

Report to Council



Date: April 17, 2023
To: Council
From: City Manager
Subject: 2023 BC Growing Communities Fund Allocation
Department: Financial Services

Recommendation:

THAT Council receives, for information, the report from the Financial Services Department dated April 17, 2023 with respect to the 2023 BC Growing Communities Fund;

AND THAT the 2023 Financial Plan be amended to include the receipt of the \$26,228,000 grant funds, and the contribution of the funds to reserve;

AND FURTHER THAT Council direct staff to return to Council to present a project plan to use the grant funds.

Purpose:

To amend the 2023 Financial Plan to include the receipt of \$26,228,000 of grant funds under the BC Growing Communities Fund.

Background:

As the provincial population is projected to continue to increase over the next ten years, many communities struggle to keep pace with housing supply and associated infrastructure. On February 10, 2023, the B.C. Provincial Government announced the Growing Communities Fund providing a one-time grant to all 188 of B.C.'s municipalities and regional districts, with a focus on fast growing communities. The principal objective of the fund is to increase local housing supply through the investment in community infrastructure and amenities.

The grants were distributed using a formula that incorporated an initial \$500,000 per municipality or regional district, and a further adjustment for population size and per-capita population growth between 2016 and 2021, to help with the additional pressures experienced by faster-growing communities. These funds can be used to address each community's unique infrastructure and amenities demands such as recreation facilities, parks, and water-treatment plants, as well as other community infrastructure.

Discussion:

As a condition of the grant, the funding must be placed in a segregated reserve fund established by bylaw under section 188 of the *Community Charter* for the Capital and Planning purposes of the Growing Community Fund.

Staff are working together to prepare a plan of priority projects to be presented to Council for budget approval. Until that time, staff are recommending that the City of Kelowna’s portion of the Growing Communities Fund, \$26,228,000, be contributed to a Growing Community Fund Reserve and allocated out to be used under the following broad categories:

Staff are also considering the use of funds be allocated as (approximate):

- 50% - To be used to reduce debt servicing impacts of the PRC replacement,
- 35% – To be used to fund capital projects reducing the infrastructure deficit and leveraging DCC funds,
- And 15% To be used to advance additional Council Priorities.

Upon the completion of the allocation plan, specific figures will be brought to Council for approval considering both Council priorities and infrastructure needs.

Conclusion:

The Growing Communities grant funds have been received by the City, and staff are working to develop a specific funding plan corresponding to the high-level categories outlined in this report. A report containing these specific projects will be provided to Council in the near term and projects identified in this year’s update to the 10-Year Capital Plan.

Internal Circulation:

N/A

Considerations applicable to this report:

N/A

Legal/Statutory Authority:

Legal/Statutory Procedural Requirements:

Existing Policy:

Financial/Budgetary Considerations:

External Agency/Public Comments:

Communications Comments:

Considerations not applicable to this report:

Submitted by:

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Approved for inclusion:



J. Shaw, Acting Divisional Director Financial Services