

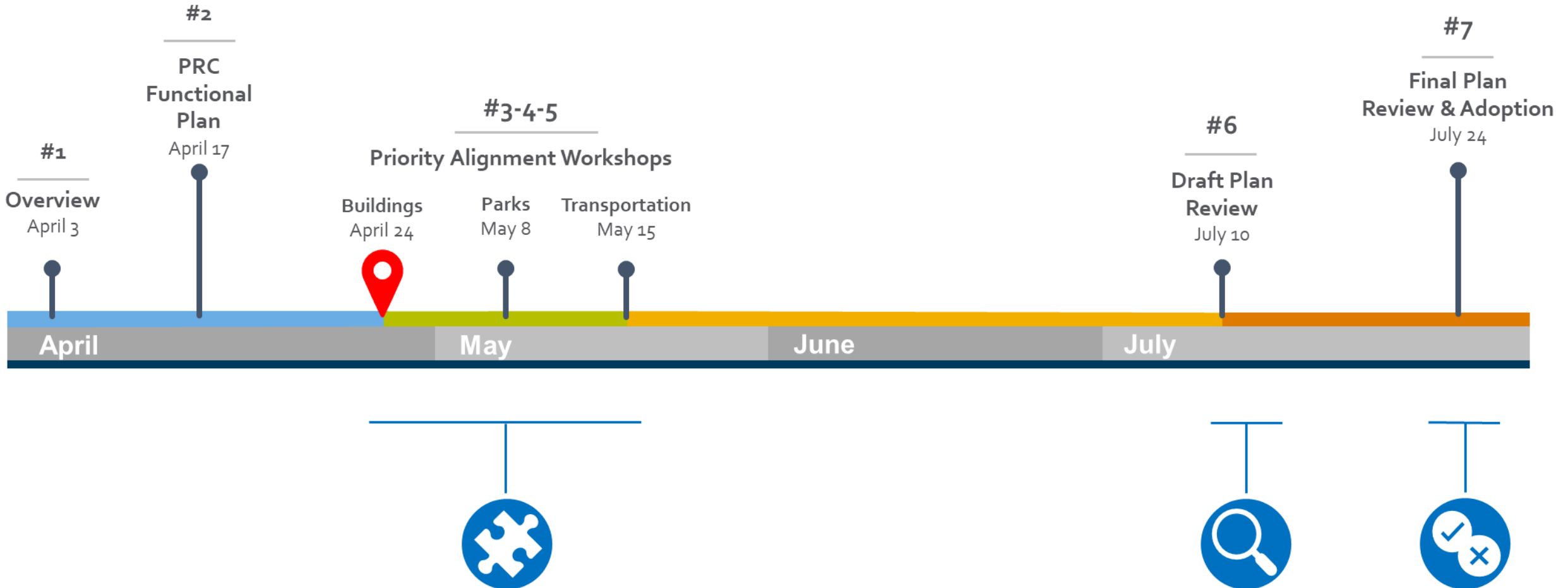


City of
Kelowna

10-Year Capital Plan (2023-2032) Workshop #3: Buildings

April 24th, 2023

Touchpoint Timeline



Overview Workshop #1: What we heard from Council

- ▶ Enhanced investment (or accelerated delivery) of pedestrian & traffic safety
- ▶ Arts & Cultural investment, performing arts centre
- ▶ Environmental stewardship, climate, GHG reduction and urban forest
- ▶ Recreational facilities – expanding and renewal of existing
- ▶ Improve traffic flow
- ▶ Affordable housing
- ▶ Partnerships

Agenda

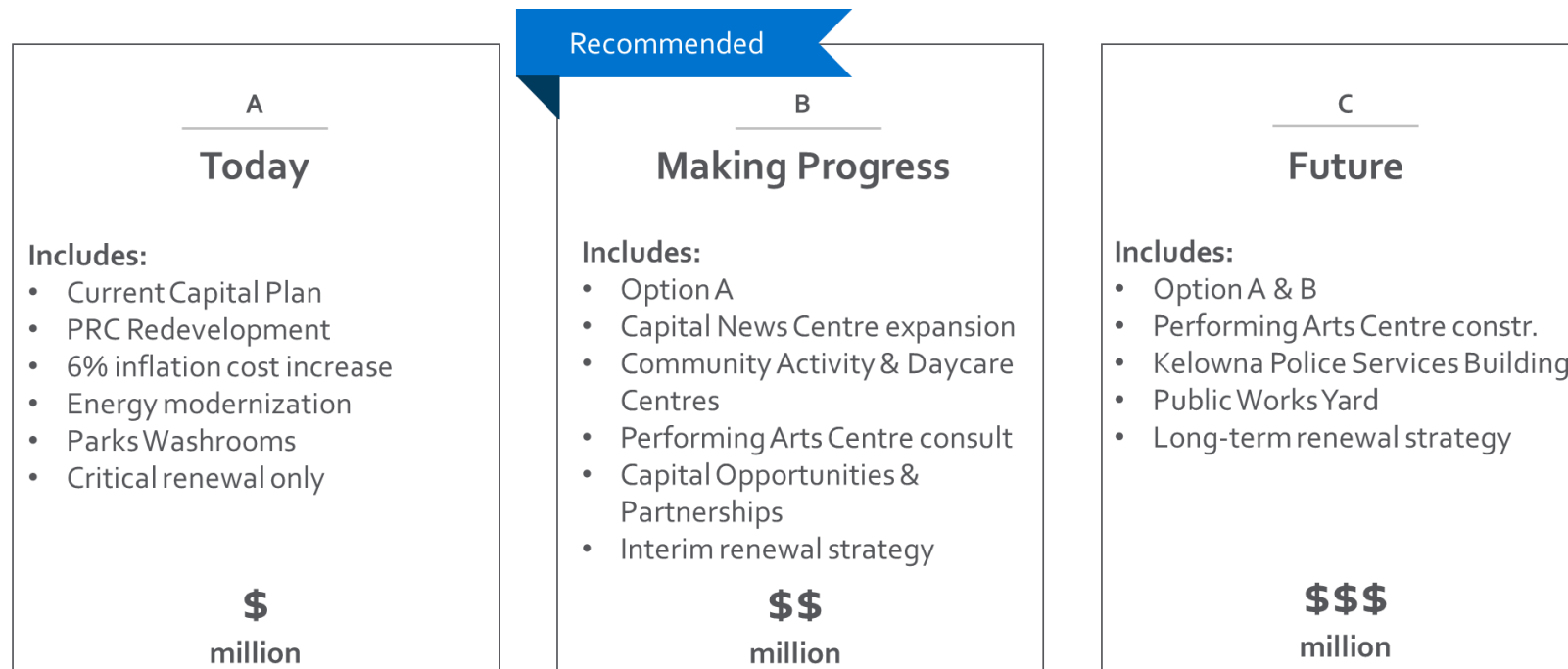
- ▶ Capital Plan Overview
- ▶ Buildings Cost Centre
- ▶ Options review
- ▶ Receive Council Direction



Today's Outcome

► Council Direction

- ...THAT Council direct staff to proceed with the approach recommended in Option B for the Buildings Cost Centre for inclusion in this update to the 10-Year Capital Plan;





The infographic is a colorful illustration of a city street scene. At the top left, an airplane flies over a world-class airport terminal with a control tower. Below it, a road with a green car and a worker with a road roller represents safe and efficient roads. In the center, a city skyline with various buildings and a crane is the focal point. To the right, a park area features a playground, a person walking a dog, and a person planting a tree. At the bottom, a BCTransit bus is on the road, and a person in a wheelchair is on the sidewalk. The entire scene is framed by a grey road that curves around the central city skyline.

world-class airport

reduced GHG emissions

safe and efficient roads

climate resilience

City of Kelowna's 10-Year Capital Plan
Building a City of the Future 2022–2031

safe, protected bike routes

great public spaces

walkable neighbourhoods

environmental stewardship

public safety

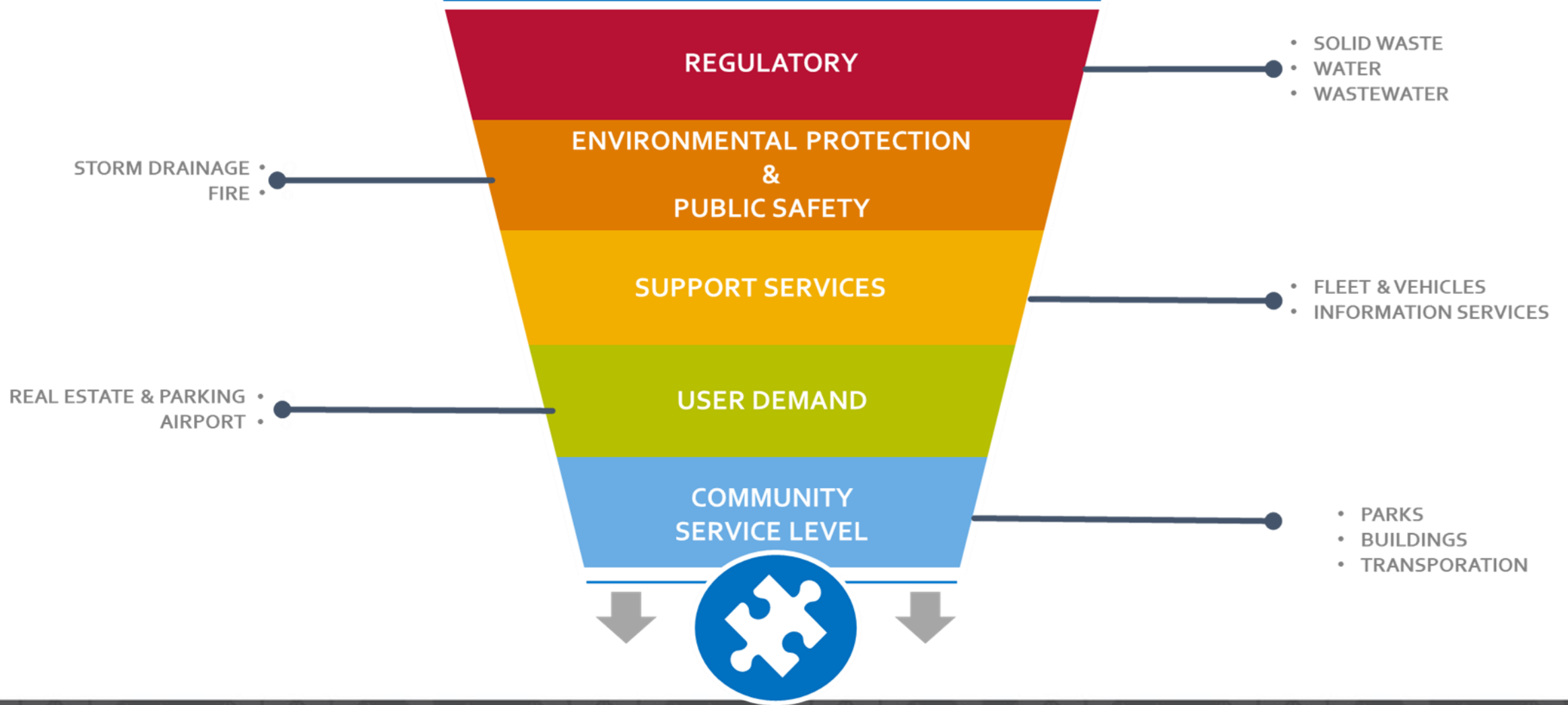
high quality drinking water

Balancing Cost Centres



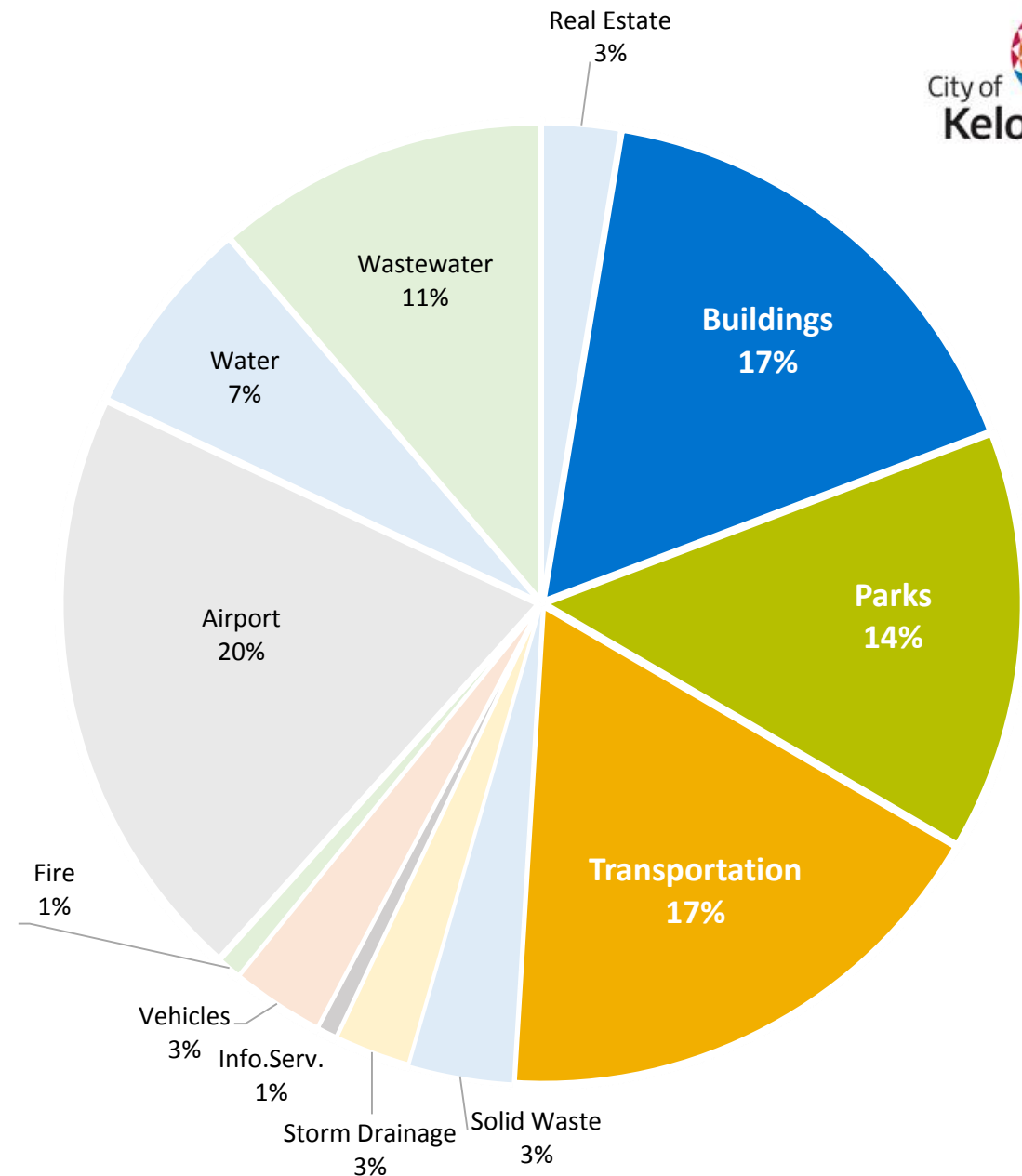
12 COST CENTRES

400 Projects & Programs



Competing Priorities

- ▶ Three big cost centres
- ▶ Influenced by community demand
- ▶ Competing against one another
 - ▶ Funding
 - ▶ Capacity to deliver



Buildings Cost Centre Review



Buildings Categories & Capital Assets

Parks & Recreation

- Washrooms
- Pavilions
- Field Houses
- Rec centres & pools
- Arenas
- Stadiums

Community & Cultural

- Activity centres
- Library
- Art Gallery
- Theatre
- Museums

Civic & Protective Services

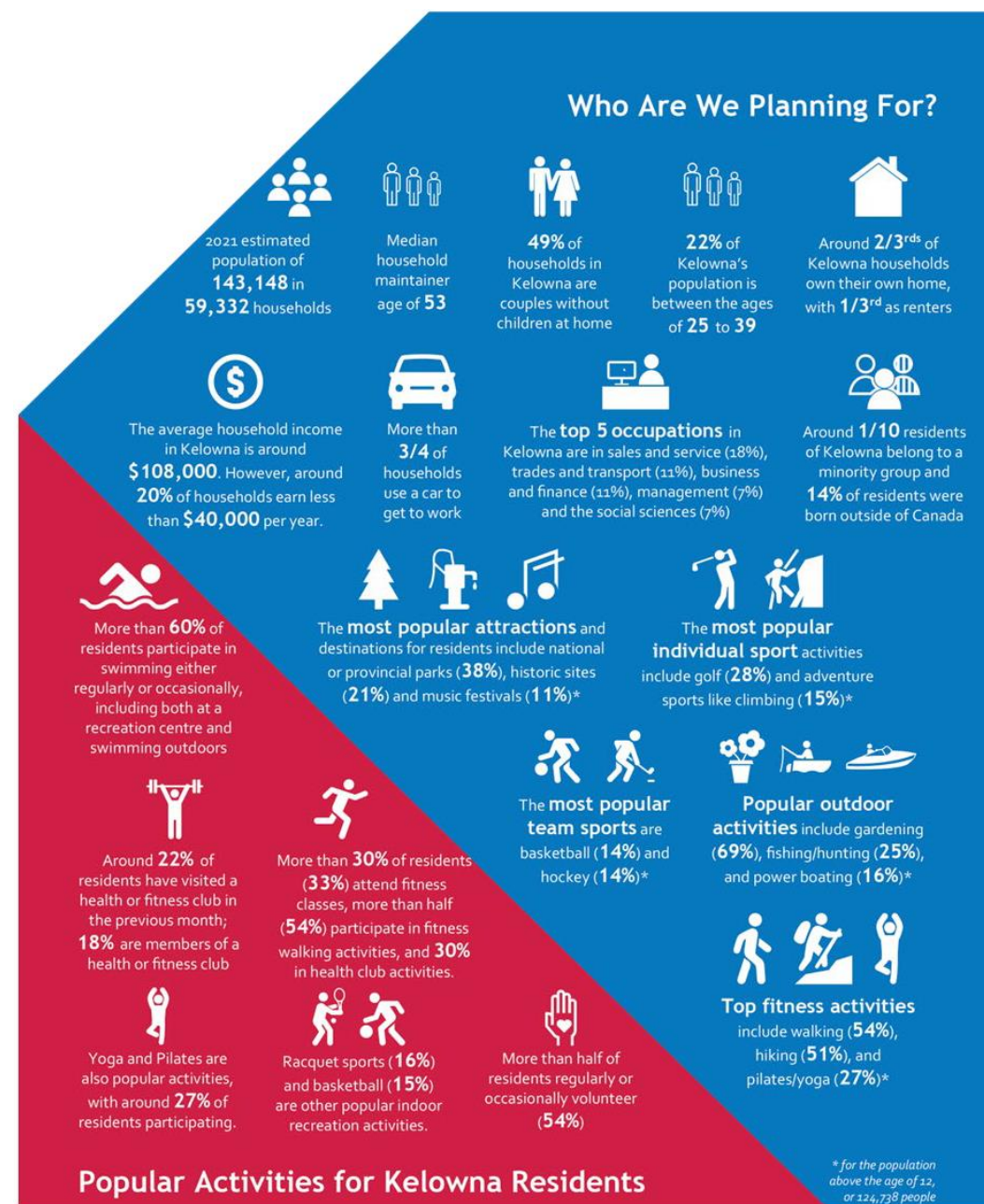
- City Hall
- Police Stations
- Fire Halls

Transportation & Public Works

- Public Works Yard
- Cemetery
- WWTF Admin

Service Drivers

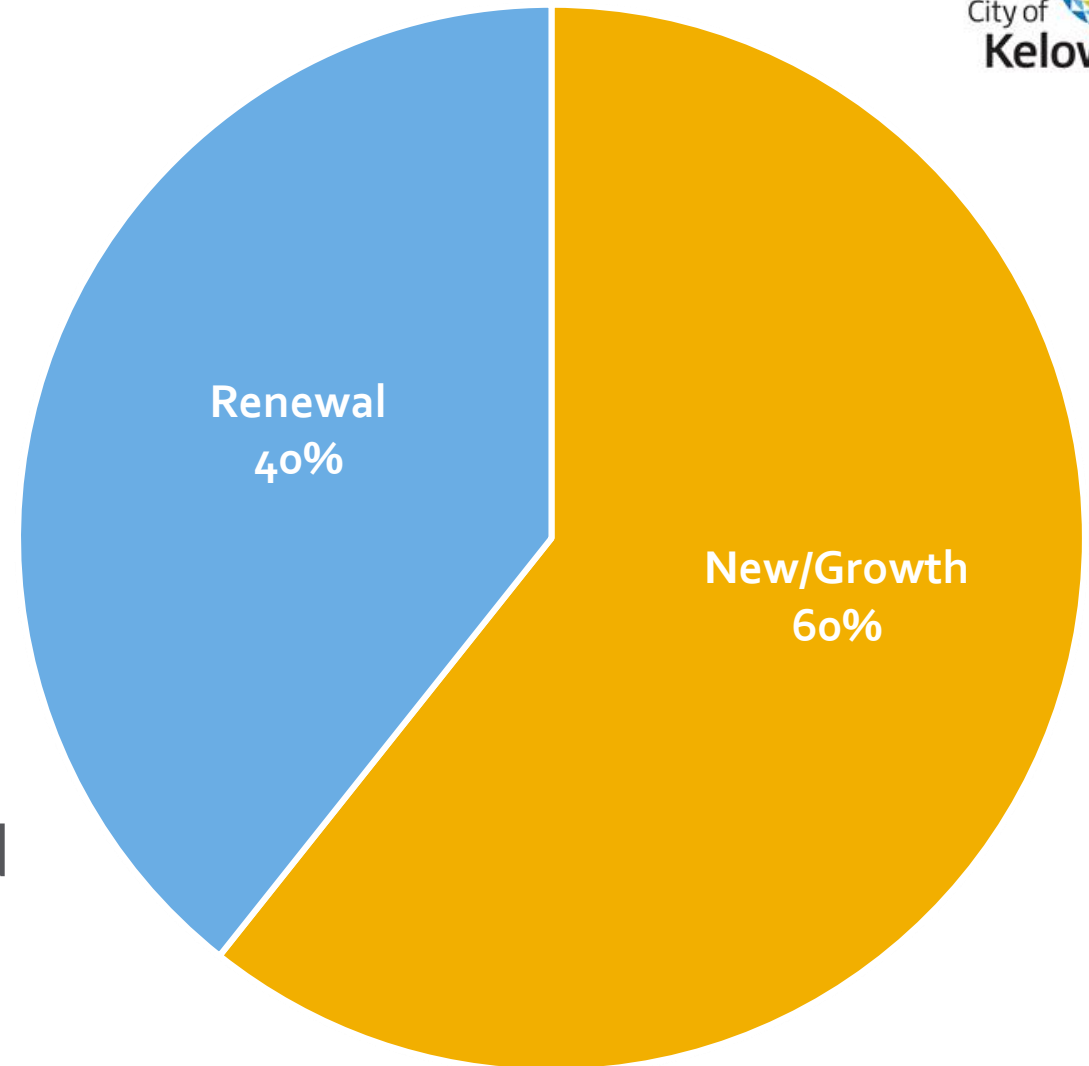
- ▶ Council Priorities/OCP
- ▶ Growing community
- ▶ Evolving user group needs
- ▶ Asset Condition
- ▶ Energy Efficiency
- ▶ Master Plans



Source: Indoor Recreation Facility Strategy

Current Plan

- ▶ New/Growth
 - ▶ New assets
 - ▶ Upgrade existing assets
 - ▶ Increases & expands service levels
- ▶ Renew
 - ▶ Like-for-like existing assets
 - ▶ Maintains service levels
- ▶ Tough decisions & trade-offs needed



Funding Sources

Borrowing
(specific projects)

Taxation
(greatest flexibility)

Reserves
(specific uses)

Existing

Infrastructure Levy
(renewal focus)

**Grants &
Partnerships**
(unconfirmed)

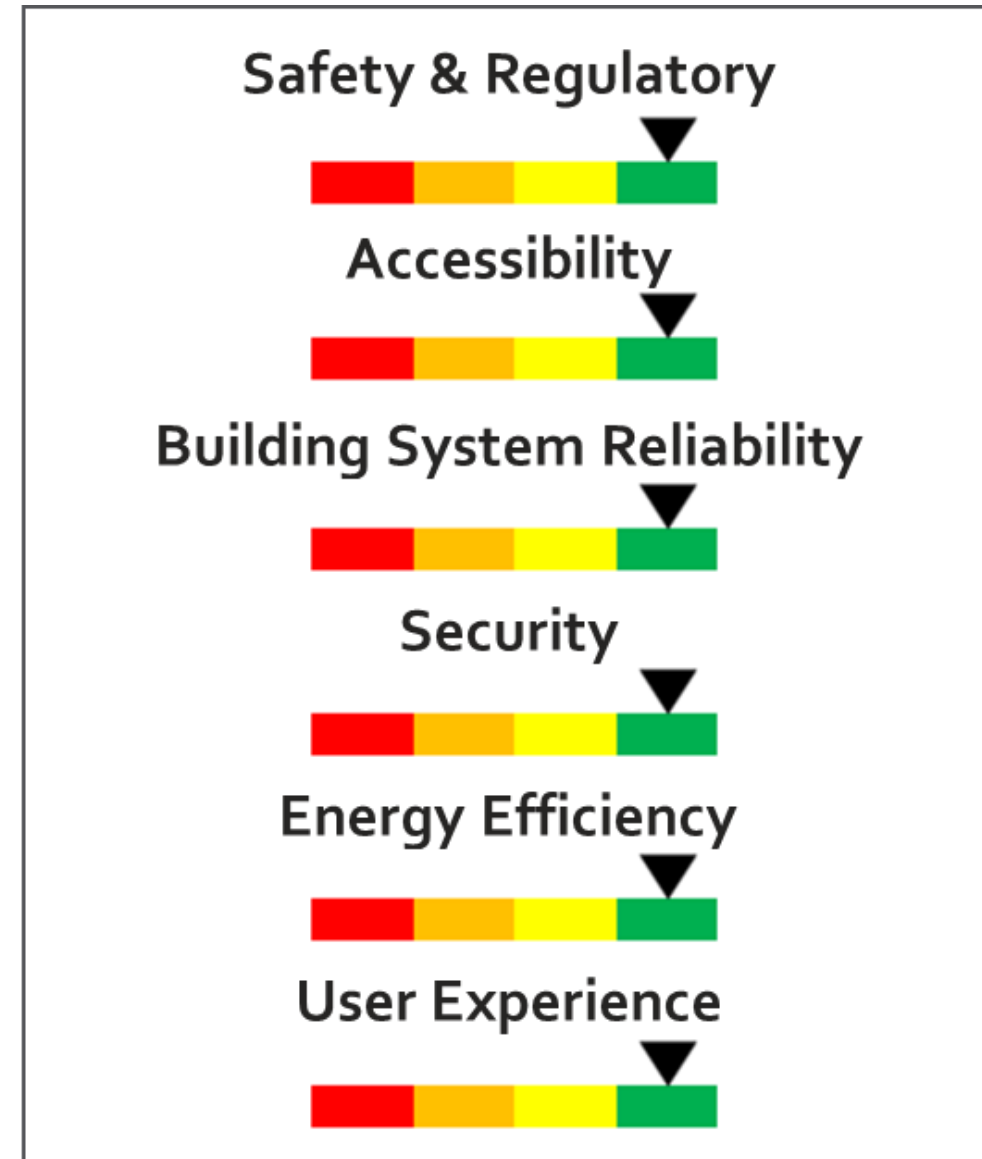
Future

Challenges

- ▶ Inflation
 - ▶ Increasing project costs
 - ▶ 40% increase in past two years
 - ▶ Existing funding will purchase less - fewer projects & reduced programs
- ▶ Growing Community
- ▶ Capacity
 - ▶ Staff
 - ▶ Infrastructure project delivery
- ▶ Aging Infrastructure

Renewal Planning

- ▶ Prioritization Framework
 - ▶ Critical
 - ▶ Core
 - ▶ Support
 - ▶ Ancillary
- ▶ Evidence-based decisions
 - ▶ Condition Assessments
 - ▶ Capital planning modeling
 - ▶ Life-cycle costs analysis
- ▶ Climate resilience



Operations & Maintenance

- ▶ Strategic preventative maintenance program
 - ▶ Measures to achieve full asset value
 - ▶ Meet performance & reliability objectives
 - ▶ Maintain regulatory compliance
- ▶ Cityworks
 - ▶ Enterprise Asset Management software



Current Plan

▶ Adopted August 2022

▶ **New/Upgrade**

- ▶ PRC redevelopment
- ▶ CNC expansion
- ▶ Mission Activity Centre
- ▶ Rotary Centre for the Arts expansion
- ▶ North Glenmore Fire Hall

▶ **Renewal**

- ▶ Kelowna Family Y
- ▶ City Hall envelope
- ▶ Ongoing Renewal Program

Option A: Building a City of Today

- ▶ Current Capital Plan
- ▶ PRC redevelopment

Additions:

- ▶ 6% inflation cost increase
- ▶ Programs continuation
 - ▶ Energy modernization
 - ▶ Parks Washrooms
- ▶ Infrastructure renewal
 - ▶ Critical projects only
 - ▶ Minimal funding increase



Option B: Making progress on Building a City of the Future

- ▶ Includes Option A
- ▶ Capital News Centre Expansion
 - ▶ Deferred to end of current contract
- ▶ Community Activity & Daycare Centres
 - ▶ Glenmore funded & advanced
 - ▶ Mission retained
- ▶ Performing Arts Centre
 - ▶ Consultation/design
- ▶ Capital Opportunities & Partnerships
 - ▶ Increased funding
- ▶ Interim renewal strategy



Option C: Building a City of the Future

- ▶ Option A & B
- ▶ Performing Arts Centre
 - ▶ Construction added
- ▶ Kelowna Police Services Building
 - ▶ Expansion
- ▶ Public Works Yard
- ▶ Long-term renewal strategy



Build a City of the Future Options

Recommended

A

Today

Includes:

- Current Capital Plan
- PRC Redevelopment
- 6% inflation cost increase
- Energy modernization
- Parks Washrooms
- Critical renewal only

\$

million

B

Making Progress

Includes:

- Option A
- Capital News Centre expansion
- Community Activity & Daycare Centres
- Performing Arts Centre consult
- Capital Opportunities & Partnerships
- Interim renewal strategy

\$\$

million

C

Future

Includes:

- Option A & B
- Performing Arts Centre constr.
- Kelowna Police Services Building
- Public Works Yard
- Long-term renewal strategy

\$\$\$

million

Next Steps

- ▶ Council direct staff to proceed with the approach recommended in Option B for the Buildings Cost Centre for inclusion in this update to the 10-Year Capital Plan.
- ▶ Upcoming Workshops
 - ▶ Parks – May 8
 - ▶ Transportation – May 15
- ▶ Draft Plan Review – July 10



Questions?

For more information, visit kelowna.ca.