

# Report to Council



**Date:** August 27, 2018  
**File:** 1840-20  
**To:** City Manager  
**From:** Senior Project Manager  
**Subject:** 2018 Budget Amendment - Okanagan Rail Trail Grant Funding

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## **Recommendation:**

THAT Council receives for information the report from the Senior Project Manager dated August 27, 2018 regarding the 2018 Budget Amendment for the Okanagan Rail Trail project;

AND THAT the 2018 Financial Plan be amended for the purposes of procuring and paying for design and construction services associated with development of the rail trail with external funding sources as outlined in the Financial/Budgetary Considerations section.

## **Purpose:**

To fund continued development of the rail trail within the City of Kelowna using grant funding associated with Canada 150 grant program and the Build Canada grant program.

## **Background:**

The City of Kelowna (CoK) has been involved in the development of a rail trail along the old CN Rail corridor between Kelowna and Coldstream, in partnership with Okanagan Indian Band (OKIB), District of Lake Country (DLC) and the Regional District of North Okanagan (RDNO), under the leadership of the jointly commissioned Interjurisdictional Development Team (IDT) for the rail trail project. Additionally, the project has been supported by the fundraising leadership of the Okanagan Rail Trail Initiative (ORTI), with the public donations raised being received and managed by two local foundations (i.e. Central Okanagan Foundation and the Community Futures Development Corporation of the North Okanagan). In July, ORT announced that the fundraising target of \$7.8 million for the overall project had been achieved.

The total 2017 approved City budget for this project was \$1,554,870, funded half from the Bike BC grant program and half from City reserves of which public donations to the Central Okanagan Foundation were received to offset the reserve use. Much of the trail development work associated with the current approved budget has been expended to construct the rail trail from the Dilworth Drive to the airport. In order to finish development of the remainder of the rail trail within the City the project budget needs to be increased.

In March 2017, the rail trail project received a federal Canada 150 grant, in the amount of \$943,000 (funded half from the Canada 150 program and half from public donations to Community Futures Development Corporation of the North Okanagan). Of this, \$81,386 is allocated to the City of Kelowna for grant-eligible work within the City, notably: bridge improvements, surveying, archaeological investigation, and installation of gate improvements.

In March 2018 the project received a federal Build Canada grant, in the amount of \$4,089,600 (funded one third from the Build Canada program and two thirds from public donations to the Central Okanagan Foundation). Of this, \$1,180,000 is allocated to the City of Kelowna for grant-eligible work within the City. This work includes trail construction, road crossings, fencing, signage, supporting infrastructure and associated consulting services on City-owned corridor north of the airport and in the north end of downtown.

**Financial/Budgetary Considerations:**

The 2018 Financial Plan will need to be amended for the rail trail project to include additional external funding totaling \$1,261,390 which is made up of \$40,695 in grant funding from the federal Canada 150 grant, \$393,330 in grant funding from the federal Build Canada grant, and \$827,365 in donation revenue from public donations made to the Central Okanagan Foundation.

**Internal Circulation:**

Divisional Director, Infrastructure  
Manager, Financial Planning  
Director, Strategic Investments  
Infrastructure Delivery Dept Manager  
Budget Supervisor

**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:

A. Gibbs, Senior Project Manager

**Approved for inclusion:**



Alan, Newcombe, Divisional Director, Infrastructure

cc: Divisional Director, Infrastructure  
Divisional Director, Financial Services  
Department Manager, Infrastructure Delivery  
Manager, Grants & Special Projects