



# 10-Year Capital Plan

2019 - 2028

June 10<sup>th</sup>, 2019



# Council Workshop Schedule

- ▶ Infrastructure Planning Process – March 11<sup>th</sup>
- ▶ Infrastructure Funding Options – April 1<sup>st</sup>
- ▶ 10-Year Capital Plan Update – June 10<sup>th</sup>

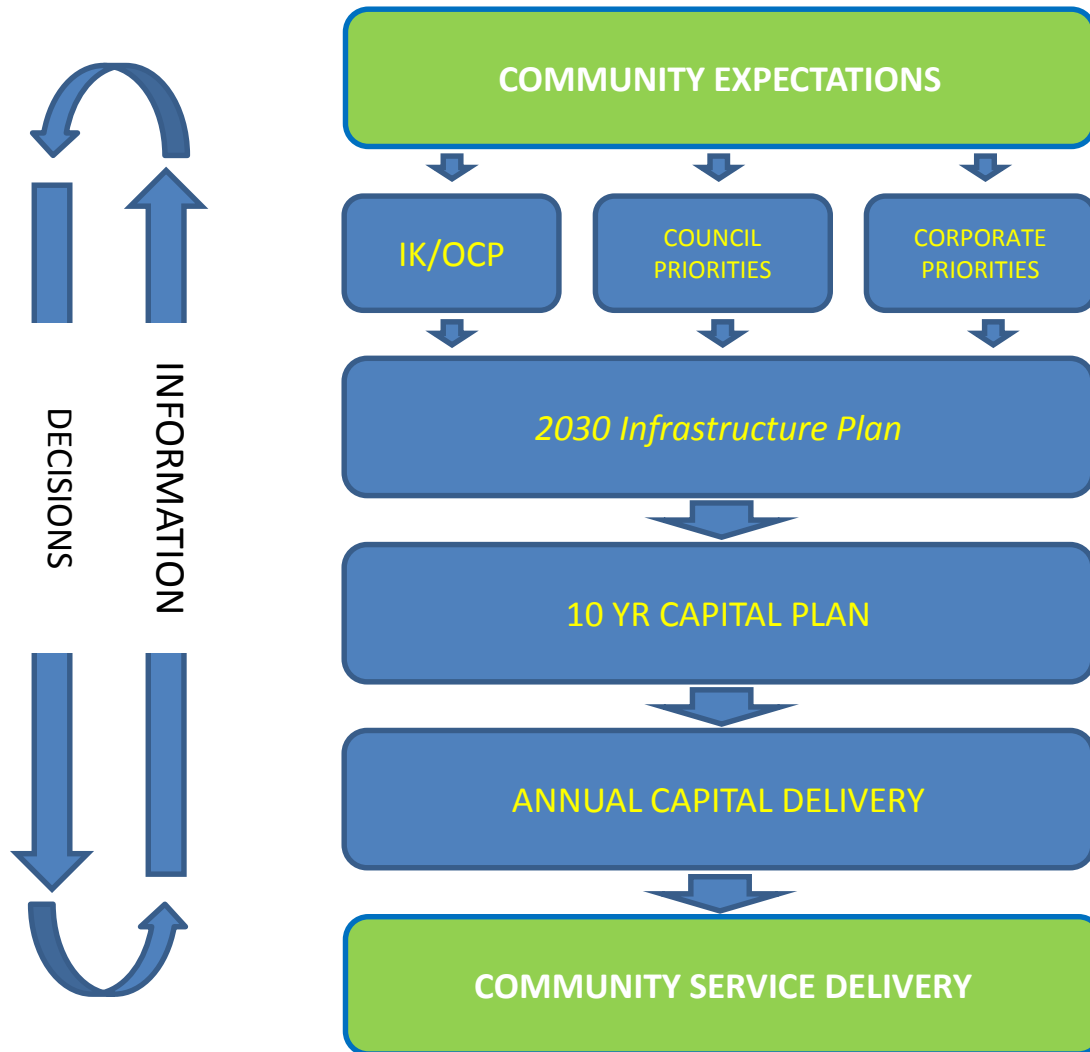




# Presentation Outline

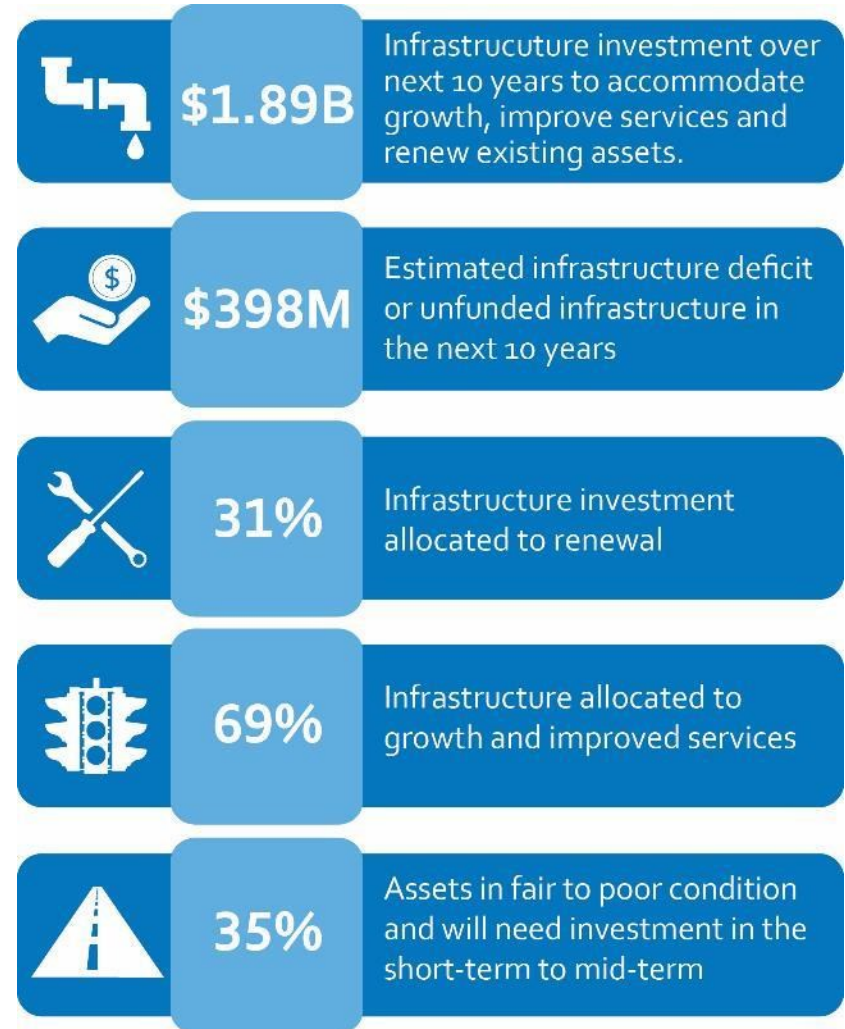
- ▶ Infrastructure Planning Process
- ▶ Infrastructure Projects & Financing
- ▶ Changes from previous 10-Year Plan
- ▶ Infrastructure Deficit
- ▶ Infrastructure Levy

# Infrastructure Planning Model



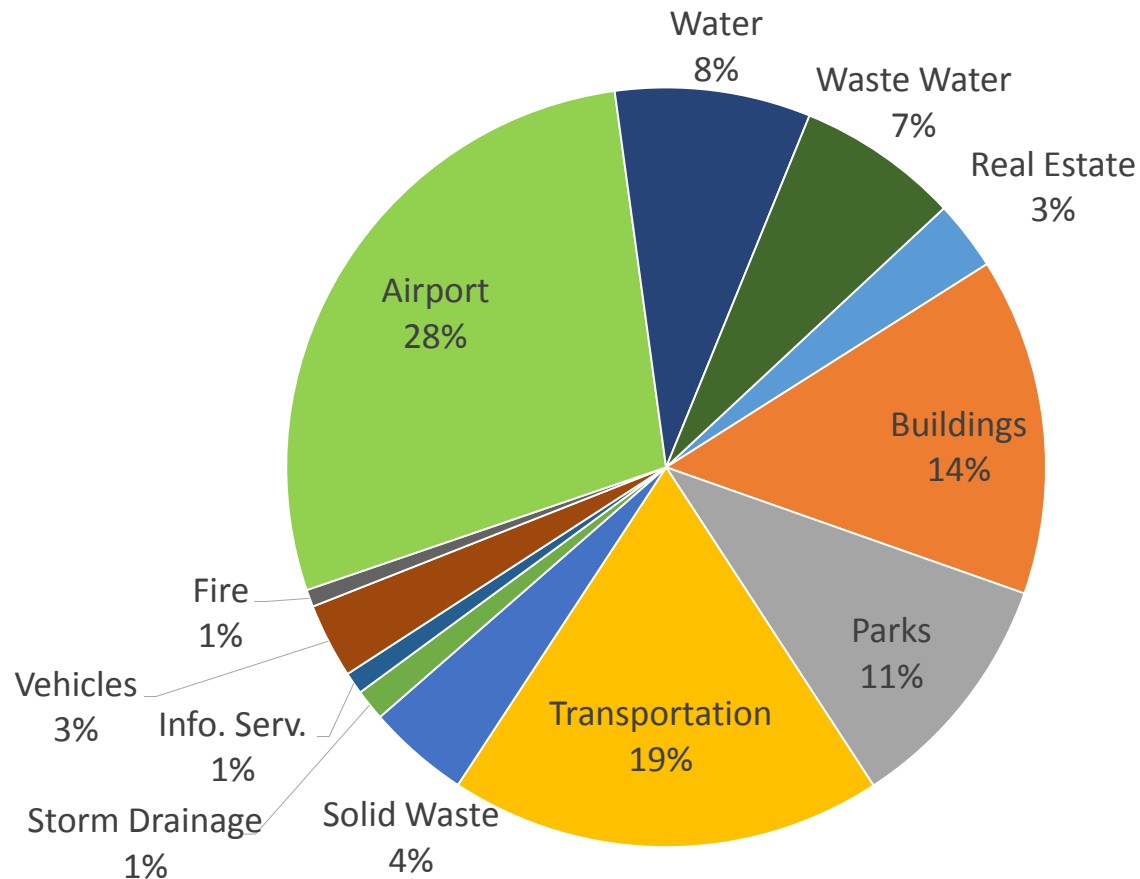
# Infrastructure Challenge

- ▶ Aging Infrastructure,
- ▶ Demand for more services,
- ▶ Growing community,
- ▶ Less funding for Infrastructure.



# Infrastructure Investment by Service Area

(\$millions)

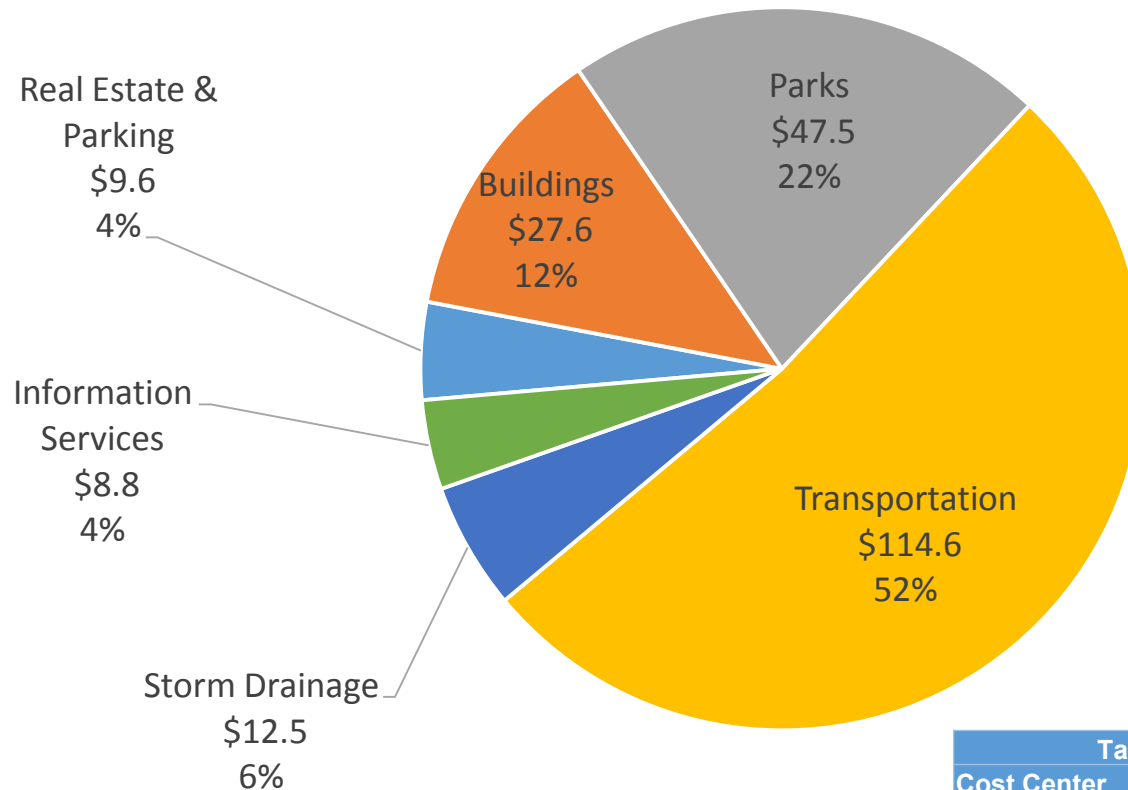


General and Utility Funds Total \$1.4 B

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# Maintaining Direction

2019-2028 Taxation and Gas Tax Funding (millions)



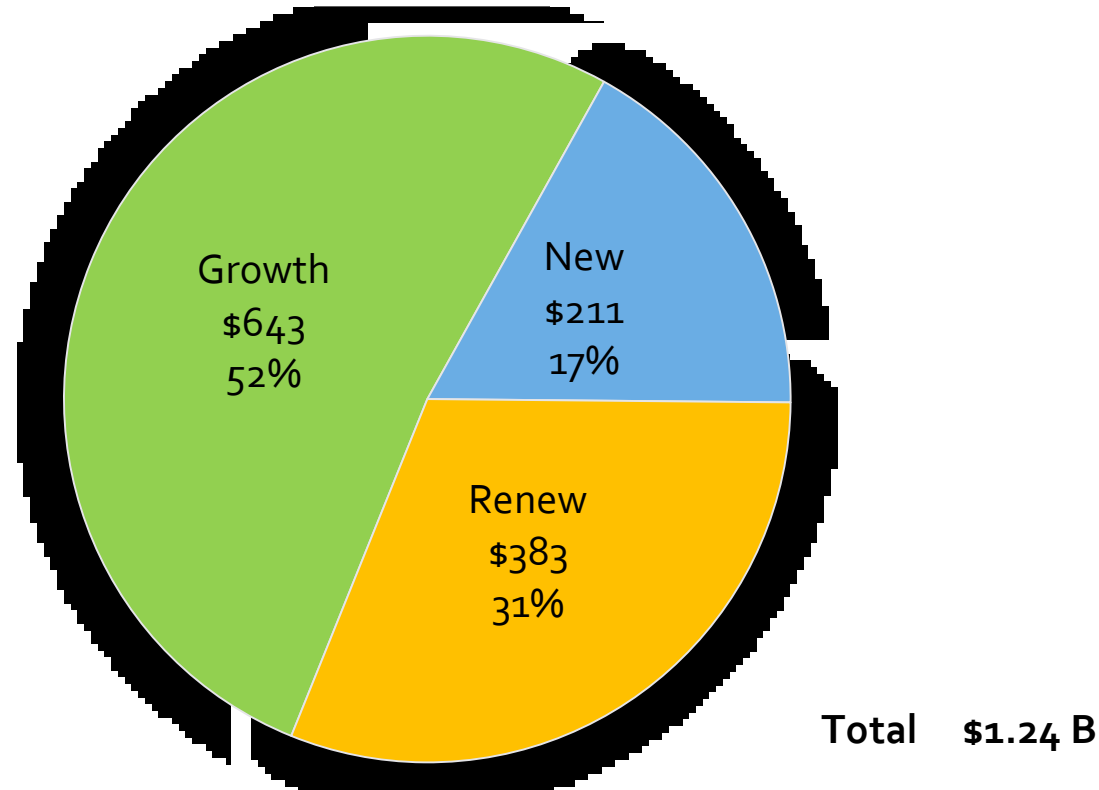
| Tax and Gas Tax % Comparison |           |           |
|------------------------------|-----------|-----------|
| Cost Center                  | 2019-2028 | 2030 Plan |
| Transportation               | 52%       | 55%       |
| Parks                        | 22%       | 19%       |
| Buildings                    | 12%       | 12%       |
| Storm Drainage               | 6%        | 5%        |
| Real Estate                  | 4%        | 5%        |
| Information Services         | 4%        | 4%        |

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# Investment by Infrastructure Category

## New, Growth and Renewal

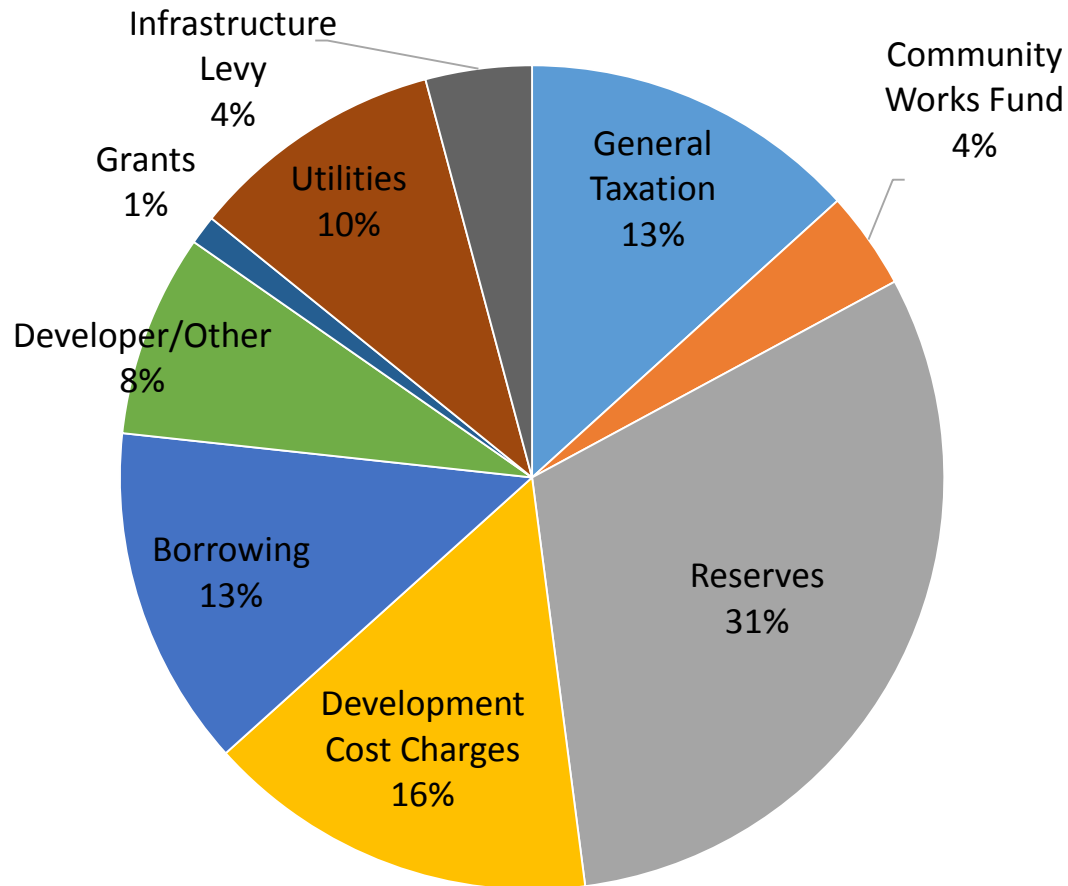
(\$millions)



- *Growth Capital* - infrastructure required to accommodate growth,
- *Renewal Capital* - infrastructure that replaces or renews existing assets,
- *New Capital* - infrastructure required to support enhanced service levels,



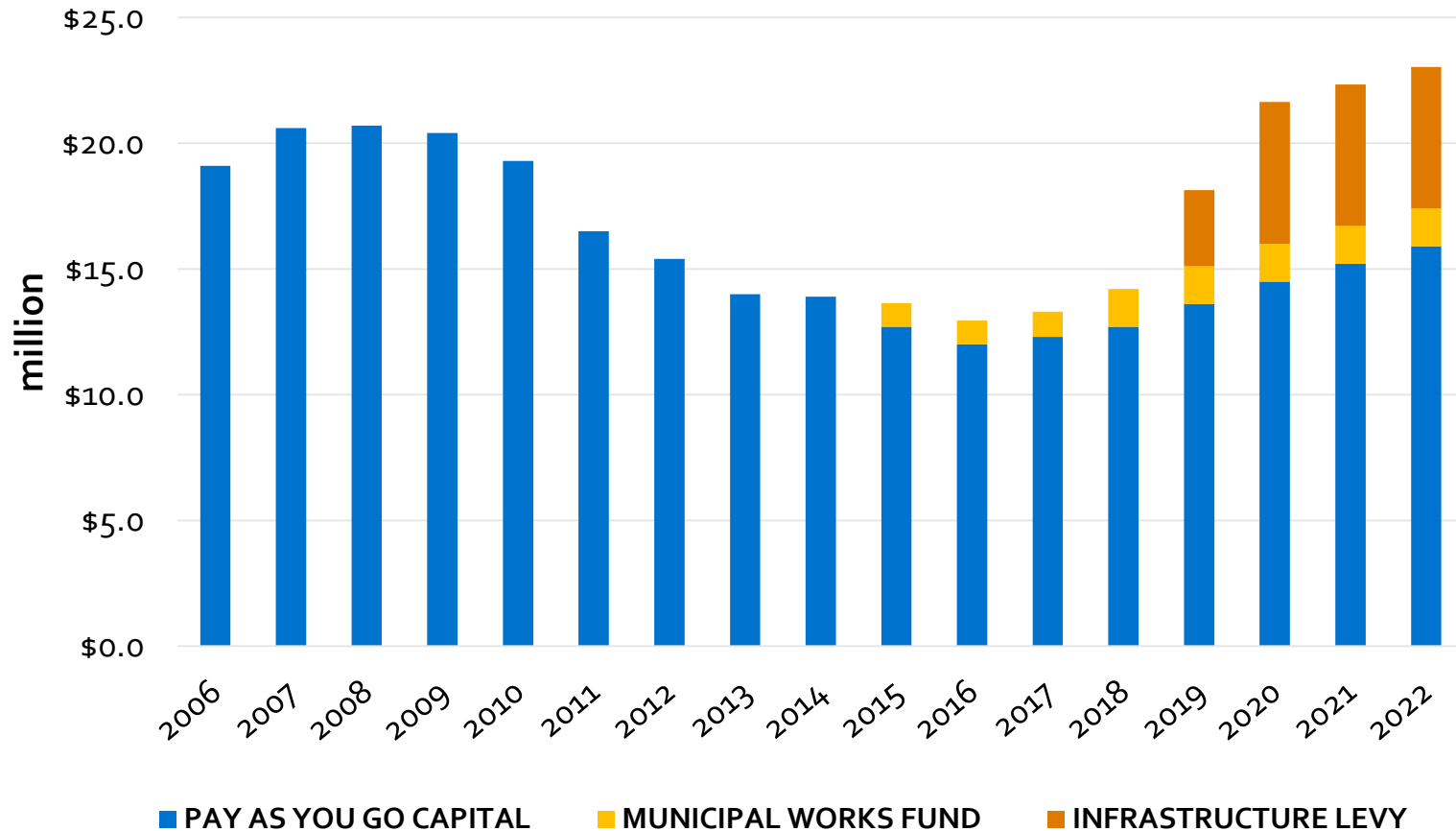
# Funding Sources (\$million)



Available funding by source \$1.3 billion

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# Pay As You Go Capital



# Infrastructure Levy

Projected revenue from infrastructure levy (\$*millions*)

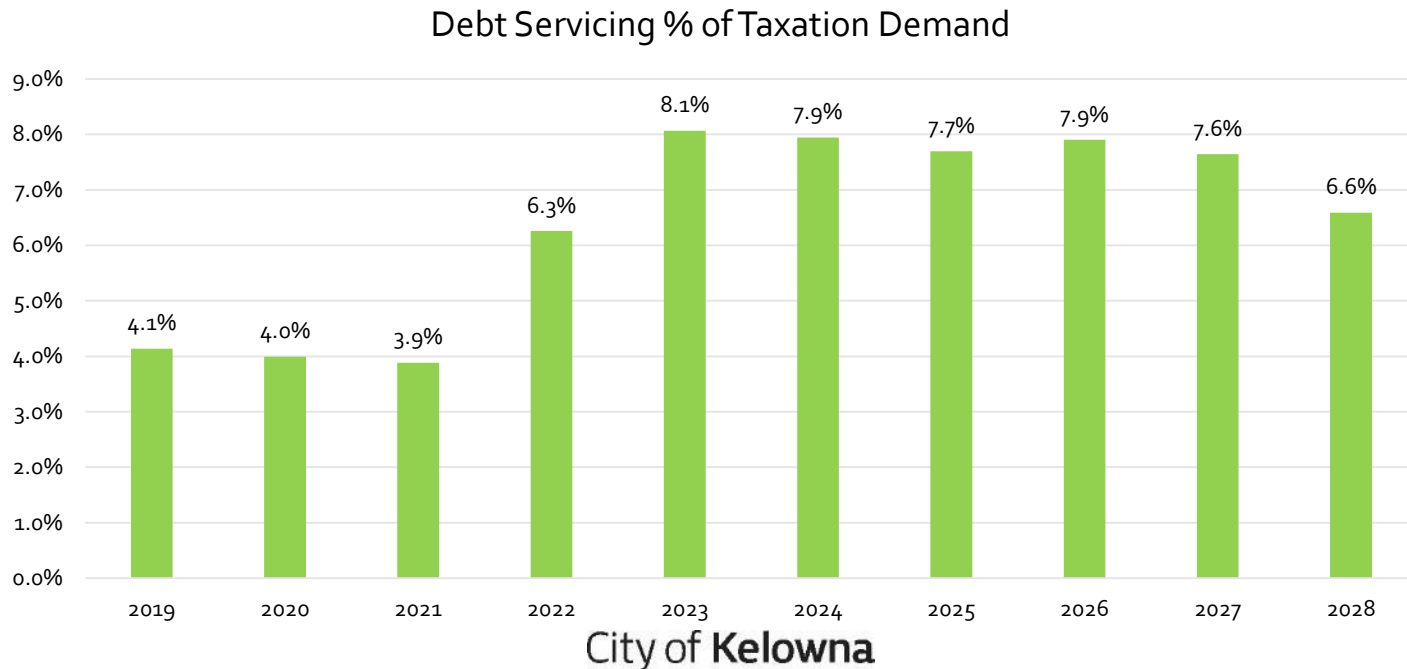
| Year  | 2019  | 2020  | 2021  | 2022  | 2023  | 2024  | 2025  | 2026  | 2027  | 2028  | Total  |
|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|--------|
| Total | \$3.0 | \$5.6 | \$5.6 | \$5.6 | \$5.6 | \$5.6 | \$5.6 | \$5.6 | \$5.6 | \$5.6 | \$53.8 |



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# Borrowing

| Cost Center  | Project                           | Borrowing Amount<br>(\$ millions) | Year(s)     |
|--------------|-----------------------------------|-----------------------------------|-------------|
| Buildings    | Parkinson Recreation Centre       | \$94                              | 2021 - 2024 |
| Buildings    | Capital News Centre Expansion     | \$20                              | 2021 - 2022 |
| Buildings    | Mission Activity Centre           | \$5                               | 2025        |
| Buildings    | City Hall Envelope Renewal        | \$5                               | 2024 - 2025 |
| Buildings    | North Glenmore Fire Hall (Stn #5) | \$3                               | 2025        |
| <b>Total</b> |                                   | <b>\$127</b>                      |             |





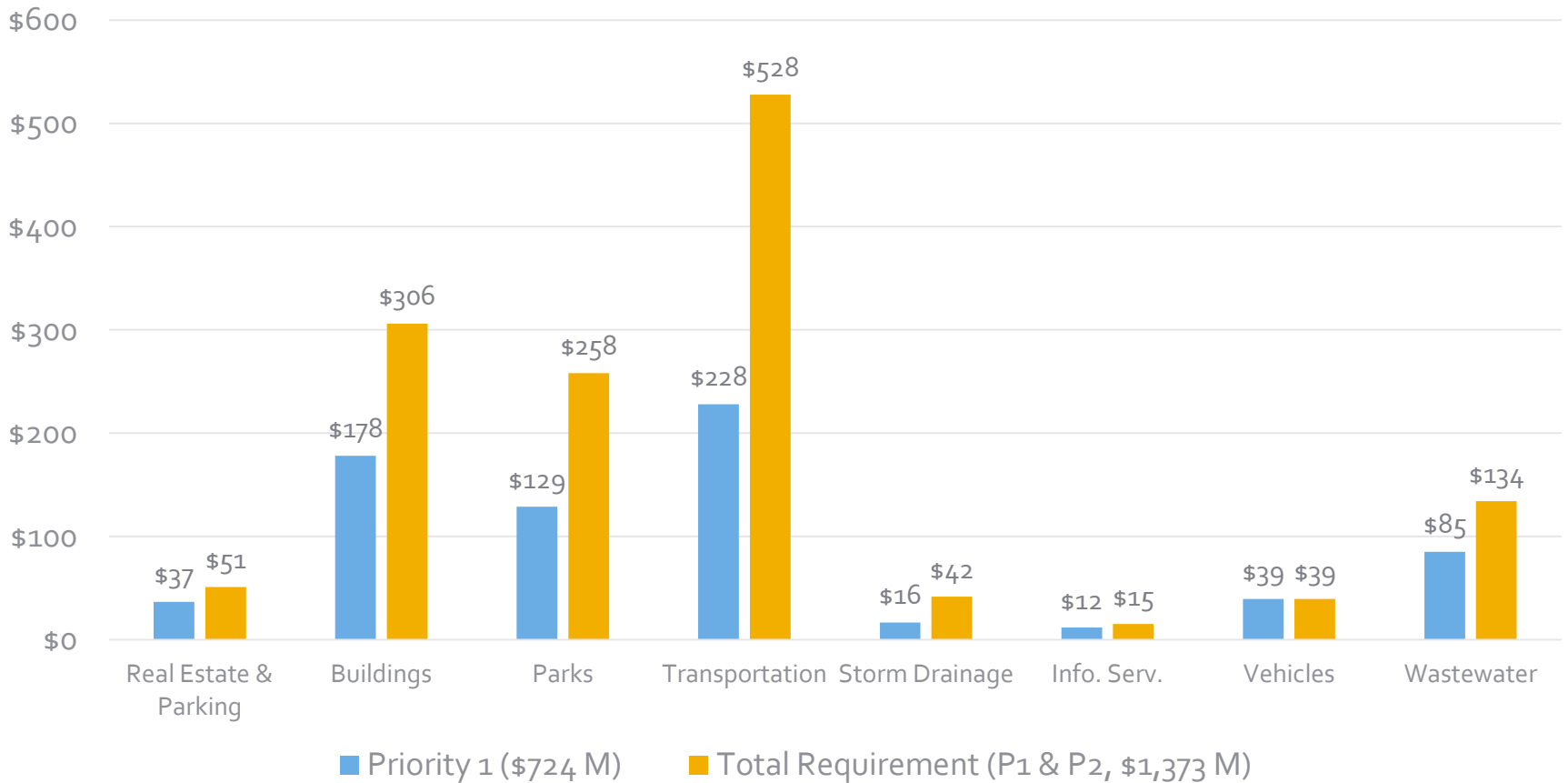
# Changes from previous 10-Year Capital Plan (P1)

- ▶ Total Infrastructure Investment (\$184 million increase)
- ▶ Buildings (\$30 million increase)
  - ▶ Parkinson Recreation Centre – Site work & field relocation - \$16 million (new project)
  - ▶ Parkinson Recreation Centre – Building Replacement - \$20 million (cost increase)
- ▶ Transportation (\$30 million increase)
  - ▶ Central Green Pedestrian Overpass advanced from 2030 to 2021 - \$5.5 million
  - ▶ The 2019-2028 planning horizon now includes several significant DCC road projects in 2028 valued at \$32 million.
- ▶ Water (\$35 million increase)
  - ▶ Water Network Renewal and Upgrades – \$30 million (new projects and cost increases)
- ▶ Airport (\$88 million increase)
  - ▶ Airport Hotel and Parking Development- \$32 million (new project)
  - ▶ Airport Mill Creek Realignment - \$13.5 million (new project)
  - ▶ Mill Creek Realignment – \$13.5 million (new project)
  - ▶ Airport Terminal Expansion South - \$33.6 million (cost increase)

# Changes from previous 10-Year Capital Plan (P2)

- ▶ Total Infrastructure Investment (\$171 million increase)
- ▶ Buildings (\$27 million increase)
  - ▶ Parkinson Recreation Centre Parking structure - \$8.5 million (new project)
  - ▶ Kelowna Community Theatre Replacement - \$6.7 million (cost increase)
- ▶ Parks (\$35 million increase)
  - ▶ Park Development - \$25 million (new projects)
  - ▶ Park Development - \$10 million (cost increase)
- ▶ Transportation (\$42 million increase)
  - ▶ Transit projects (Midtown, Mission Rec, YLW Ext.) – \$8.7 million (new projects)
  - ▶ Transit Facility - \$6.5 million (cost increase)
  - ▶ The planning horizon now includes the final phase of Clement 2 – Hwy. 33 Ext. (DCC) road project valued at \$26 million.
- ▶ Drainage (\$24 million)
  - ▶ Mill Creek Flood Protection and Upstream Storage - \$19 million (new project)
- ▶ Wastewater (\$49 million)
  - ▶ Wastewater Treatment Digester - \$49 million (new project)

# Priority 1 and Priority 2 Investment (\$millions)



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# P2 Project Funding

| INFRASTRUCTURE CATEGORY    | Funding      |                    |              |
|----------------------------|--------------|--------------------|--------------|
|                            | Cost         | City<br>(Unfunded) | Other*       |
| Renewal                    | \$167        | \$156              | \$11         |
| Growth                     | \$286        | \$154              | \$133        |
| Service Level Improvements | \$196        | \$142              | \$54         |
| Less: Infrastructure Levy  | (\$54)       | (\$54)             | \$0          |
| <b>TOTAL</b>               | <b>\$596</b> | <b>\$398</b>       | <b>\$198</b> |

\*Other includes DCC's, Grants, Utilities and Partnerships.



# Infrastructure Levy

2019 (total \$3.0 million)

- Transportation Renewal - \$2 million
- Mill Creek Drainage Improvements - \$1 million

2020 (total \$5.6 million)

- Parks Development - \$3 million
- Transportation Renewal - \$1.6 million
- Mill Creek Drainage Improvements - \$1 million



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*Questions?*

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