

# Report to Council



**Date:** March 3<sup>rd</sup>, 2016  
**File:** 0220-01  
**To:** City Manager  
**From:** Infrastructure Planning Department Manager  
**Subject:** 2030 Infrastructure Plan - 2nd Draft

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## **Recommendation:**

THAT Council receives, for information, the 2<sup>nd</sup> draft *2030 Infrastructure Plan* dated February 25<sup>th</sup>, 2016.

AND THAT Council directs staff to report back to Council at a PM Council Meeting with the *2030 Infrastructure Plan*, as amended by Council, for final endorsement.

## **Purpose:**

To provide Council with the 2nd draft of the 2030 Infrastructure Plan for their review, comment, and direction to staff.

## **Background:**

The *2030 Infrastructure Plan* planning horizon (2016-2030) was chosen to align with the City's 2030 OCP and 20 - Year Servicing Plan and Financial Strategy. The plan was prepared by staff and reviewed internally to strike an affordable balance of infrastructure projects that maintain levels of service, preserve existing assets, and provide opportunity for growth and economic development.

The *2030 Infrastructure Plan* will provide the framework for infrastructure planning and fiscal management moving forward. This plan will help maximize the investment in the community where and when it is most needed.

This is the 2nd draft of *2030 Infrastructure Plan* presented to Council. The 1<sup>st</sup> draft of the 2030 Infrastructure Plan was presented to Council in November 2015 where staff received support from Council for a public engagement process. Staff have completed the public engagement process and a summary of the engagement activities and outcomes was prepared and included in this draft of the *2030 Infrastructure Plan*.

The attached *2030 Infrastructure Plan* includes Introduction, Summary and Community Engagement sections along with project details and revenue sources. The reader is directed to the attached document for the complete report.

There were a number of changes made to this current draft. A significant change was the reduction of base taxation funding available for capital that was reduced in the 2016 Provisional Budget by approximately \$1 million to \$12 million. When the million dollar reduction is applied across the 15 year planning term (2016 - 2030) the net effect is approximately \$15 million less taxation funding. All cost centres that rely on taxation funding made reductions in their infrastructure investment to accommodate this funding short fall.

Other changes significant changes included:

- Removed \$2.5M for land for downtown parkade from Buildings as it was already being included in Real Estate,
- Clean-up of duplicate project entries,
- Added Parks and Wastewater DCC projects that were missing,

### **Communication:**

City staff engaged citizens in the *2030 Infrastructure Plan* to help inform the long-term vision of City-led infrastructure investment.

The engagement process builds on the building blocks of the Official Community Plan, 2015 Citizen Survey and financial strategy. Engagement involved a city-wide approach primarily through an interactive budget allocation online tool. The online tool was available to the public from November 12<sup>th</sup> to January 3<sup>rd</sup>, 2016.

For the first time, staff asked citizens to use an online infrastructure budgeting tool developed by a Canadian company, Open North. This easily accessible platform is used by municipalities such as Regina, Guelph, Langley, Delta, Montreal, Grand Prairie and Edmonton.

The purpose of the online tool was to collect insight from participants and understand their preferences for various infrastructure areas, keeping in mind Council Priorities, regulatory requirements, master plans and current financial commitments.

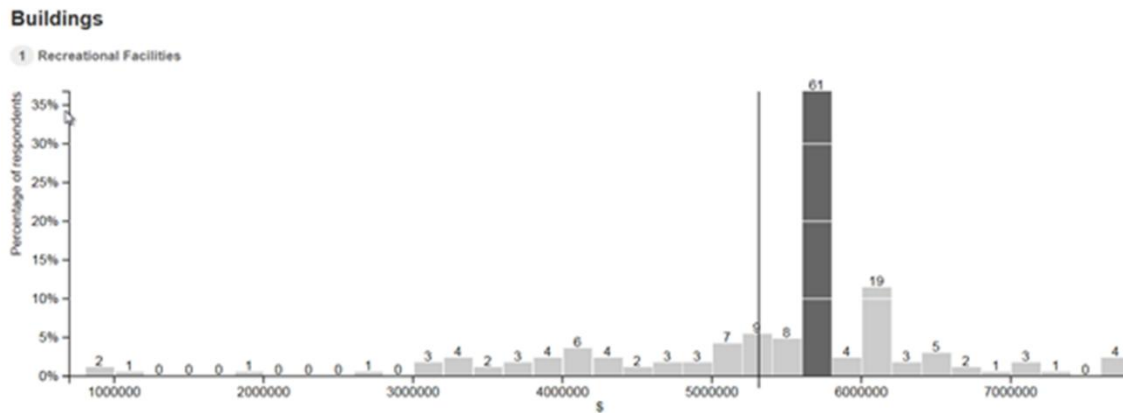
In total 741 visited the website with 165 providing responses.

Respondents were asked:

"If you had 70 million infrastructure dollars to spend, how would you allocate those funds between infrastructure areas?"

An example of one of the outcome graphs is provided below and the remaining can be found in the "Community Engagement" portion of the attached 2030 Infrastructure Plan.

Figure 1. 2030 Infrastructure Plan 2nd Draft Online Budget Allocator Output Example.



- Thin vertical line represents average investment determined from all respondents
- Solid vertical bars represent individual respondent choice
- Dark vertical bar represents investment level in 2030 Infrastructure Plan

**Financial/Budgetary Considerations:**

The 2030 Infrastructure Plan strives to balance affordability with infrastructure that delivers the expected services to the community. Adequate financing needs to be in place to schedule and undertake each capital investment. The 2030 Infrastructure Plan looks at revenue sources whether it be rates, taxes, fees, development cost charges, grants, reserves or borrowing. As there is never enough money to fund competing needs, tradeoffs and hard choices are required to establish an optimum and affordable list of priorities. The 2030 Infrastructure Plan provides the framework for long term planning and fiscal management and allows the City to look ahead and answer three fundamental questions:

- "What do we need?"
- "Why do we need it?"
- "How are we going to pay for it?"

Answering these three questions allows the City to anticipate current and future cost pressures, stretch the limits of our revenues by source, and make the necessary decisions to put in place essential infrastructure to support a future Kelowna. By doing so, this plan will help maximize the investment in the community where and when it is most needed.

The 2030 Infrastructure Plan will be used to develop the 10-year Capital Plan that will be updated annually to remain accurate and, reflect emerging issues and the community's changing priorities. The 10-Year Capital Plan will be used in turn to support infrastructure investment decisions in the annual budget that is approved by Council.

**Internal Circulation:**

Divisional Director, Infrastructure  
 Community Engagement Consultant  
 Director, Financial Services

**Considerations not applicable to this report:**

Legal/Statutory Authority:

Legal/Statutory Procedural Requirements:  
Existing Policy:  
Personnel Implications:  
External Agency/Public Comments:  
Communications Comments:  
Alternate Recommendation:

Submitted by:

Joel Shaw, Infrastructure Planning Department Manager

Approved for inclusion:



A. Newcombe, Divisional Director, Infrastructure

Attachment 1: 2030 Infrastructure Plan 2<sup>nd</sup> Draft - February 25<sup>th</sup>, 2016.  
Attachment 2: 2030 Infrastructure Plan 2<sup>nd</sup> Draft Presentation

cc: Divisional Director, Active Living and Culture  
Divisional Director, Civic Operations  
Divisional Director, Communications & Information Services  
Divisional Director, Community Planning & Real Estate  
Divisional Director, Corporate & Protective Services  
Divisional Director, Infrastructure  
Financial Services Director