	0%	89%	0%	\$0.00	\$3,187,500
Rotary Beach Park	1.4	75%	0.35	\$3,500,000	\$1,225,000	36%	0%	89%	0%	\$0.00	\$1,225,000
Bluebird Beach Park	1.1	0%	1.1	\$2,000,000	\$2,200,000	36%	27%	89%	9%	\$190,318	\$2,009,682
<b>City-wide - Undev. / Future</b>											
Overall	12	0%	12	\$2,000,000	\$24,000,000	36%	100%	89%	32%	\$7,689,600.00	\$16,310,400
<b>Total</b>					<b>\$190,780,950</b>					<b>\$66,601,053</b>	<b>\$124,179,897</b>

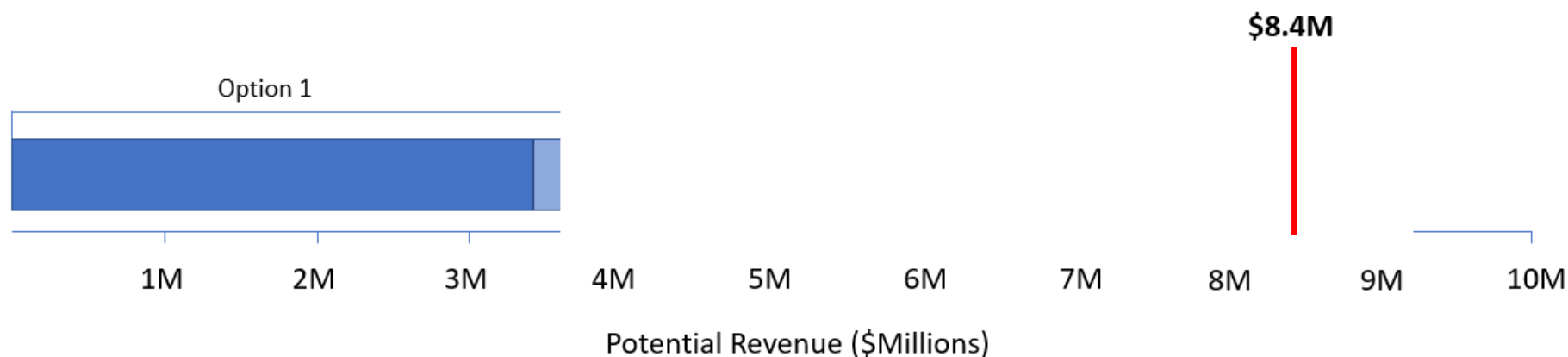
# Potential annual revenue

Tool	Option 1	Option 2	Option 3	Option 4
<b>Press forward</b>				
Parks development DCC	\$3,422,000	\$3,422,000	\$3,422,000	\$3,422,000
Infrastructure Levy on General taxation (2% tax for Infrastructure)		\$426,000	\$426,000	\$426,000
Shift from acquisition to development		\$644,000	\$644,000	\$644,000
Commercial/Industrial parks development DCC	\$236,000	\$236,000	\$236,000	\$236,000
<b>Potentially move forward</b>				
Linear parks acquisition DCCs (linked to 'Shift from acquisition to development' above)		Included	Included	Included
Parcel taxation (for 5 years)			\$4,000,000	\$4,000,000
<b>Consider and explore further</b>				
Reduce parks acquisition and development DCC taxation assist from 8% to 1% (plus 3.3%)		\$284,000	\$284,000	\$284,000
Increase in Airport dividend				\$51,000
Community partnerships				\$25,000
Parks revenues		\$163,000	\$163,000	\$163,000
<b>Total</b>	<b>\$3,658,000</b>	<b>\$5,145,000</b>	<b>\$9,195,000</b>	<b>\$9,316,000</b>

# Option 1

## ▶ Option 1 - \$3.66 million

- ▶ Parks development DCCs
- ▶ Commercial/Industrial parks acquisition & development DCCs



# Option 1

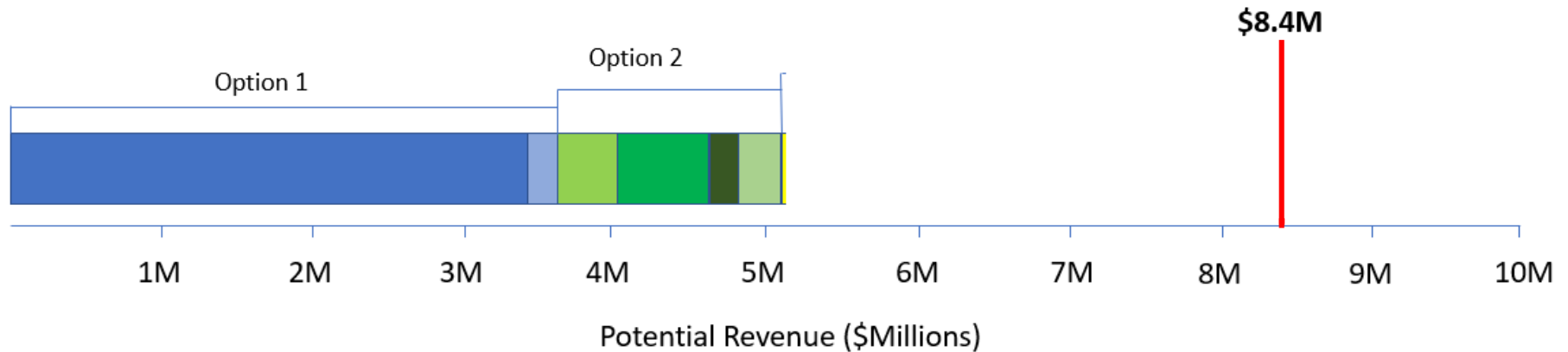
- ▶ **Option 1 - \$3.66 million**
  - ▶ Neighbourhood park – \$0.7 million
  - ▶ Rutland Centennial Park Completion – \$2.25 million



# Option 2

## ▶ Option 2 - \$5.14 million

- ▶ Infrastructure levy - General taxation
- ▶ Shift taxation from acquisition to development
- ▶ Linear parks acquisition DCCs
- ▶ Parks revenues
- ▶ Reduce DCC taxation assist



# Option 2

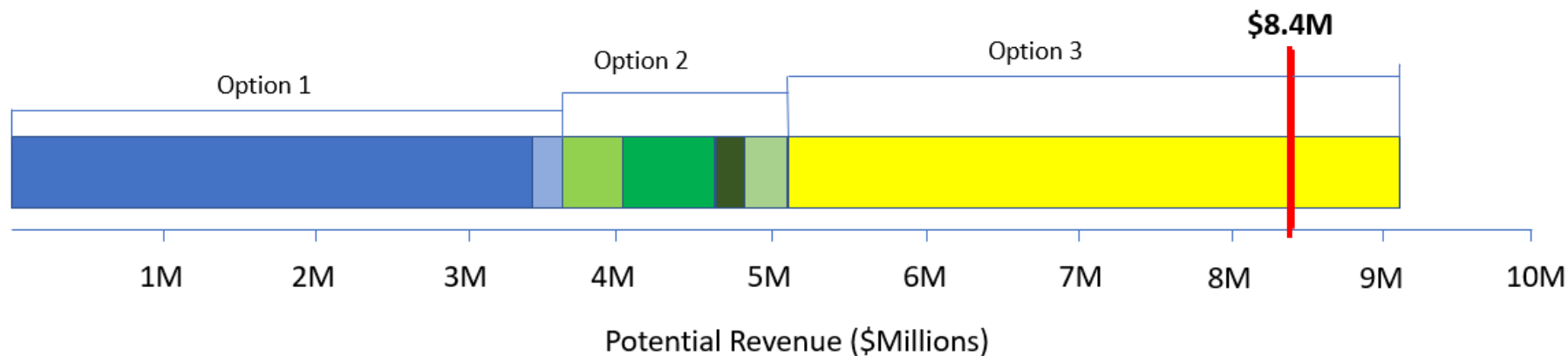
## ► Option 2 - \$5.14 million

- Neighbourhood park – \$0.7 million
- Glenmore Recreation Park – Phase I - \$3.75 million



# Option 3

- ▶ **Option 3 - \$9.19 million**
  - ▶ Park-specific parcel taxation





# Option 3

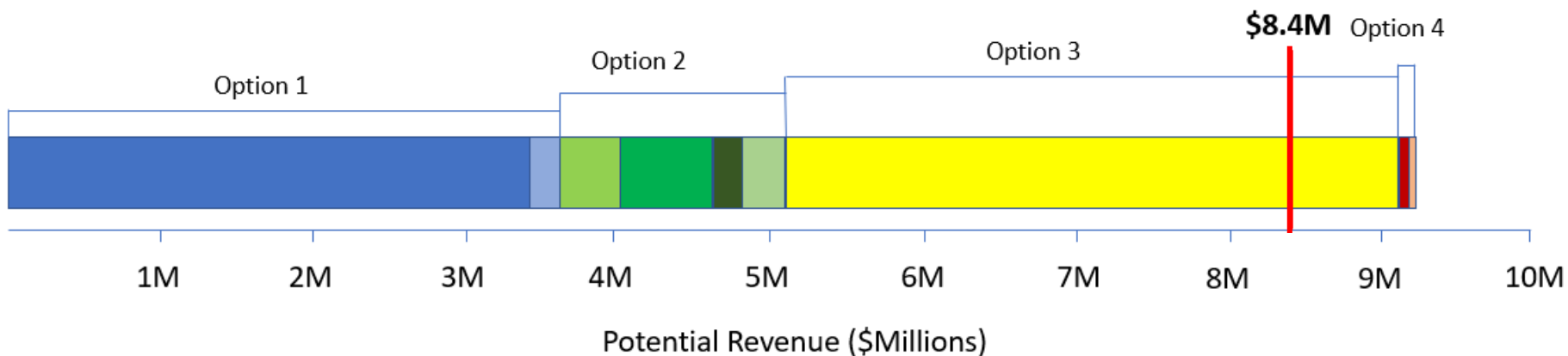
## ▶ Option 3 - \$9.19 million

- ▶ Neighbourhood park – \$0.7 million
- ▶ Rutland Centennial Park Completion – \$2.25 million
- ▶ Glenmore Recreation Park – Phase I - \$3.75 million
- ▶ Linear Trails – 2 km – \$0.5 million



# Option 4

- ▶ **Option 4 - \$9.32 million**
  - ▶ Increase Airport dividend
  - ▶ Community partnerships



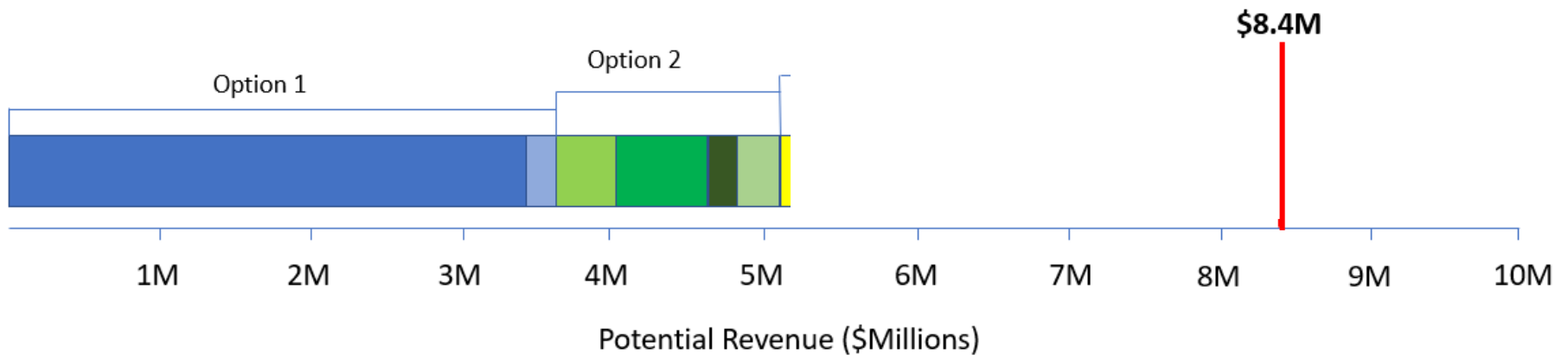
# Potential annual revenue

Tool	Option 2
<b>Press forward</b>	
Parks development DCC	\$3,422,000
Infrastructure Levy on General taxation (2% tax for Infrastructure)	\$426,000
Shift from acquisition to development	\$644,000
Commercial/Industrial parks development DCC	\$236,000
<b>Potentially move forward</b>	
Linear parks acquisition DCCs (linked to 'Shift from acquisition to development' above)	Included
Parcel taxation (for 5 years)	
<b>Consider and explore further</b>	
Reduce parks acquisition and development DCC taxation assist from 8% to 1% (plus 3.3%)	\$284,000
Increase in Airport dividend	
Community partnerships	
Parks revenues	\$163,000
<b>Total</b>	<b>\$5,145,000</b>

## Recommendation

- ▶ Draws on all the tools Council identified as highest priority
- ▶ Does not prioritise parks development over other Infrastructure needs
- ▶ Shares the funding load between taxation, new development and parks revenue
- ▶ Generates \$5.14 million annually, approx. 61% of funding target

# Recommendation Option 2





*Questions?*

For more information, visit [kelowna.ca](http://kelowna.ca).