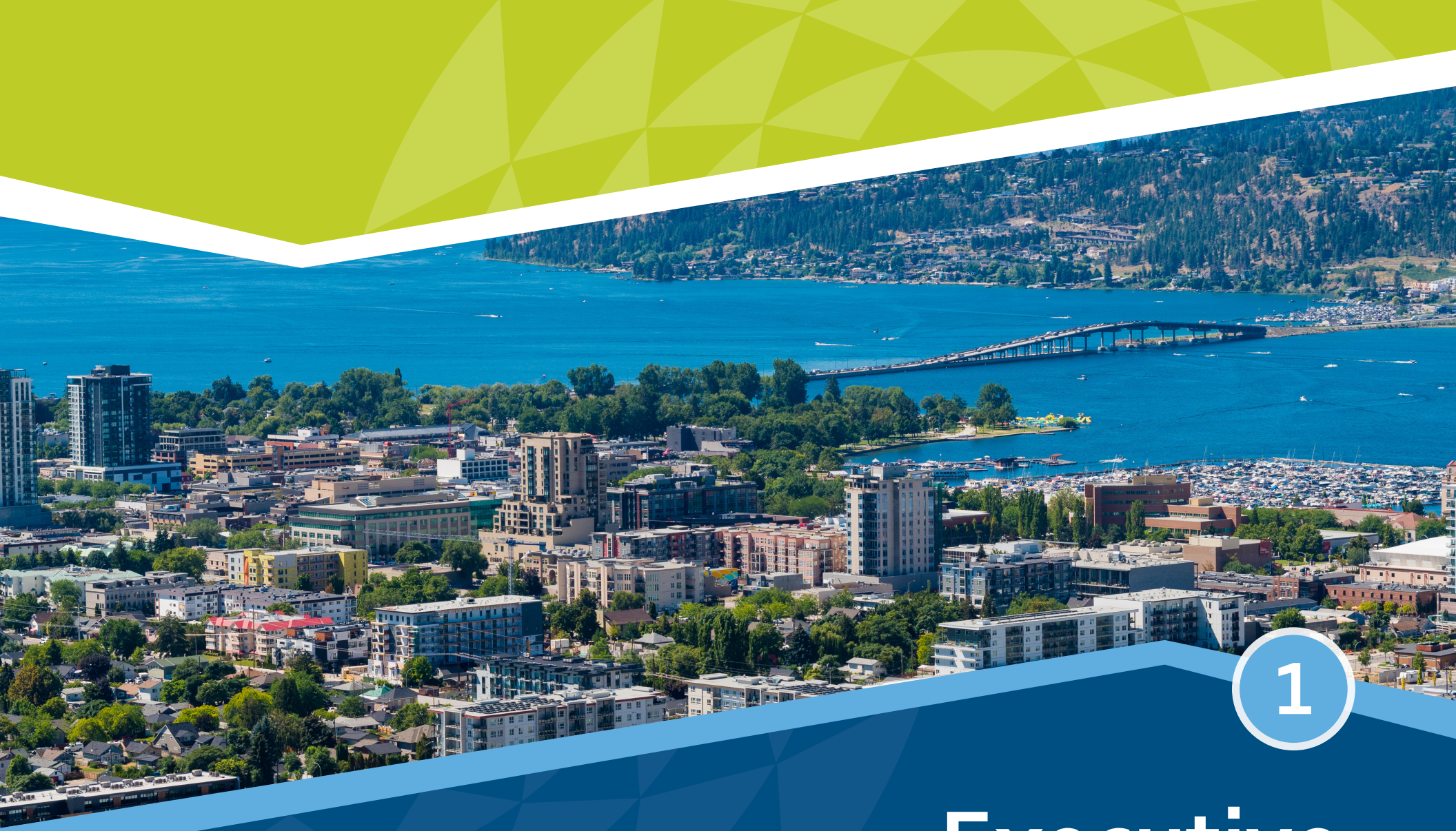
Strategic Facilities Master Plan v.1

June 23, 2025

City of Kelowna

Contents

At a glance



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Executive Summary

The City of Kelowna is rapidly evolving into a more urban and dynamic regional hub and is one of the fastest growing cities in Canada with a projection between 45,000 and 65,000 new residents by 2041*.

With this growth comes a shifting demographic and increased demands on the services that the City currently provides to the community. We will need to consider what, where and how these services can be provided, effectively and efficiently, in the future.

Additionally, inflation and the rising costs of materials and labour present financial constraints. Aging infrastructure requires ongoing maintenance and upgrades, while the capacity of City staff to meet these demands is continually tested. Addressing these challenges requires careful planning and strategic investment to ensure that the City's facilities can meet the community's current and future service expectations.

The Strategic Facilities Master Plan Version 1 (SFMPv.1) combines research, analysis and engagement to develop a framework for guiding municipal facility investment decisions for the next 15 years. The SFMPv.1 is a first step towards charting a path for how the municipal facilities portfolio will support Kelowna *"A City of the Future."* As the initial step, SFMPv.1 sets the foundation and provides first-stage recommendations that will need validation, testing, and refinement for future iterations.

The vision of SFMPv.1 is to establish a *Future Ready Facilities Portfolio* that adheres to principles of sustainability, data-driven decision making, people-centric approaches, innovation, fiscal responsibility, and a holistic perspective.

**Population growth projections based on forthcoming 2041 OCP update.*

SFMP focus

1. **Strategic Alignment** with Community vision, Council and Corporate priorities, facility related policies, master plans and ongoing initiatives.
2. **Facility Investment Framework** that supports sustainable and resilient services for Kelowna's current and future citizens.
3. **Process Improvement** in how we assess, plan, fund, deliver and manage our facilities.
4. **Prioritization** of Capital Plan projects that is transparent, consistent, and defensible.
5. **Recommendations** for action plans, implementation timelines and measurable outcomes.

Territory Acknowledgement

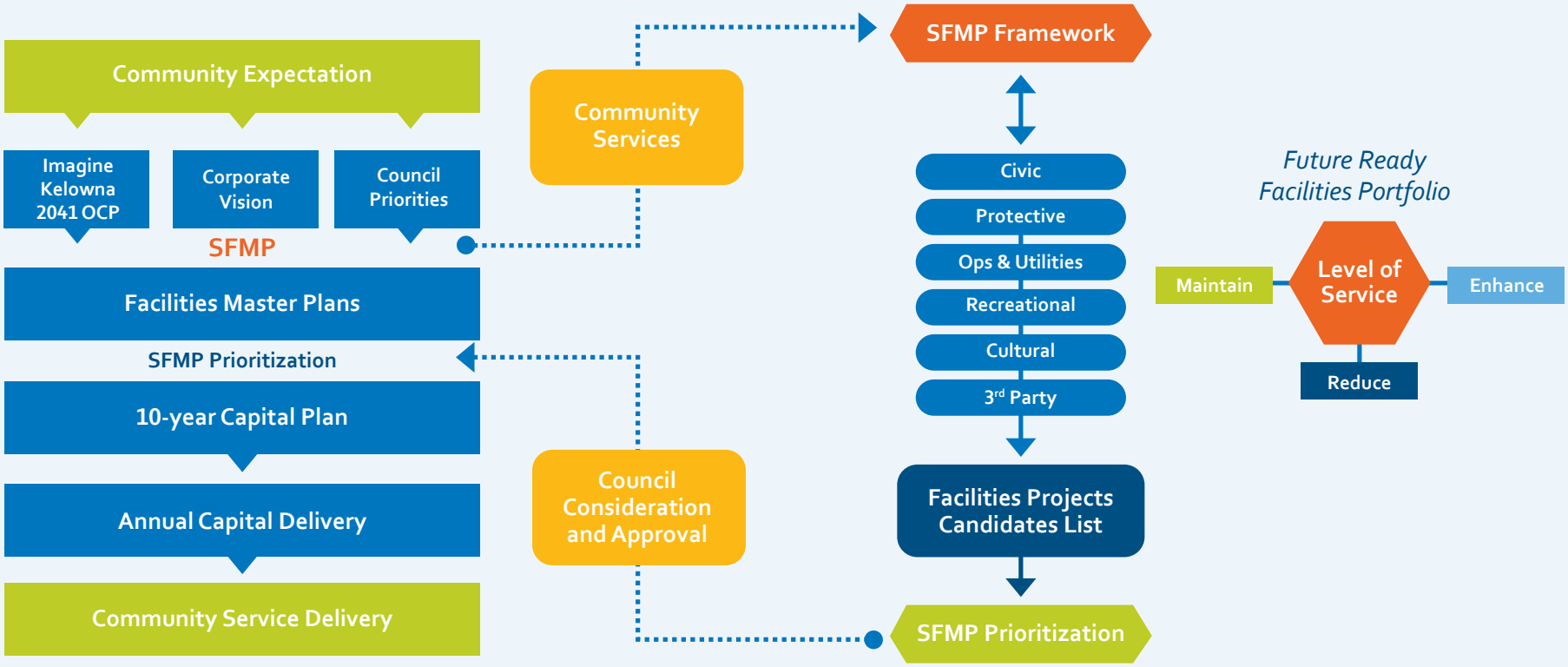
We acknowledge that our community is located on the traditional, ancestral, and unceded territory of the syilx/Okanagan people.

Strategic Alignment

The SFMPv.1 has been developed to align with the community vision as defined by Imagine Kelowna, the 2040 Official Community Plan, and Council and Corporate priorities, ensuring that municipal facilities support the City's strategic objectives and values. SFMPv.1 highlights the role that the facilities portfolio plays in improving community health, safety, and well-being, promoting environmental stewardship, and encouraging economic development. This alignment ensures that facility investments are made transparently and consistently, supporting the city's long-term vision and strategic goals. Additionally, SFMPv.1 provides a basis for measuring and evaluating the ongoing contributions of facilities to strategic objectives, allowing for necessary adjustments to remain aligned with evolving needs.

SFMPv.1 points to departmental Facility Master Plans (FMP) as the fundamental tool for documenting and forecasting the community's facility needs. Once complete, the suite of FMP offers a holistic portfolio view across Service Areas, providing guidance on which facilities should be considered for development, ranging from "shovel worthy" to "shovel ready" projects and the determination of the appropriate strategy to achieve a *Future Ready Facilities Portfolio.*

Figure 1. SFMPv.1 in Action

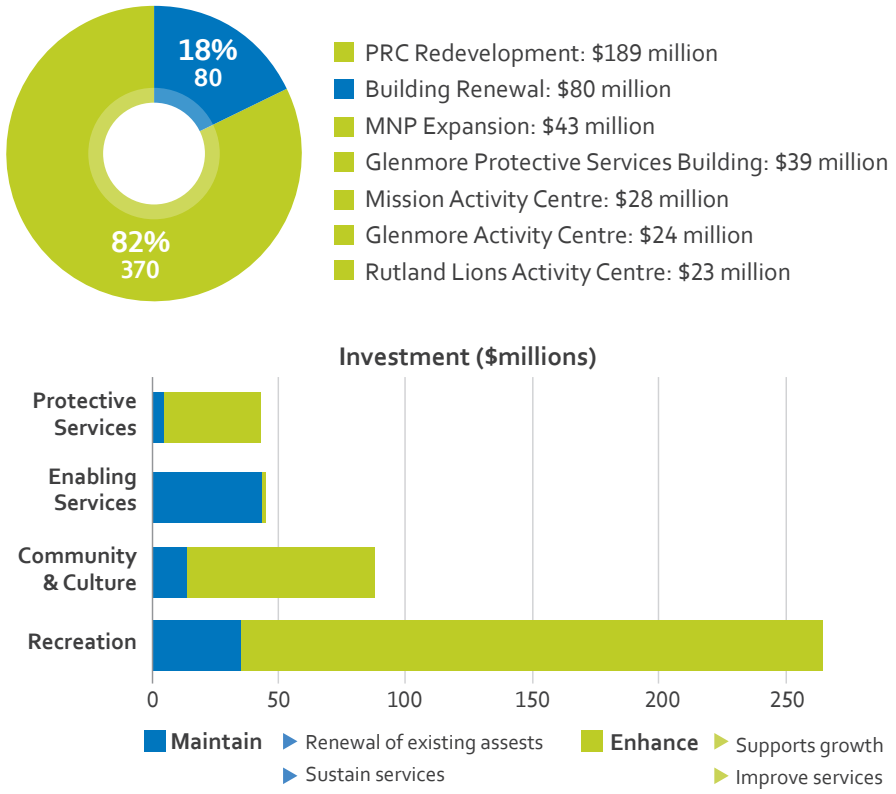


Summary of Forecasted 10-Year Capital Plan Projects (2025-2034)

The key projects identified in the 10-yr Capital Plan for 2025 to 2034 focus on maintaining or enhancing service levels of key facilities to ensure they meet the community's current and future needs. Upon completion, the Building Stronger Kelowna projects (PRC Redevelopment and Mission, Glenmore and Rutland Lions Activity Centres) will provide approximately 233,350 square feet of new recreational and childcare facilities and the Glenmore Protective Services Building an approximate 22,500sf fire hall and multi-agency training facility to support growth and improve services. In addition, $80million in Building Renewal is planned across the facilities portfolio.

Going forward, SFMPv.1 will be integral in pro-actively identifying future gaps in the facilities portfolio and opportunities for supporting strategic goals. As a first step, key aspects of SFMPv.1 will assist in identifying the list of candidate projects for consideration in the upcoming 2026 Capital Plan process. Future iterations of the SFMP will play a pivotal role in streamlining the process for informing priorities, guiding investment decisions, and shaping strategic actions to advance the next generation of municipal facilities.

Figure 2. Forecasted 10-Year Capital Plan Projects



The redevelopment of **Parkinson Recreation Centre (RPRC)** will serve as a core, future facility, helping to attract major events and tournaments to the city. The new centre will include unique spaces for people of all ages and abilities to be active and social, serving as Kelowna's 'community living room' in the centre of the city.

Advancing opportunities for shared development and use of facilities owned and operated by Okanagan College, University of British Columbia Okanagan, and School District 23 leverages collective amenities to provide the highest Level of Service to the community

SFMP Framework

Governance: the structure, hierarchy, and process of decision-making.

Guiding Principles: the criteria for decision-making.

Portfolio Assessment: the current state and capability.

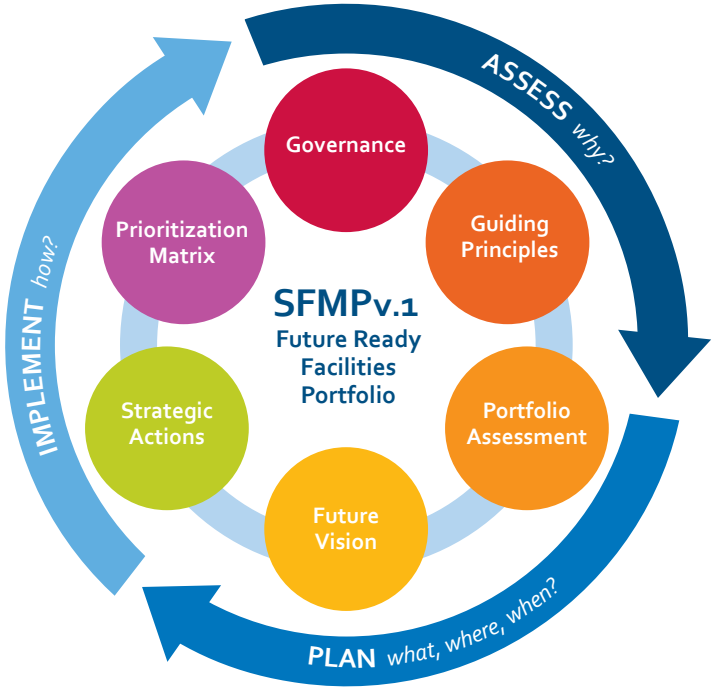
Future Vision: the desired outcomes.

Strategic Actions: the levers for achieving the desired outcomes.

Prioritization Matrix: the filter for project evaluation and consideration for inclusion in the Capital Plan.

The SFMPv.1 framework is a system wide approach for achieving a *Future Ready Facility Portfolio* and charts the strategic direction for the next generation of municipal facilities. The framework consists of the essential components developed during this stage and will be evaluated and enhanced in future versions. While SFMPv.1 has initially concentrated on Portfolio Assessment, the aim is to advance all other elements to an equivalent level of development as our understanding of the framework improves.

Figure 3. SFMP Framework



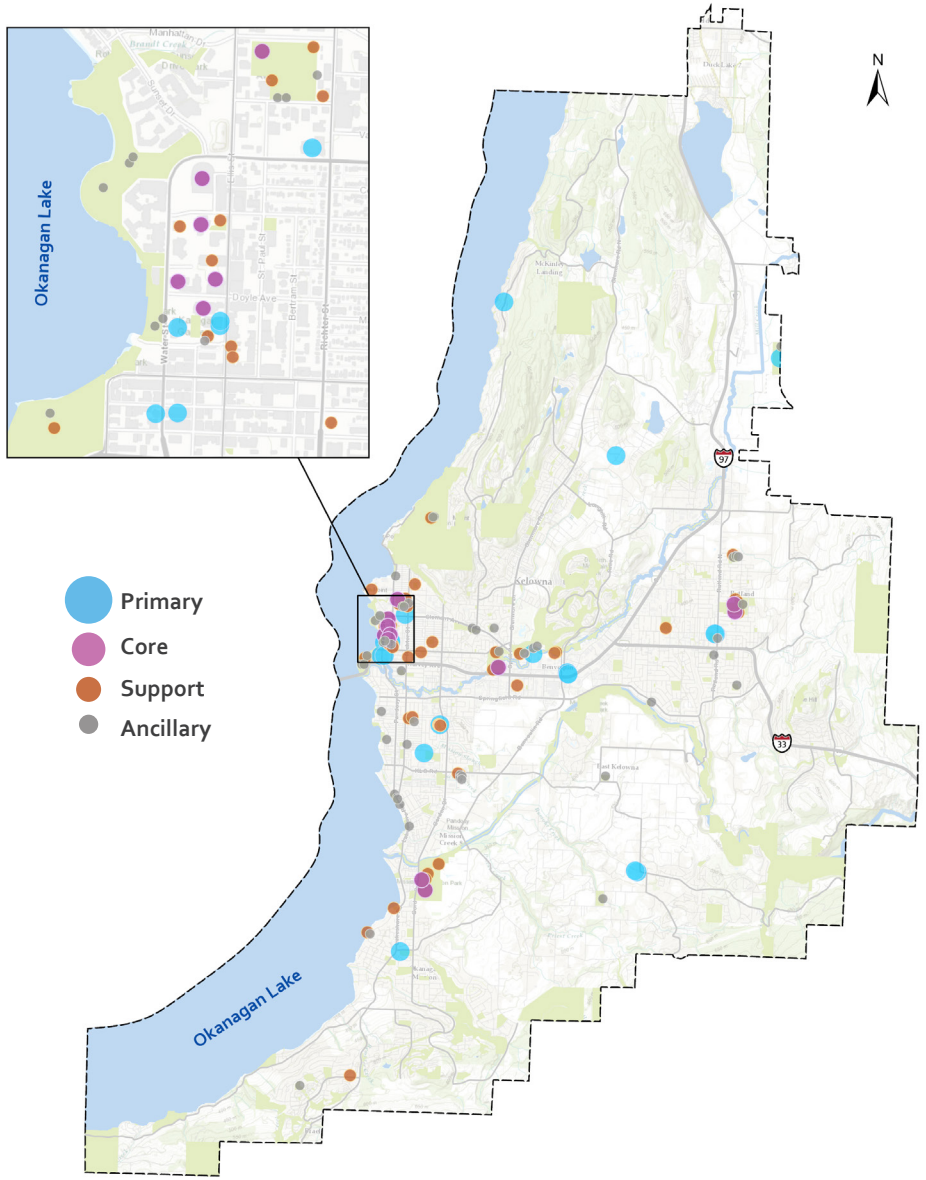
Current State

A fundamental consideration for the SFMPv.1 is assessing the suitability of the existing facility portfolio relative to its ability to meet ongoing community service requirements and its capacity to accommodate growth and future demands. This consideration informs the balance between enhance and maintain strategies as defined in the Capital Plan. The SFMPv.1 must also consider the forecasted 2041 OCP growth projections and growth districts while considering what, where and how services are provided and accessed by the community today compared to the future.

Table 1. Existing Facility Portfolio. Estimated Total Replacement Value $1.28 billion.

Category	Services	Quantity	Total Area (SF)
Primary	Protective (Fire, Police, Bylaw) and Major Enabling (Operations, Utilities and Administration) Facilities	20	302,600
Core	Major Recreational and Cultural Facilities	10	779,200
Support	Non-Primary, Non-Core, Non-Ancillary (small to medium sized Cultural, Recreational and Enabling facilities)	43	272,400
Ancillary	Public Washrooms, Concessions, Pavilions and Storage Facilities	65	76,600
	TOTAL	138	1.47 million SF

Figure 4. Existing Facility Portfolio



The Facilities Department conducts regular Building Condition Assessments (BCA) of the facilities portfolio. The BCAs are the basis for the Facility Condition Index (FCI) for each facility and is updated regularly to improve data confidence. Although renewal budgets have been increased in recent Capital Plans, maintaining existing service levels across the portfolio will become increasingly difficult as 75% of our existing facilities are 25 years or older (half service life) and 45% are 50 years or older (nearing or past service life).The 5-year and 10-year condition FCI forecast indicates that the portfolio is at cross-roads, with 75% of the portfolio in the poor to very poor FCI rating over the next 10 years without significant investment.

SFMPv.1 is therefore a timely opportunity to strategically plan for and methodically answer key questions:

- Which facilities are ideally suited to continue providing services for a growing and changing community?
- Which facilities should we continue to maintain, which to enhance, which to replace or which to dispose?
- What future services and facilities will the community need and where should they be in comparison to the existing portfolio?
- How do we balance the risks, benefits and costs associated with the existing and future facilities portfolio?

The FCI analysis, an initial risk-based diagnostic, summarized in the Portfolio Assessment section identifies the following facilities for prioritized strategic planning consideration:

Primary Facilities

1. **Public Works Yards.**
2. **Enterprise Fire Hall 1**
3. **Fire Hall 2**
4. **Rutland Community Policing Office**
5. **KPSB:** FCI indicates facility in good condition, however current staffing growth projections indicate exceeding available space by 2028.

Core Facilities

1. **Memorial Arena**
2. **Rutland Arena**
3. **Apple Bowl, Prospera, MNP Place.** Although not identified via FCI metrics, these facilities should be prioritized based on Partnership Opportunities.

Support Facilities

1. **Parks Yard Head Office**
2. **Parks Yard Foreman Building**
3. **Facilities Headquarters**
4. **9 Recreational Facilities**

Ancillary Facilities

11 facilities were identified, however the investment decisions relative to these facilities are small in comparison to the other categories.

The Primary and Core facilities constitute significant funding and resourcing commitments relative to the services offered to the community and should be regarded as the principal focus of the Capital Plan. The Support facilities represent a cross section of small to medium sized facilities and services and constitute the greatest opportunity for improving the efficiency of the portfolio.

Future Vision

What does a fully realized Future Vision entail?

An Integrated Facility Portfolio Planning and Development process that supports a Capital Plan based on forecasted "shovel ready" projects, with clear rationale, confident scope, budget and schedule: *the right facility projects, in the right places at the right time.*

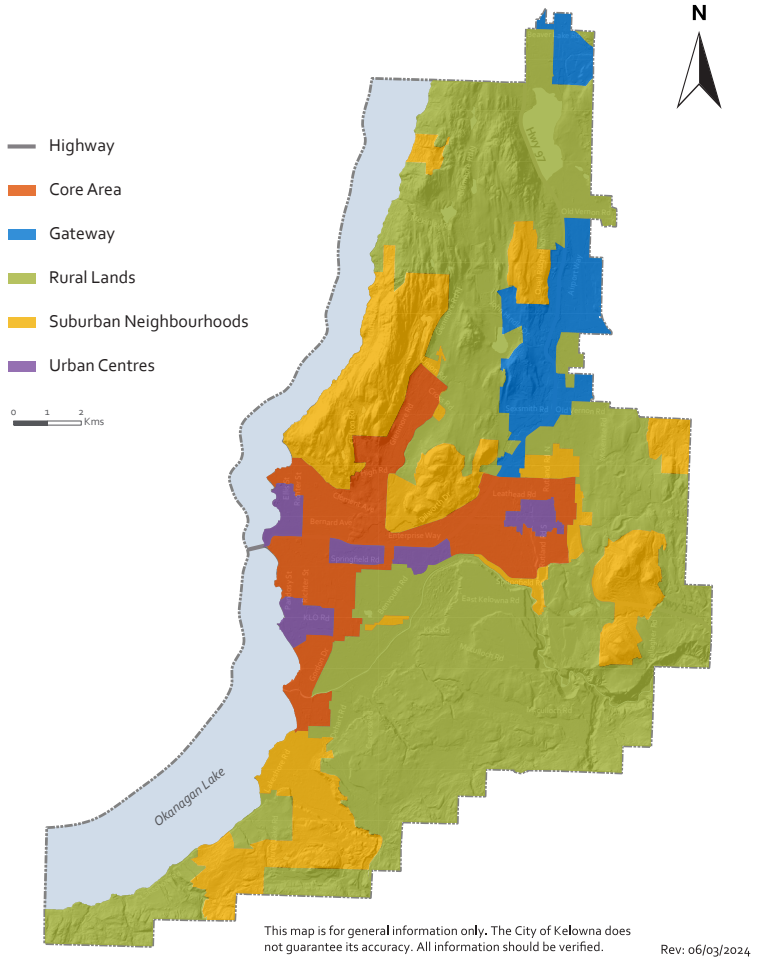
Achieving this ambitious vision presents significant challenges, necessitating a carefully mapped sequence of strategic steps to ensure alignment with long-term goals and the effective allocation of resources. SFMPv.1 represents the first step towards the realization of this vision.

Central to this effort is the commitment to creating a *Future-ready Facilities Portfolio*, one that seamlessly integrates existing and new facilities while adhering to best practices of asset lifecycle management.

Figure 5. Asset Management Lifecycle

The pathway to success begins with a comprehensive understanding of the facility planning continuum—a dynamic process that spans planning, acquisition, operations, maintenance, and disposal. Each phase must be approached with precision, recognizing critical triggers and timeline thresholds to mitigate risks while providing an acceptable Level of Service to the community. This lifecycle-centric perspective ensures that decisions are proactive rather than reactive, reducing unnecessary costs and bolstering the community's confidence in the Level of Service provided.

Figure 6. Growth Strategy Districts



In tandem with this continuum is the alignment with the forthcoming 2041 Official Community Plan (OCP) update, which informs future service needs and facility demands. By incorporating the OCP Growth Strategy Districts, planners can anticipate demographic shifts and infrastructural requirements, being mindful that equity in the distribution of resources and access to services remains a central consideration of the facility portfolio strategy. This approach ensures that all community members, irrespective of their geographic location, socioeconomic status, or demographic characteristics, can benefit from sustainable and accessible infrastructure.

Meeting this tall order requires not only technical precision but also collaborative governance. Interested parties across departments, sectors, and communities must work in tandem, contributing diverse perspectives and expertise to refine the vision and guide its implementation.

The strategy must remain adaptable, allowing for adjustments as new data, technologies, and community needs emerge. The timing for each investment decision must be considered holistically across all facility categories as well as the City's overall infrastructure needs, with an understanding of the long-term cost of ownership and total cost of providing services to the community.

There will be an increasing need to enhance the effectiveness and efficiency of the facilities portfolio thru innovation, alternate approaches and integrated processes compared to how we have delivered facilities and services in the past.

Ultimately, the realization of this vision symbolizes more than infrastructure—it reflects the community's commitment to innovation, resilience, and sustainable growth. By crafting and executing this vision, the facilities portfolio becomes an enduring asset, capable of inspiring confidence and delivering enhanced services to current and future generations.

The formative documents for SFMPv.1 Future Vision are the departmental Facility Master Plans, additional guideposts will be validated and refined during the forthcoming development of SFMPv.2.

Summary of Strategic Actions

The SFMPv.1 includes discrete recommendations for the development of each Framework component. The following table is a summary of SFMPv.1 Strategic Actions and corresponding timelines: **Short term (Immediate to 1yr)** **Mid term (1yr to 3yr)** **Long term (3 to 10 yr).**

Table 2. Summary of Strategic Actions

STRATEGIC ACTION	TIMELINE
Rationalize the Portfolio	
1. Prioritize needs assessments for Primary and Core Facilities with highest risk to services	Short Term
2. Rank each facility within each facility category by Service Area	Short Term
3. Establish criteria for renovating, building new or disposing of facilities	Mid Term
4. Establish Scenario and Portfolio Planning	Mid to Long Term
Forecast Future Needs	
1. Complete Departmental Facility Master Plans (FMPs) and update existing FMPs	Short Term
2. Assess facility location based on 2041 OCP Growth Districts	Mid to Long Term
3. Assess co-located or multi-use vs single service facilities	Short to Mid Term
4. Assess centralized vs decentralized facilities	Short to Mid Term

STRATEGIC ACTION	TIMELINE
Pursue Alternate Approaches	
1. Enable Partnership opportunities	Short to Mid Term
2. Establish service delivery options and criteria	Mid to Long Term
3. Establish lease vs own criteria	Short to Mid Term
Enable Capital Planning	
1. Distinguish between shovel worthy vs shovel ready projects	Short Term
2. Establish business case / stage gate process	Short to Mid Term
3. Establish Integrated Facility Portfolio Planning and Development process	Short to Mid Term
4. Coordinate pro-active land acquisition	Mid to Long Term
5. Bundle projects	Short to Mid Term

Support Strategies

Investigate Municipal Benchmark Metrics	
1. Establish criteria for defining and measuring acceptable Levels of Service (LoS)	Short to Mid Term
2. Establish criteria for defining and measuring total cost of facility ownership and cost for providing services including on-going staffing costs	Mid to Long Term
3. Investigate criteria for defining and measuring facilities portfolio allocation by Service Area	Mid to Long Term

Establish Facility Related Guidelines and Policies	
1. Establish Facility Level of Service framework	Short to Mid Term
2. Establish Facility Design Standards framework	Mid Term
3. Establish Integrated Facility Planning and Delivery Proceduress	Mid Term
4. Establish Facility Data Governance Procedures	Mid to Long Term

Implementation and Summary of Recommendations

SFMPv.1 is considered a living document divided into three implementation phases:

Phase 1: Ready

SFMPv.1 Establish the Plan *(2025 to 2026)*

- Enable Existing Capital Plan Commitments
- Assess key Primary and Core Facilities
- Complete Departmental Facility Master Plans
- Rank Facilities and Investigate Portfolio Scenarios
- Identify 2026 Capital Plan Candidate Projects
- Explore facility benchmarks, guidelines and policies
- Establish Business Case and Stage Gate-based Capital Plan
- Initiate Integrated Facility Portfolio Planning and Development workflow
- Stress Test the SFMPv.1 framework

Phase 2: Set

SFMPv.2 Implement the Plan *(2026-2027)*

- Monitor Business Case and Stage gate-based Capital Plan
- Update the Capital Plan based on Portfolio Planning
- Establish Levels of Service and Facility Standards by Service Area
- Formalize process for Integrated Facility Portfolio Planning and Development

Phase3: Go

SFMP+ Improve the Plan *(2027+)*

- Deliver the Capital Plan based on forecasted projects and comprehensive Portfolio Planning
- Continuous Improvement

The development of the SFMP is intended as a measured progression of iterative steps starting with understanding what we have (SFMPv.1), followed by confirming what we need and how we work as One Team (SFMPv.2) and thereafter charting a path towards a *Future Ready Facilities Portfolio* (SFMP+). Each step is a commitment towards continuously improving the way we plan, fund, deliver, operate and sustain our current and future generation of municipal facilities and the community services that they support.

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SFMPv.1 Framework

The framework consists of the key components established in SFMPv.1 and will be assessed and refined in subsequent versions.

Governance: the structure, hierarchy, and process of decision-making.

Guiding Principles: the criteria for decision-making.

Portfolio Assessment: the current state and capability.

Future Vision: the desired outcomes.

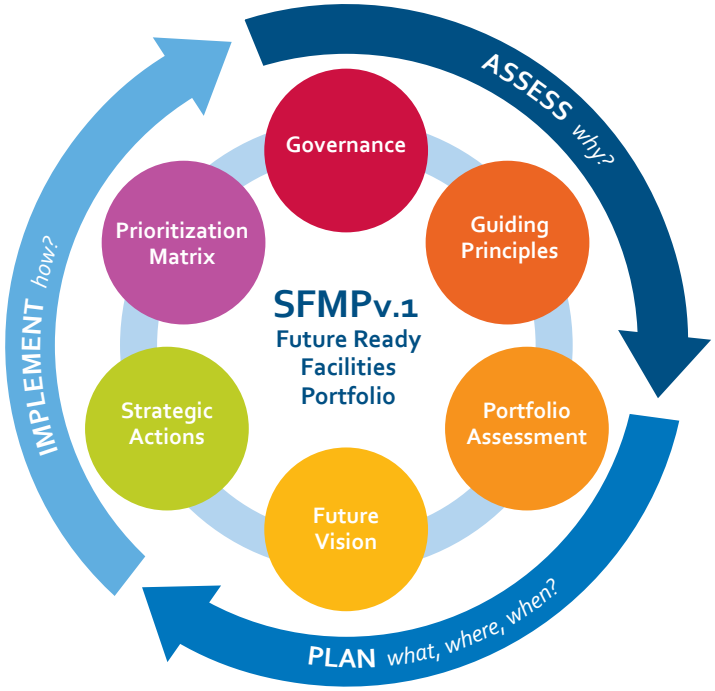
Strategic Actions: the levers for achieving the desired outcomes.

Prioritization Matrix: the filter for project evaluation and consideration for inclusion in the Capital Plan.

The SFMPv.1 Framework is modeled on Asset Management BC's *"Asset Management for Sustainable Service Delivery Framework for British Columbia"* which incorporates current best practices within the province and aligns with internationally recognized standards such as the International Infrastructure Management Manual and the ISO 55000 Standard for Asset Management. It delineates three phases for asset management practice to occur in a continuous cycle: Assess, Plan, and Implement.

The SFMPv.1 Framework addresses the fundamental questions regarding the *why, what, where, when and how* with respect to municipal facility investment decision making. It is a system wide approach for achieving the vision of a *"Future Ready Facility Portfolio"* and charts the strategic direction for the next generation of municipal facilities.

Figure 3. SFMP Framework



The following sections provide a detailed description of each component, including recommendations pertinent to each. As a first step, SFMPv.1 has focused on Portfolio Assessment, with the intention to develop other elements to the same level as our understanding of the framework improves.

Governance

Roles and Responsibilities

The key to effective decision making is good governance. The purpose of the SFMPv.1 Governance structure is to clarify the roles, responsibilities, authorities and accountabilities of individuals and departments to achieve the following:

- Promote and cultivate a culture that supports the implementation of the SFMPv.1.
- Integrate the relevant functions, departments, and partners in implementing the SFMPv.1.
- Facilitate coordinated decision-making aligned with SFMPv.1 objectives.
- Oversee, prioritize, and direct the program of work necessary to implement SFMPv.1 recommendations.
- Ensure consistent implementation and integration of the SFMPv.1 into daily operations.
- Maintain oversight and control over the development, implementation and enhancement of the SFMPv.1.
- Evaluate the ongoing contribution of the SFMPv.1 to Council and Corporate priorities and adjust as needed.

SFMPv.1 is a future centric, planning focused framework lead by the Facilities Planning & Design department. The goal of SFMPv1 Governance is an Integrated Facility Portfolio Planning and Development process (Refer to **Appendix B**) that is rooted in *One Team* approach: a collaborative integration of the forward planning processes led by Facilities Planning & Design, operations and maintenance led by Facilities, the Capital budget processes led by Capital Planning and the construction activities led by Infrastructure Delivery. Risk, Partnerships Office and Real Estate departments provide key supporting roles. Ultimately, the SFMPv.1 is driven by the facility needs of the various Service Areas to provide the acceptable Levels of Services required by the community today and in the future.

Figure 7. SFMPv.1 Governance Structure

SFMPv.1 Governance Recommendations:

- Establish Facilities Steering Committee — Short term
- Resource the SFMP — Short term
- Initiate Integrated Facility Planning & Development Workflow — Short to Mid Term

Guiding Principles

The SFMPv.1 Guiding Principles provide a foundation for unified and coherent decision-making, ensuring that every action supports the strategic goals while allowing for ongoing evaluation and adjustments to meet the community vision outlined in Imagine Kelowna, the upcoming 2041 OCP update as well as evolving Council and Corporate priorities.

The SFMPv.1 guiding principles answers a key question: *What defines a Future Ready Facilities Portfolio?*

Sustainable

This principle ensures that facilities and the services provided thru them are delivered in a manner that meets current community needs without compromising the ability of future generations to meet theirs. It emphasizes the importance of long-term planning, resource efficiency, and adaptability to changing circumstances, ensuring that facilities and services remain robust and effective in the face of challenges such as climate change, economic shifts, and evolving community expectations.

Data Driven

Data and evidence-based decision making is a cornerstone of the SFMP. It involves systematically collecting, analyzing, and utilizing facility related data to guide strategic decisions and future policy development and implementation. By grounding decisions in robust evidence, we ensure that our actions are aligned with factual insights and real-world outcomes. This approach not only enhances transparency and accountability but also forms the foundation for measuring the progress and implementation of the SFMP.

People-Centric

A people-centric approach ensures that facilities focus on the health, safety, and well-being of the community and City staff who provide services. It prioritizes inclusivity, transparency, and community engagement, ensuring diverse voices are acknowledged and facilities adapt to feedback. By fostering collaboration, empowerment, and accessibility, facilities strengthen community bonds, create vibrant focal points, and continuously improve services to meet evolving needs.

Innovative

Innovation is key to ensuring facilities are future-ready and open to new possibilities. By fostering partnerships, leveraging advanced technologies, and embracing creative problem-solving, we aim to build adaptable facilities. Continuous integration of emerging trends ensures improved quality and efficiency, benefiting the entire community.

Fiscally Responsible

Fiscal stewardship centers on strategic investments to ensure sustainable and efficient facilities. This involves balancing costs, risks, and benefits with a focus on long-term ownership, including maintenance and improvements. Partnerships, diverse funding sources, and innovative revenue models enhance service delivery and support community needs. This comprehensive approach is essential to achieve a right-sized portfolio capable of meeting the evolving needs of the community and delivering high-quality services.

Holistic

Holistic and long-term thinking requires viewing the facility portfolio as a network of interconnected community services. The focus is on optimizing the entire portfolio rather than individual buildings. This involves addressing immediate needs alongside long-term goals and fostering partnerships with government agencies, non-profits, private entities, and community members. Cross-departmental collaboration streamlines processes and ensures facilities are functional, sustainable, and culturally resonant. This integrated approach leverages diverse strengths for outcomes that benefit all.

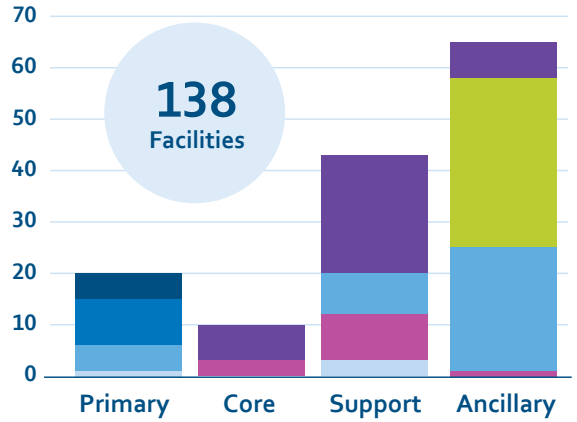
SFMPv.1 Guiding Principles Recommendation:

Stress Test Guiding Principles — Short to Mid Term

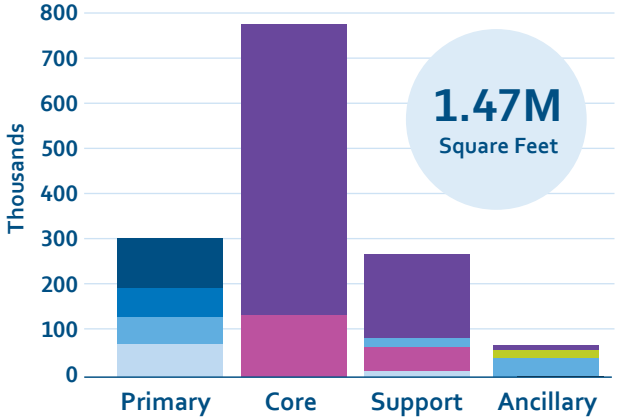
Portfolio Assessment

The SFMPv.1 charts a path from our current state towards a future state: future ready facilities for Kelowna *"A City of the Future"*. The starting point of this journey involves a comprehensive evaluation of our current portfolio, assessing its capabilities, its strengths and weaknesses and using this information to make data-driven and evidence-based decisions for managing our existing portfolio and planning for future facilities.

Category by Service - Count



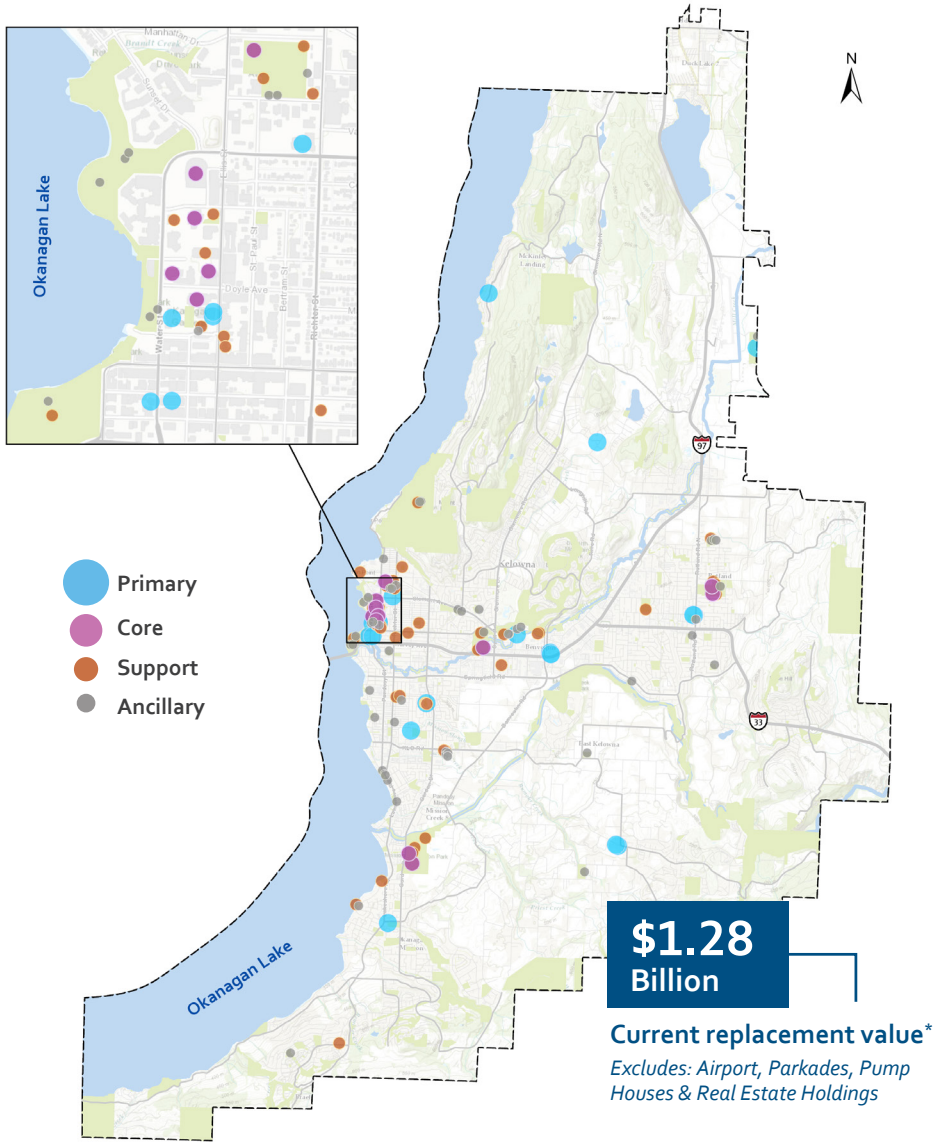
Category by Service - Floor Area



Major new facilities

BSK (233,350 sq ft)
GPSC (23,500 sq ft)

- Enabling Services: Admin
- Enabling Services: Ops & Utilities
- Protective Services: Police & Bylaw
- Protective Services: Fire
- Recreation
- Culture
- Parks



Current replacement value*

Excludes: Airport, Parkades, Pump Houses & Real Estate Holdings

The portfolio comprises 138 assets, approximately 1.47 million square feet and replacement value of approximately$1.28 Billion. The inventory excludes Airport facilities, Parking facilities, Real Estate rental properties, pump stations and facilities operated and maintained exclusively by 3rd party partners e.g. Curling Club.

Facility Categories and Services

Classifying facilities into categories reduces the total number of assets into manageable subsets and serves as a comparative lens for evaluating the significance of the services and facilities to the community, thereby establishing a relative scale to guide the appropriate management strategy as follows:

Primary	**Fire, Police, Major Operations, Utilities and City Administration Facilities**
Core	**Major Recreational and Cultural Facilities**
Support	**Non-Primary / Non-Core Facilities / Non-Ancillary** This facility category is the default category for facilities that do not fall in the other categories due to the size or scope of services.
Ancillary	**Public Washrooms, Concessions, Storage and Pavilions**

It is anticipated that this lens may be adjusted in subsequent versions of the SFMP to re-assign facilities to the appropriate categories or to address changes in policy or community priorities that may arise as the community continues to grow and evolve.

To understand the facility portfolio allocation, the focus should be on total area rather than total count. For instance, 11 Core Facilities make up 8% of the total count but 60% of the total area, while 65 Ancillary Facilities account for 48% of the count but only 5% of the area.

Viewed from the lens of Service Area allocation (combined categories per Service) the portfolio is weighted towards Recreation at 61%, followed by Cultural and Protective Services Facilities at 12% each, Operations & Utilities Facilities at 8%, Administration at 6% and Parks related facilities at 1%.

Facility Condition Index (FCI)

The Facilities Department conducts regular Building Condition Assessments (BCA) of the facilities portfolio. The BCAs assess each facility by building system component to determine condition, remaining service life, and associated renewal costs.

The BCAs are the basis of the Facility Condition Index (FCI) for each facility and are updated regularly to improve data confidence. FCI is an industry standard for expressing facility condition as a ratio of the total deferred maintenance cost divided by the current replacement value. This ratio is converted to a condition rating of good, fair, poor, very poor or critical.

FCI as a metric for building condition is focused primarily on renewal cost and the *maintain* strategy in our Capital Plan. The bubble charts below illustrate the entire facility portfolio condition forecast in 5- and 10-year increments. These charts depict the portfolio's deferred renewals for 5 years or for 10 years and excludes future capital renewal investment. The deferred renewal estimates are expected to increase over time as buildings continue to age and as data maturity improves.

Figure 8. Facility Condition Index (FCI) Calculation

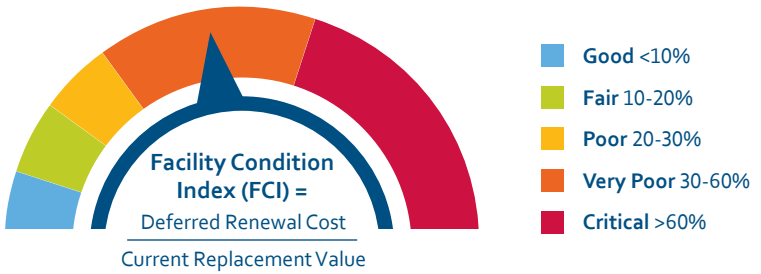
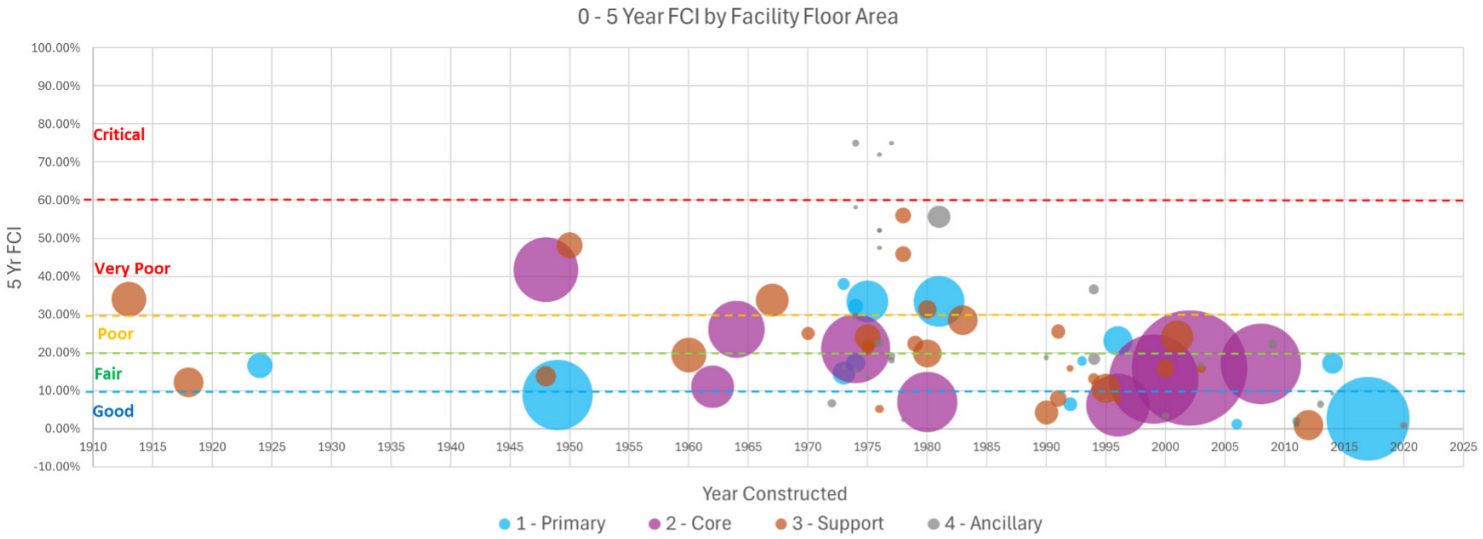
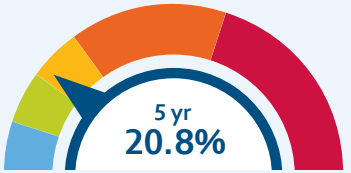


Figure 9. 5-year FCI forecast by Facility Area

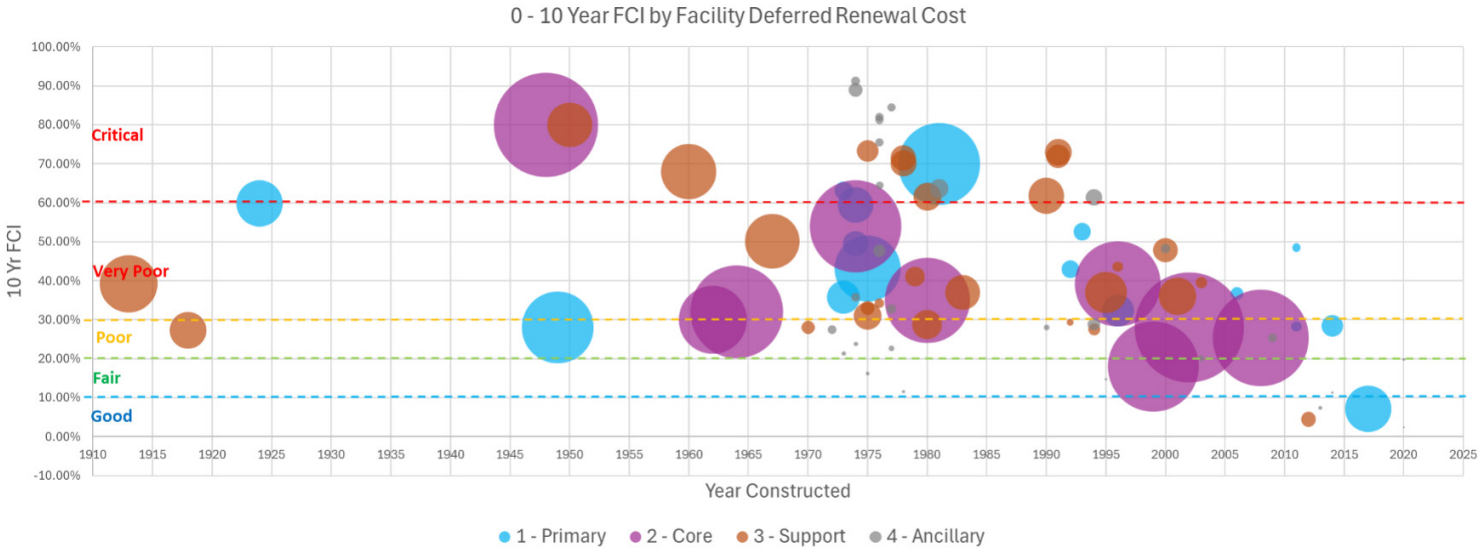


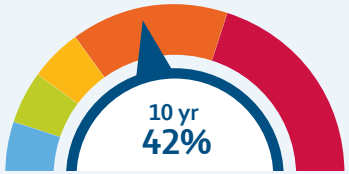


Fair/Poor
$199 Million *Deferred Renewal*

Good <10% **Fair** 10-20% **Poor** 20-30%
Very Poor 30-60% **Critical** >60%

Figure 10. 10-year FCI forecast by Deferred Renewal Cost





Very Poor
$390 Million *Deferred Renewal*

The 5-year and 10-year FCI charts are a diagnostic tool that poses the following questions:

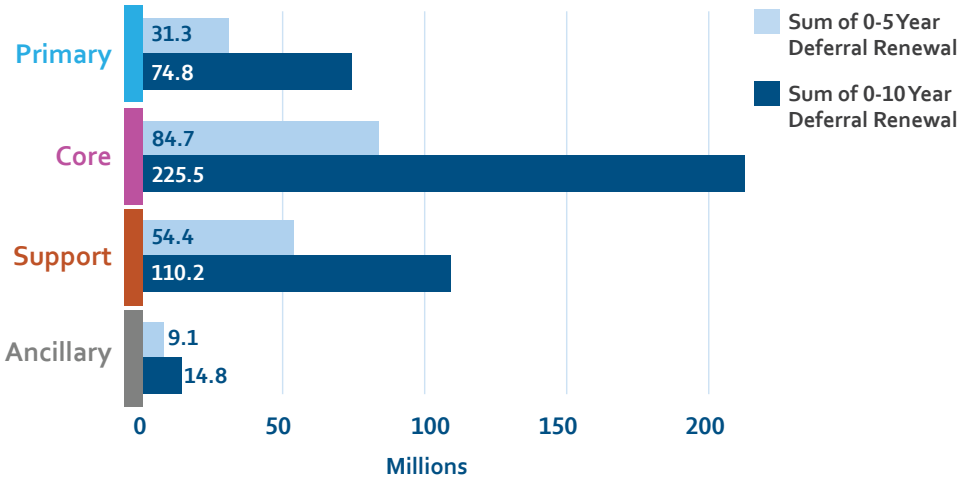
- Where should we allocate renewal investment to maintain existing facilities at current service levels?
- What additional funding is required to enhance or modernize these facilities to anticipate future growth?
- When should these investments be made?
- What is the appropriate FCI target for the portfolio in total and by category?

The 5-year and 10-year condition FCI forecast indicates that the portfolio is at cross-roads with approximately 75% of the portfolio in the poor to very poor condition over the next 10 years without significant investment.

The SFMPv.1 is an opportunity to strategically plan and methodically answer key questions:

- Which facilities are ideally suited to continue providing services for a growing and changing community?
- Which facilities should we continue to maintain, which to replace or which to dispose?
- What services and facilities will the community need and where should they be in comparison to the existing portfolio?
- How do we balance the risks, benefits and costs associated with the existing and future facilities portfolio?

Figure 11. 5 and 10-year Deferred Renewal Cost

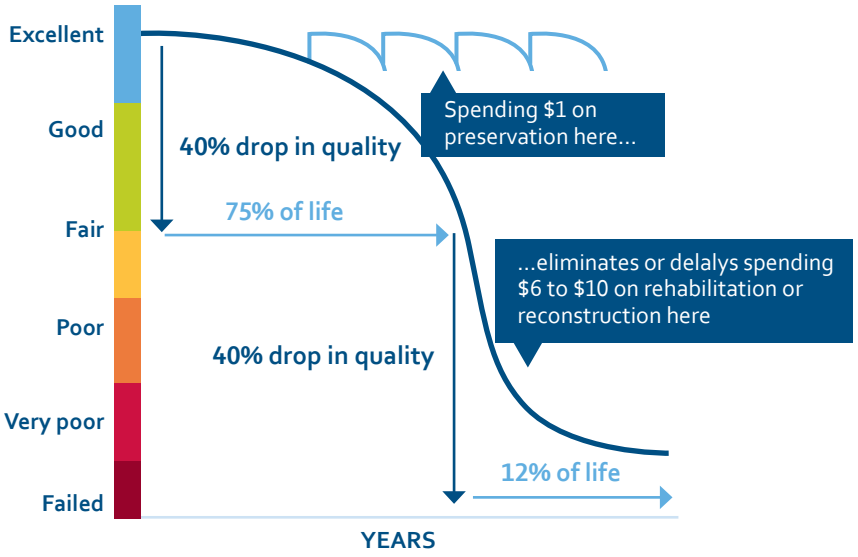


Maintain Enhance Reduce

The average life expectancy of buildings is 50 years and can be extended with regular maintenance and renewal regimes. This can vary from facility to facility depending on use and construction quality, for example an office building will have a relatively slower degradation curve compared to a recreation facility with significant foot traffic and public use or a firehall that is in operation 24 hours a day 7 days a week.

As buildings age, their condition naturally deteriorates. As they approach the end of their service life, the costs associated with operating and maintaining these aging facilities increase significantly. Maintenance shifts from scheduled proactive activities in the early stages of service life to reactive maintenance in the latter stages. The latter stage may involve major building systems failures, resulting in decreased building condition and service quality. This process can be expedited when funding is redirected away from aging facilities towards newer ones. This highlights the need for ensuring that budgets are maintained in the initial phase for proactive maintenance to avoid substantial deferred costs in the later stages of service life.

Figure 12. Facility Degradation and Service Life



Maintaining existing service levels across the portfolio will become increasingly difficult as 75% of our existing facilities are 25 years or older (half service life) and 45% are 50 years or older (nearing or past service life).

Secondly, renewals budgets do not include cost associated with addressing capacity, modernization, improvements or growth. These aging facilities constructed under different building codes, energy targets, accessibility and operational criteria will require significant upgrades to meet the growing and changing demands of the community. These require the *enhance* strategy in our Capital Plan for expansion or major renovation to improve the performance and service level provided by the facility and thereby resetting its FCI and significantly extending its service life.

When gaps between current and future capabilities are too large, it may be better to allocate investment elsewhere. In such cases, it may be necessary to consider disposal of the facility and replacing it with a modern one or potentially reducing or ceasing services in outdated facilities in favour of alternative delivery methods. This can also allow consolidation and co-location of services in a new, cost-effective facility built to modern standards.

Our existing portfolio has served the community well; however, we now need to carefully navigate the balance between *maintain* and *enhance* strategies and consider a new strategy: *reduce*, as we chart a path towards a future vision that ensures sustainable service delivery and a *Future Ready Facilities Portfolio.*

SFMPv.1 Portfolio Assessment Recommendations

The SFMPv.1 Priority Assessment recommendations are based on a per Category FCI data analysis, identifying facilities with the highest 5-10 year FCI delta, facilities with 10yr FCI >40% and facilities with high deferred renewal costs relative to the services being provided. These recommendations serve as an initial risk-based diagnostic and are recommended for short-term needs assessments, feasibility studies, business case development, and integration with departmental Facility Master Plans.

Refer to **Appendix C** Current Prioritized List of Facility Needs for Strategic Capital Planning

Facilities Department have developed robust Facilities Maintenance Policy (Refer to **Appendix E**) and renewal strategies for facilities based on FCI Protocols (Refer to **Appendix D**) including modernization programmes to manage facilities within the 40% FCI range. The SFMPv.1 Future Vision, as discussed in the next section, will guide recommendations for both mid-term and long-term strategic capital planning for facilities greater than 30% FCI.

SCORECARD

Primary facilities

These facilities represent the essential services required for community safety, health and administration. These facilities are prioritized based on service criticality and constitute significant funding and resource commitments relative to the services offered to the community and should be considered as a principal focus for the Capital Plan.

Recommended prioritized facilities for strategic planning review:

Operations Facilities:

1. **Public Works Yards:**
   This facility will be assessed as part of the upcoming Infrastructure & Utilities Operations Facilities Master Plan

Protective Facilities: Fire:

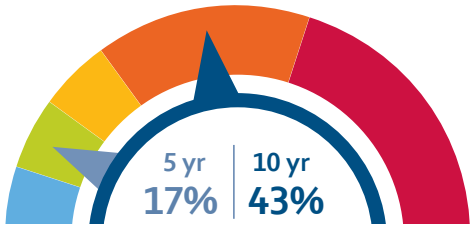
1. **Enterprise Fire Hall 1**
2. **Fire Hall 2**

These facilities have been assessed as part of the recently completed Fire Department Facilities Master Plan.

Protective Facilities: Police:

1. ***KPSB:** FCI indicates facility in good condition, however current staffing growth projections indicate exceeding available space by 2028. A Police & Bylaw Services Master Plan is being undertaken to determine recommendations and next steps.
2. **Rutland CPO**

Facility Condition Index

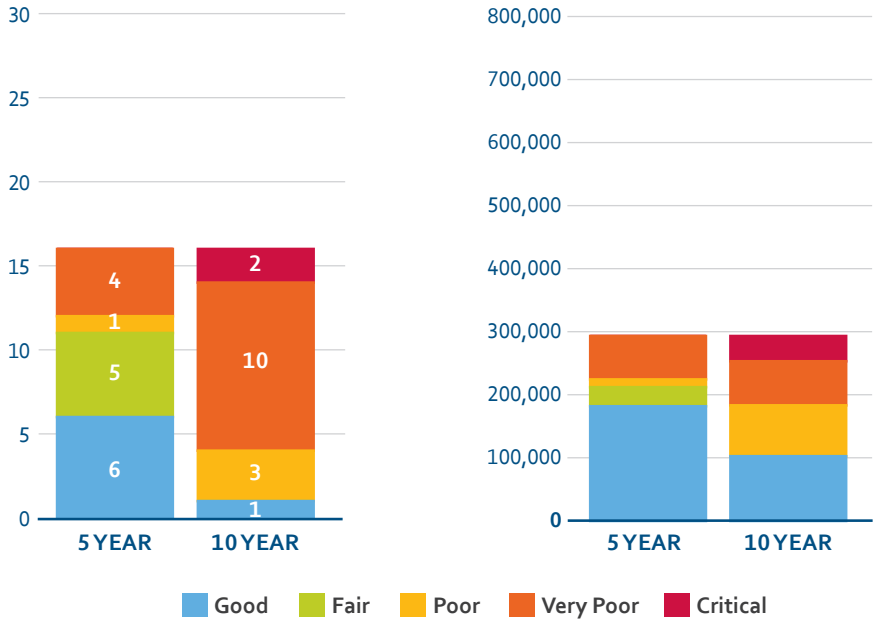


5 year renewal cost: **$36 Million**

10 year renewal cost: **$77.5 Million**

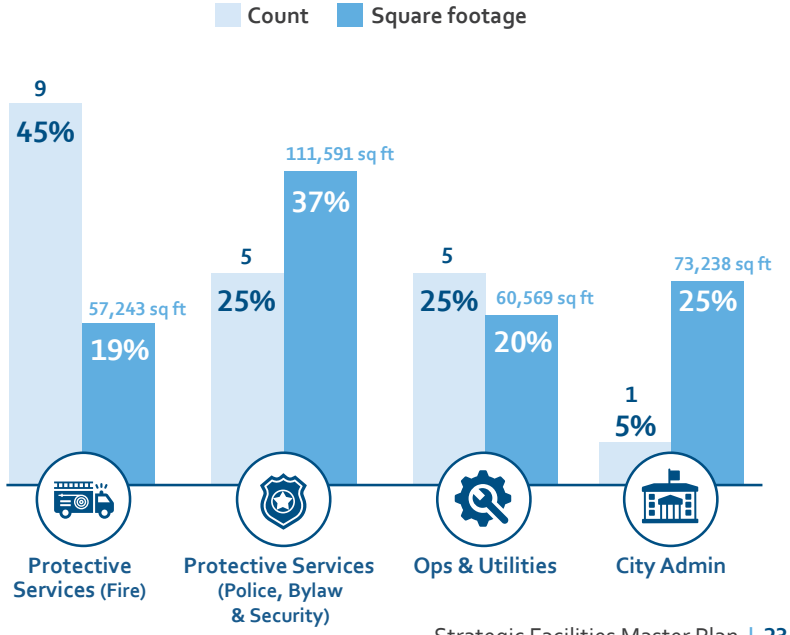
Good <10% | Fair 10-20% | Poor 20-30% | Very Poor 30-60% | Critical >60%

Facility Condition by Count



Facility Condition by Sq Ft

Services Breakdown by Count and Sq Ft



SCORECARD

Core facilities

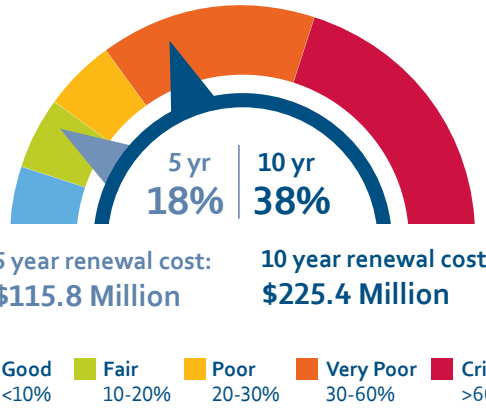
These facilities represent the major recreational and cultural facilities providing services for the entire community and in certain instances, the region, and are prioritized based on significant community and economic benefit. Like Primary facilities, these facilities constitute substantial funding and resource commitments relative to the services offered to the community and should be considered as a principal focus for the Capital Plan.

Recommended prioritized facilities for strategic planning consideration:

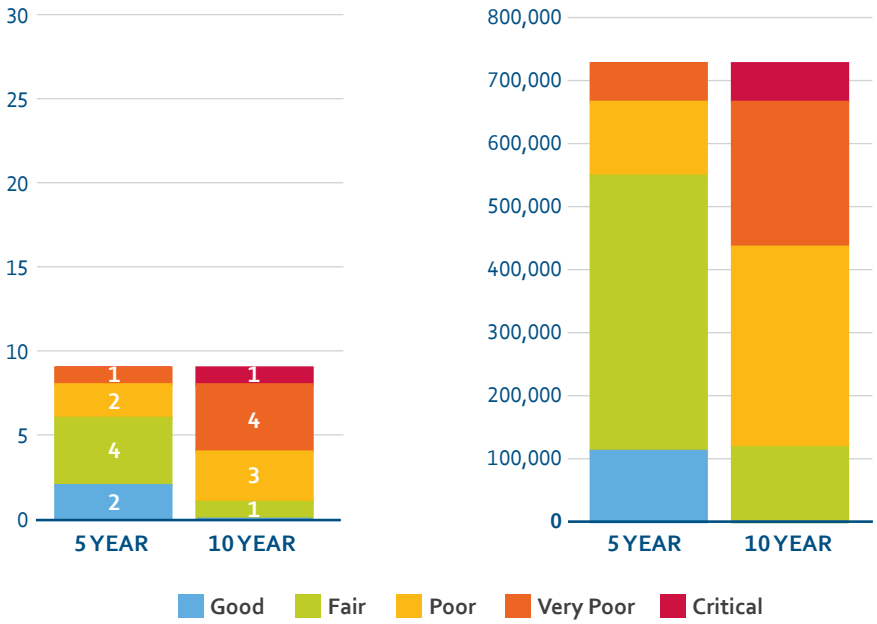
Recreational Facilities

1. **Memorial Arena**
2. **Rutland Arena**
3. **Apple Bowl, Prospera, MNP Place.** Although not identified via FCI metrics, these facilities should be prioritized based on Partnership Opportunities.

Facility Condition Index

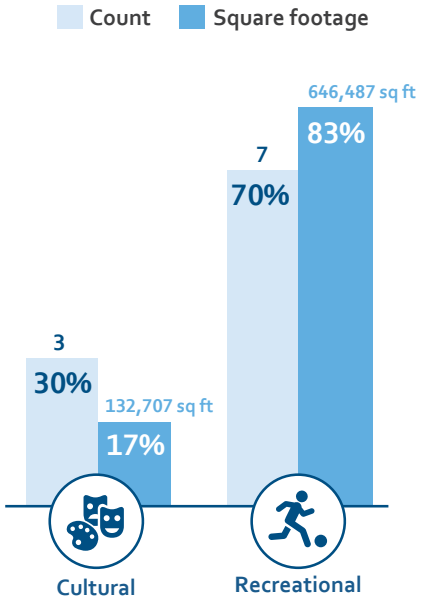


Facility Condition by Count



Facility Condition by Sq Ft

Services Breakdown by Count and Sq Ft



SCORECARD

Support facilities

The support facilities represent a cross section of small to medium sized facilities and services and constitute the greatest opportunity for improving the efficiency of the portfolio.

Recommended prioritized facilities for strategic planning consideration:

Operations Facilities

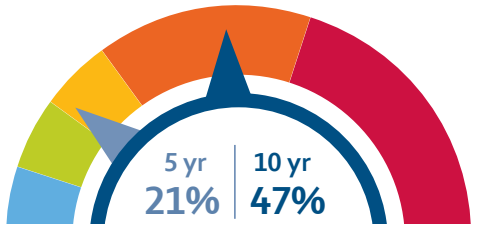
1. **Parks Yard Head Office**
2. **Parks Yard Foreman Building**
3. **Facilities Headquarters**

All three facilities are to be included in the upcoming Infrastructure & Utilities Operations Facilities Master Plan

Recreational Facilities:

9 facilities were identified and are to be reviewed based on upcoming facility ranking, updates to the existing FMP and completion of 3rd Party Facility Master Plan.

Facility Condition Index

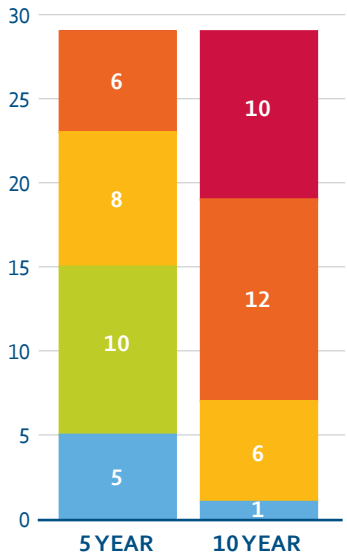


5 year renewal cost: **$42.7 Million**

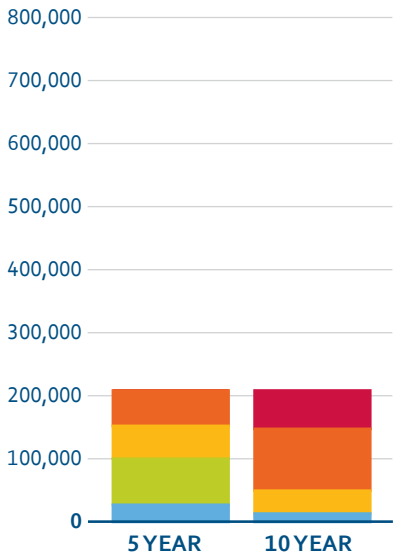
10 year renewal cost: **$81.3 Million**

Good <10% | Fair 10-20% | Poor 20-30% | Very Poor 30-60% | Critical >60%

Facility Condition by Count

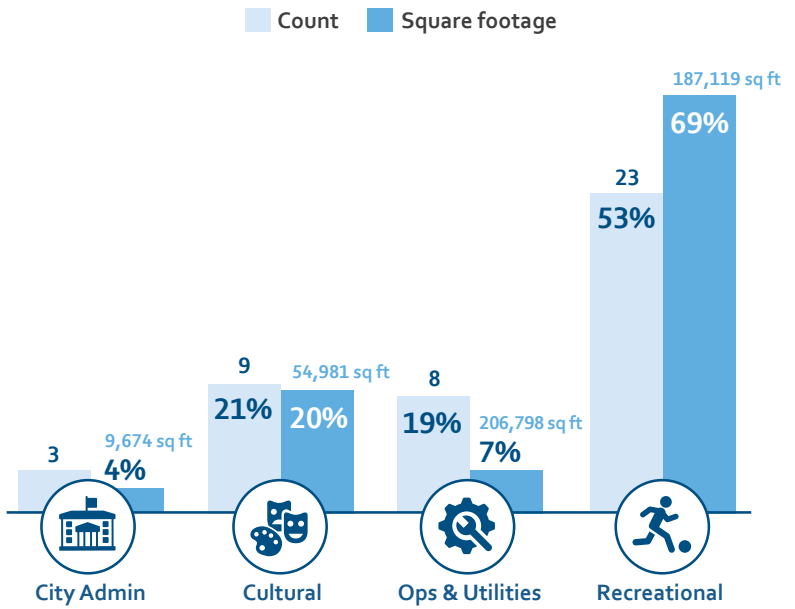


Facility Condition by Sq Ft



Good | Fair | Poor | Very Poor | Critical

Services Breakdown by Count and Sq Ft



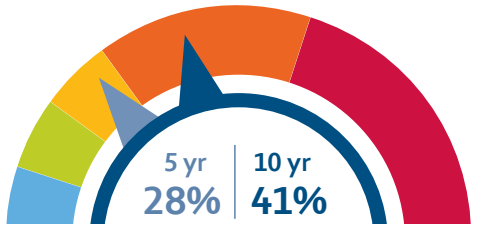
SCORECARD

Ancillary facilities

Recommended prioritized facilities for strategic planning consideration:

11 facilities were identified, however the investment decisions relative to Ancillary facilities are relatively small in comparison to the other categories. This facility category can be managed based on standard operation procedures for renewal, replacement or disposal over the next 10 years.

Facility Condition Index

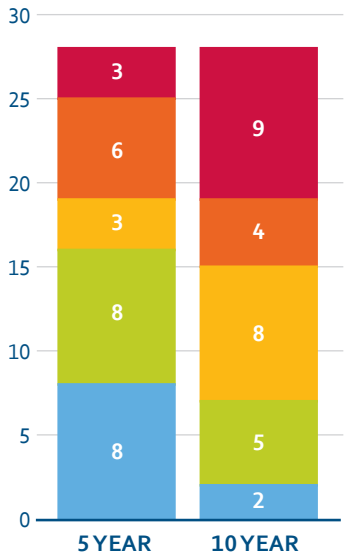


5 year renewal cost: **$4.3 Million**

10 year renewal cost: **$6.3 Million**

Good <10% | Fair 10-20% | Poor 20-30% | Very Poor 30-60% | Critical >60%

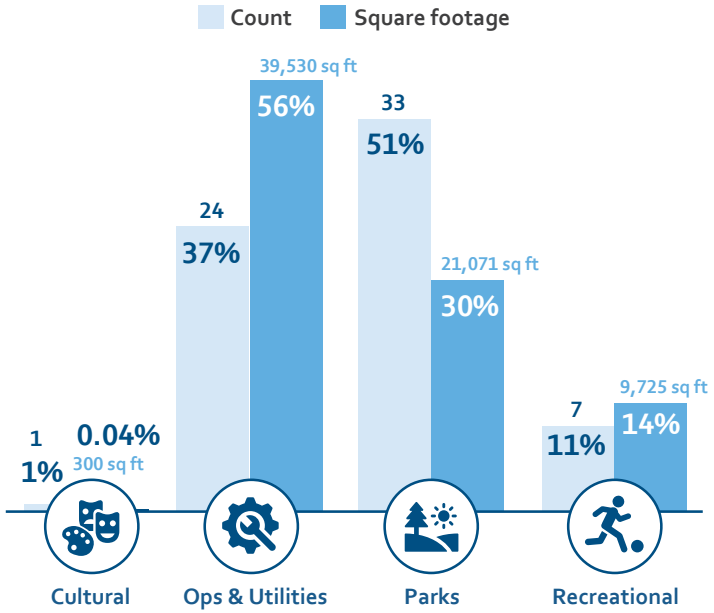
Facility Condition by Count



Facility Condition by Sq Ft

Good | Fair | Poor | Very Poor | Critical

Services Breakdown by Count and Sq Ft



Future Vision

What does a fully realized Future Vision entail?

An Integrated Facility Portfolio Planning and Development process that supports a Capital Plan based on forecasted "shovel ready" projects, with clear rationale, confident scope, budget and schedule: *the right facility projects, in the right places at the right time.*

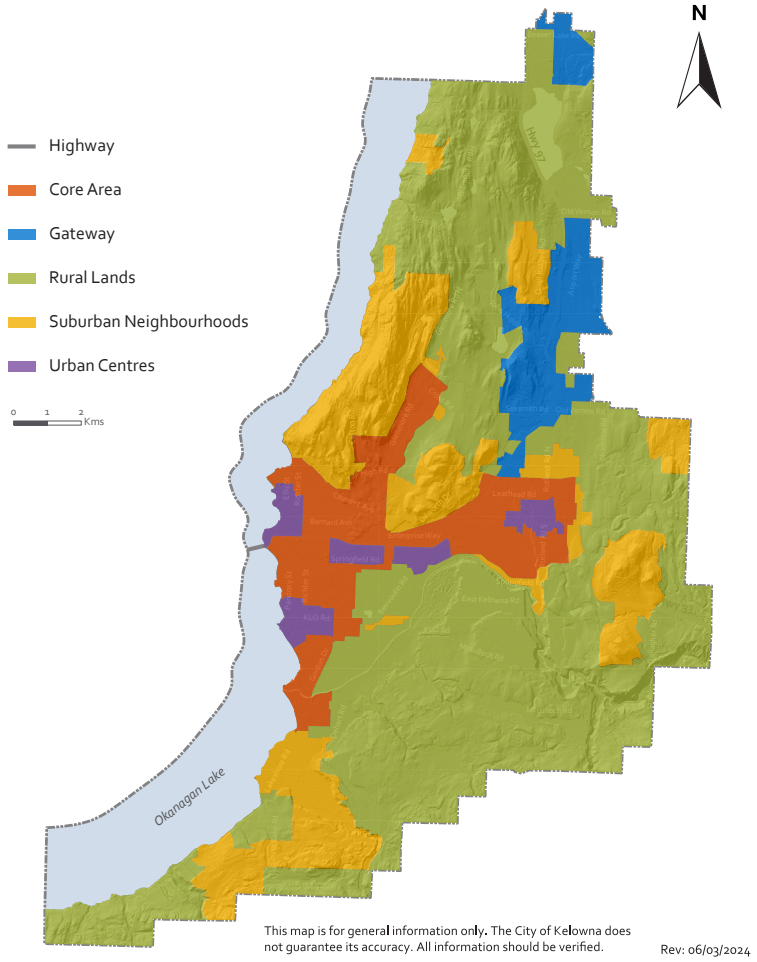
Achieving this ambitious vision presents significant challenges, necessitating a carefully mapped sequence of strategic steps to ensure alignment with long-term goals and the effective allocation of resources. The SFMPv.1 represents the first step towards the realization of this vision.

Central to this effort is the commitment to creating a *Future-ready Facilities Portfolio*, one that seamlessly integrates existing and new facilities while adhering to best practices of asset lifecycle management.

Figure 5. Asset Management Lifecycle

The pathway to success begins with a comprehensive understanding of the facility planning continuum—a dynamic process that spans planning, acquisition, operations, maintenance, and disposal. Each phase must be approached with precision, recognizing critical triggers and timeline thresholds to mitigate risks while providing an acceptable Level of Service to the community. This lifecycle-centric perspective ensures that decisions are proactive rather than reactive, reducing unnecessary costs and bolstering the community's confidence in the Level of Service provided.

Figure 6. Growth Strategy Districts



In tandem with this continuum is the alignment with the forthcoming 2041 Official Community Plan (OCP) update, which informs future service needs and facility demands. By incorporating the OCP Growth Strategy Districts, planners can anticipate demographic shifts and infrastructural requirements, being mindful that equity in the distribution of resources and access to services remains a central consideration of the facility portfolio strategy. This approach ensures that all community members, irrespective of their geographic location, socioeconomic status, or demographic characteristics, can benefit from sustainable and accessible infrastructure.

Meeting this tall order requires not only technical precision but also collaborative governance. Interested parties across departments, sectors, and communities must work in tandem, contributing diverse perspectives and expertise to refine the vision and guide its implementation.

The Future Vision must remain adaptable, allowing for adjustments as new data, technologies, and community needs emerge. The timing for each investment decision must be considered holistically across all facility categories as well as the City's overall infrastructure needs, with an understanding of the long-term cost of ownership and total cost of providing services to the community. There will be an increasing need to enhance the effectiveness and efficiency of the facilities portfolio thru innovation, alternate approaches and integrated processes compared to how we have delivered facilities and services in the past.

Ultimately, the realization of this vision symbolizes more than infrastructure—it reflects the community's commitment to innovation, resilience, and sustainable growth. By crafting and executing this vision, the facilities portfolio becomes an enduring asset, capable of inspiring confidence and delivering enhanced services to current and future generations.

Facility Master Plans

Departmental Facility Master Plans (FMP) are the foundational information that forecasts the community's service needs and outlines the necessary facility projects required to anticipate future growth, mitigate risks, identify opportunities and ensures efficient and effective service delivery.

The FMPs are categorized based on the various services supported by these facilities and the expected timeline for updates or completion, as detailed below:

Table 3. FMP Completion Timeline

Service	Completion Year	Update Required	Anticipated Completion Timeline
Indoor Recreation Services	2023	Align with SFMPv.1	Q4 2025
Cultural Services	2020	Align with SFMPv.1	Q4 2025
Fire Services			Q1 2025
Infrastructure Operations and Utilities			Q3 2025
Civic Accommodation			Q3 2025
Police and By Law Services			Q4 2025
3rd Party Leased Facilities			Q1 2026

The update and completion of departmental FMPs will provide a holistic understanding of the entire facilities portfolio and will establish the foundation for the Integrated Facilities Portfolio Planning and Development process. The suite of FMPs will enable a portfolio view of the inventory and the identification of facility needs across all Service Areas.

The main goal of each Facility Master Plan is to evaluate capacity and functionality gaps to meet the changing needs of the community. It also aims to provide a timeline for project business case development to inform investment decisions and considerations for the Capital Plan.

The FMPs will provide the following key indicators for the facility inventory in each Service Area:

- **Assess** the quality and reliability of the Service Area's facility inventory using information as outlined in the SFMPv.1 Portfolio Assessment section.
- **Assess** site, facilities and operations Regulatory and/or Statutory requirements, including safety.
- **A "Fit for Purpose" analysis** to determine the inventory's capacity, utilization and functionality to support current and future Level of Service targets.
- **Assess** opportunities for modernizing operations and innovative approaches for facility space program and design, including accessibility, inclusivity and environmental sustainability and resiliency.
- **Investigate** facility benchmark metrics for similar facilities in comparable municipalities.
- **Identify** the Service Area's short-, mid-, and long-term gaps and projections for facility-related projects to address immediate needs and accommodate future growth.
- **Assess** applicability of SFMPv.1 Strategic Actions and recommendations to improve the SFMP Framework.
- **Guide** the determination of the Capital Plan facility strategy to maintain, enhance, or reduce based on the anticipated impact to the Level of Service.

FMPs should be reviewed annually and updated every 5 years or as determined by the needs of the Service Area.

Guideposts for SFMPv.2 Future Vision

SFMPv.1 identified additional Future Vision principles in shaping the city's approach to facilities planning.

Some elements like the Facility Technical Standard V.1 have recently been completed, while others remain in various stages of development. To build upon the progress made in SFMPv.1, focused attention will be required to complete and refine the outstanding components. SFMPv.2 is intended to address these gaps and enhance the framework established by its predecessor.

The details of these next phase aspects of the Future Vision have been collected in an Appendix F. and summarized as follows:

Level of Service

Level of Service (LoS) is a developing concept within the organization, requiring a uniform understanding and implementation across all Service Areas. Secondly, a correlation between the Community Level of Service as defined by each Service Area requires a corresponding facilities metric, known as the Technical Level of Service. Developing a Facilities Level of Service framework will be an important initiative for SFMPv.2. A guide for development is the AMBC LoS Template. The template provides a methodology for local governments to use in documenting and assessing LoS that can be applied incrementally and tailored to the individual needs and capacity of each local government.

Risk

Identifying and mitigating risks to services is crucial in defining the acceptable Level of Service. It is important to consider whether our facilities provide services at the level expected by the community, the likelihood of a service interruption, the known consequences of service failure, and the costs associated with mitigating these risks. In this context, risk to the Future Vision involves concepts for Service Criticality and Financial Balance, both of which require significant input from the Risk Department, the Finance Department and the various Service Area representatives to define uniform metrics and criteria.

Facility Standards

Design and Technical Standards are intended to guide City staff, consultant design teams, and service partners, leveraging insights from the construction, operation and maintenance of existing facilities, along with best practices and exemplar facilities from other municipalities. These guidelines aim to set expectations, standards, and performance targets for future projects, ensuring consistency and avoiding "one-off" or "first principle" approaches. Additionally, these standards are intended to provide guidance on estimated costs for specific building typologies.

Guidelines and Policy

Creating facility-specific policies and guidelines will help ensure consistent and streamlined decision-making processes. These will include formalized definition of Levels of Service as well as procedures for acquiring, maintaining, and disposing of facilities. Additionally, the guidelines and policies aim to establish strategies for reducing carbon emissions in new buildings, support climate action initiatives, and address upcoming requirements from the Accessibility Plan.

The SFMPv.1 Future Vision is a summary of outcomes and the guidepost for a Future Ready Portfolio. These outcomes are reliant on Strategic Actions outlined in the following section.

Strategic Actions

This section focuses on the strategic actions developed during the SFMPv.1, which can be implemented singularly or in combination to ensure that municipal facilities are sustainable, efficient, and aligned with the community's needs.

Selecting the most effective combination of strategic actions to achieve the desired outcomes will depend on the circumstance. It is envisioned that these Strategic Actions be validated, tested and refined to verify effectiveness and that additional strategic actions be developed and adopted in the future iterations of the SFMP. The Strategic Actions also present opportunities for Digital Transformation.

Rationalize the Portfolio

The strategic approach to managing facilities involves evaluating the current portfolio to determine underutilized or outdated assets while identifying opportunities for enhancement or divestiture. By systematically forecasting future facility needs, this strategy ensures resource optimization and alignment with long-term objectives. It emphasizes proactive planning to improve service delivery, equitable resource distribution, and the efficient allocation of investments towards sustainable infrastructure that meets community demands.

FCI Protocol and Risk Rating – Existing Facilities

The Facilities Condition Index (FCI) protocol provides a standardized method for assessing the condition of facilities, while the risk rating helps prioritize investments based on the criticality of services and systems. Combining these two approaches ensures that resources are allocated effectively, focusing on existing facilities that require immediate attention and those that pose the highest risk to the services that the community depend on. The key principle is to prioritize existing Primary and Core facilities with high risk to service delivery. A secondary principle is the ranking of facilities within each facility category.

Renovate - Build New - Dispose

The choice between renovating existing facilities and constructing new ones is vital. Renovations can often extend a facility's life, improve functionality, and enhance service delivery at a lower cost. However, new construction may be more appropriate when existing facilities cannot meet future demands or standards. Building new facilities enables the adoption of modern standards, boosts efficiency, and offers opportunities to co-locate services, which can prove cost-effective and impactful for long-term community benefits. Conversely, by disposing of underperforming assets, resources and space can be freed up and put towards modern, efficient facilities that align with the community's needs. The goal is to ensure that investments are directed towards future-ready infrastructure, ultimately enhancing service delivery and community satisfaction.

Scenario and Portfolio Planning

Scenario Planning is a strategic method to create flexible long-term plans by considering possible future outcomes. It tests strategies and assesses their impact on the portfolio. For example, which combination of budget allocations for maintenance, enhancement, replacement, or disposition across the facilities portfolio would yield optimal results. This method tests investment decisions and their corresponding impact on the Level of Service.

Portfolio Planning is the key result of the SFMP, holistically balancing the management of current facilities and planning future ones to deliver an acceptable Level of Service to community. It evaluates and recommends the optimal mix of projects and timelines, considering factors such as risk tolerance, lifecycle costs, investment timelines, and expected returns. This aims to balance community benefits, operational efficiency, and the costs of developing and maintaining the next generation of municipal facilities.

Forecast Future Needs

Forecasting is crucial for the SFMPv.1, allowing the city to plan and allocate resources efficiently. This strategy identifies future facility needs and analyzes optimal locations based on population growth, accessibility, land use regulations, service models, and opportunities for strategic co-location of services. A key consideration is ensuring equitable distribution of resources and access to services so that that all community members, regardless of location, socioeconomic status, or demographics, benefit from sustainable infrastructure. The approach also seeks synergies and economies of scale for optimal investment in future service delivery to meet the community's evolving needs.

Facility Master Plan Forecasts

The various departmental Facilities Master Plans (FMPs) are intended to proactively anticipate the future demand for facilities, guiding decisions on maintenance, upgrades, and new construction. As the basis for future facility related Capital Plan requests, regular review of the suite of FMPs is crucial to ensure that facilities not only remain functional and relevant but also prepared to meet future requirements effectively.

2041 OCP Growth Districts

This involves strategic planning and scenario planning to ensure that facilities and services are optimally located to meet the future needs of the community as envisioned in the forthcoming 2041 OCP Growth Districts. The SFMPv.1 emphasizes the importance of location analysis, network planning, and coverage to identify the optimal locations for facilities.

Centralized or De-centralized Facilities

Centralized services refer to a model where services are concentrated in a single location or a few locations within the community, making it easier to manage and coordinate. This approach can lead to cost savings, improved efficiency, and better resource allocation. On the other hand, decentralized services involve distributing services across multiple locations throughout the community, which can enhance accessibility and responsiveness to local needs. This model can provide more tailored services to different communities and reduce the risk of service disruption.

Co-located or Single Service Facilities

Co-located facilities refer to a model where multiple services are provided in a single location. This approach can lead to cost savings, improved efficiency, and better resource allocation by sharing infrastructure and resources. It also enhances convenience for users, as they can access multiple services in one place. On the other hand, single-service facilities provide a specific service in a single location. This model can offer specialized services tailored to specific needs and may be more effective for certain types of services that require focused attention.

Pursue Alternate Approaches

This strategy is intended to challenge how we can most efficiently and effectively deliver services to the community. This is an opportunity to innovate across the facility continuum to consider alternate approaches for the planning, design and construction of facilities including alternate service delivery models.

Partnership

Partnerships provide opportunities for cost-sharing, resource optimization, and enhanced service delivery. Collaborating with other organizations, leverages external expertise, funding, and resources to improve the efficiency and effectiveness of facilities development and service delivery. This approach can also assist in addressing community needs more comprehensively and sustainably. SFMPv.1 encourages the pro-active exploration of various partnership models, including public-private partnerships, collaborations with non-profit organizations, and joint ventures with other governmental agencies. The 10-year Capital Plan should be pro-actively assessed to anticipate Partnership opportunities.

Lease vs Own

Leasing facilities offers flexibility and reduces upfront capital expenditures, making it an attractive option for short-term needs or when long-term requirements are uncertain. It enables adaptation to changing demands and serves as an ideal interim solution, allowing time for planning and determining a long-term strategy without being bound by long-term commitments. On the other hand, owning facilities can be more cost-effective in the long run, as it eliminates ongoing lease payments and provides greater control over the property. Ownership is beneficial for facilities that are expected to be in use for an extended period and where stability and control are important.

Service Delivery Options

This strategy considers various service delivery options, depending on the service area needs to meet strategic goals. These options include:

1. **City-Managed Services:** This involves the city directly managing and operating the facilities. It provides greater control and oversight but may require significant resources and expertise over the service life of the facility.
2. **Partnered Services:** This option involves collaborating with external organizations, such as public-private partnerships or joint ventures with non-profit organizations. It allows for cost-sharing and leveraging external expertise and resources.
3. **Externalized Services:** In this model, the city outsources the management and operation of facilities to external service providers. It can lead to cost savings and access to specialized expertise but may reduce direct control over the services.
4. **Digitized Services:** As we transition toward digital based services there are opportunities for services to be accessed by residents remotely via their mobile phone or home computer or at dedicated municipal facilities across the city.
5. **Discontinued Services:** This involves discontinuing services that are no longer needed or economically viable. This strategy has not been implemented in the past, however SFMPv.1 anticipates optimizing resources and focusing on essential services will be an essential strategy in the future.

Enable Capital Planning

This approach is focused on providing clarity and confidence in the projects recommended for inclusion in the 10-year, 5-year Capital Plan and Annual Financial Plan. This involves the development of project business cases to provide the necessary analysis and documentation of the financial viability, benefits, and risks associated with a project and providing a clear rationale for why a particular investment is necessary and how it aligns with the city's strategic goals. This method facilitates informed decision-making regarding facility investments by assessing both the feasibility and the impact on services of the proposed projects.

Shovel Ready / Shovel Worthy

This strategy distinguishes between projects that are ready for immediate implementation (shovel ready) and those that are deemed valuable and necessary but may require further planning and preparation (shovel worthy). This distinction allows for projects to be prioritized based on their readiness and significance.

Business Case / Stage Gate

This strategy provides a structured process for developing, evaluating and approving projects at various stages of development. The business case is intended to document the development of shovel worthy projects into shovel ready projects and ensures that only projects that meet specific criteria and demonstrate clear benefits move forward for Council consideration for inclusion in the Capital Plan.

Integrated Facility Portfolio Planning and Development

Project enabling requires an integrated and collaborative One Team approach. Early engagement with internal and external resources to identify synergies, leverage capacity, capability and expertise to prepare projects for implementation by ensuring that all necessary resources, approvals, and plans are in place. This step is essential for minimizing risks and ensuring that projects are ready for execution. Refer to **Appendix B** Integrated Facility Portfolio Planning and Development Workflow.

Project Bundling

Bundling projects is a strategic methodology that involves integrating similar projects or combining multiple smaller initiatives into a singular larger endeavor. This approach can result in substantial cost savings, enhanced efficiency, and improved project management. By aggregating like projects or addressing other programmatic or facility needs concurrently, we can capitalize on economies of scale, minimize redundancy, and optimize resource allocation. Furthermore, merging smaller projects into a comprehensive one can facilitate better coordination, reduce disruptions, and ensure more cohesive and streamlined delivery of facilities and services. This strategy not only maximizes investment impact but also supports a more sustainable and resilient facilities portfolio.

Land Acquisition

The nature of strategic land acquisition is opportunistic. Land is a scarce commodity and is largely dependent on market availability, but it is often the first enabling project for the delivery of a new facility. Land acquisition should be integrated into a proactive and holistic facility planning strategy.

Support Strategies

Investigate Municipal Benchmark Metrics

In 2024, the City initiated its participation in the Municipal Benchmarking Network Canada. Municipal benchmarking is a strategic approach for measuring and comparing various metrics across different municipalities. This comparative analysis improves in understanding how Kelowna's facilities portfolio measures up and identifies areas for improvement and best practices. By benchmarking against other municipalities, we can set realistic goals, measure progress, and make informed decisions about our facilities portfolio allocation, the associated costs and the metrics for Level of Service.

Establish Facility Related Guidelines and Policies

Policy development is an important future aspect as we advance our processes and strategies for decision-making and maintaining consistency in the development and management of facilities. Future guidelines and policies will establish standards for the quality of our facilities and outline how they are planned, funded, and managed to align with Corporate and Council priorities. Facility related policies will be created to guide procedures for acquisition, maintenance, and disposition of facilities, as well as define criteria for Level of Service associated with facilities. This ensures that the City's facilities portfolio is managed transparently, equitably, and defensibly, while streamlining facilities-related decision-making in the future.

Summary of Strategic Actions

The following table is a summary of SFMPv.1 Strategic Actions and corresponding timelines:

● **Short term (Immediate to 1yr)** ● **Mid term (1yr to 3yr)** ● **Long term (3 to 10 yr).**

Table 2. Summary of Strategic Actions

STRATEGIC ACTION	TIMELINE
Rationalize the Portfolio	
1. Prioritize needs assessments for Primary and Core Facilities with highest risk to services	● Short Term
2. Rank each facility within each facility category by Service Area	● Short Term
3. Establish criteria for renovating, building new or disposing of facilities	● Mid Term
4. Establish Scenario and Portfolio Planning	●● Mid to Long Term
Forecast Future Needs	
1. Complete Departmental Facility Master Plans (FMPs) and update existing FMPs	● Short Term
2. Assess facility location based on 2041 OCP Growth Districts	●● Mid to Long Term
3. Assess co-located or multi-use vs single service facilities	●● Short to Mid Term
4. Assess centralized vs decentralized facilities	●● Short to Mid Term

STRATEGIC ACTION	TIMELINE
Pursue Alternate Approaches	
1. Enable Partnership opportunities	● Short to Mid Term
2. Establish service delivery options and criteria	●● Mid to Long Term
3. Establish lease vs own criteria	●● Short to Mid Term
Enable Capital Planning	
1. Distinguish between shovel worthy vs shovel ready projects	● Short Term
2. Establish business case / stage gate process	●● Short to Mid Term
3. Establish Integrated Facility Portfolio Planning and Development process	●● Short to Mid Term
4. Coordinate pro-active land acquisition	●● Mid to Long Term
5. Bundle projects	●● Short to Mid Term

Support Strategies

STRATEGIC ACTION	TIMELINE
Investigate Municipal Benchmark Metrics	
1. Establish criteria for defining and measuring acceptable Levels of Service (LoS)	●● Short to Mid Term
2. Establish criteria for defining and measuring total cost of facility ownership and cost for providing services including on-going staffing costs	●● Mid to Long Term
3. Investigate criteria for defining and measuring facilities portfolio allocation by Service Area	●● Mid to Long Term

STRATEGIC ACTION	TIMELINE
Establish Facility Related Guidelines and Policies	
1. Establish Facility Level of Service framework	●● Short to Mid Term
2. Establish Facility Design Standards framework	● Mid Term
3. Establish Integrated Facility Planning and Delivery Proceduress	● Mid Term
4. Establish Facility Data Governance Procedures	●● Mid to Long Term

Prioritization Matrix

The optimal outcome of the prioritization matrix is to arrive at recommendations for "the right facility projects, in the right places, at the right time" for Council's consideration and approval for inclusion in future Capital Plans.

Projects for consideration should be developed by applying the insights gathered from previous SFMPv.1 Framework components: Guiding Principles, Portfolio Assessment, Future Vision and Strategic Actions.

It is important to note that the prioritization matrix is not intended to determine which projects should be included in the Capital Plan, it is primarily a lens for comparing the relative importance and feasibility of candidate projects to guide Council's consideration.

The development and implementation of the SFMPv.1 Prioritization Matrix considers our current capital planning processes and organizational capability to collect, analyze and interpret readily available data and to determine the appropriate level of granularity necessary to inform decision making.

The development of the Prioritization Matrix will require a two staged approach:

1 Prioritization Stage 1: Capital Plan 2026

Pre-Established Prioritization:

These are the projects that have been included in the current 5 and 10 YCP and the current year Financial Plan and are the result of previous prioritization methodologies. As pre-existing priorities, these should be the focus for delivery efforts unless the scope or budget are not well defined.

Emergent Prioritization:

These are projects selected by Council and City Manager to address emergent opportunities, initiatives prioritized for strategic importance or regulatory compliance and risk mitigation identified by City staff. The impact of emergent projects to pre-established projects or other prioritized projects should be acknowledged and presented to Council for consideration.

Shovel Ready Prioritization:

This criterion considers the probability of the successful delivery of a given project within acceptable budgets and timelines. Projects that do not meet these project fundamentals should be de-prioritized.

- **Scope Confidence:** This criterion assesses the clarity and certainty of the candidate project. It evaluates how well-defined and understood the project's objectives, deliverables, and boundaries are relative to scope, budget and schedule.
- **Level of Effort:** This measures the amount of work and resources required to develop the project. It considers factors such as time, resource capacity and financial investment needed.
- **Delivery Capacity:** This criterion evaluates the ability to successfully deliver the project. It considers the availability of resources, expertise, and infrastructure necessary for project execution.

Risk Prioritization:

This criterion evaluates the potential risks that are being mitigated by the project. It considers factors such as project complexity, uncertainties, and the probability and consequences that are being addressed by the project.

- **Service Criticality:** This measures the importance of the project in maintaining or enhancing critical services to the community. It evaluates how essential the project is to essential functions and service delivery.
- **Building Systems Risk:** This assesses the risk associated with the building systems for facilities providing critical services to the community. It considers factors such as the condition, reliability, and performance of the systems relative to the criticality of the service provided to the community.
- **Enterprise Risk Management (ERM):** This criterion evaluates the project's alignment with the City's overall risk management strategy. It considers how the project contributes to mitigating or managing enterprise-level risks.
- **Financial Risks:** This measures the financial implications of the project. It evaluates factors such as cost, funding sources, and potential financial benefits or savings.

It is foreseen that Stage 1 will be sufficient to recommend Capital Projects for review and consideration by Council. Stage 2 can be investigated should Stage 1 strategies prove insufficient; however, this will require a significant investment in the level of effort, resourcing and data collection.

2 Prioritization Stage 2: Capital Plan 2027 and onward

Stage 2 requires the collection and analysis of data not presently available to the SFMPv.1, but in future can become the criteria used to systematically evaluate and prioritize projects of competing importance, ensuring that decisions are made based on a comprehensive and balanced assessment of pre-determined factors.

Multi-Criteria Prioritization:

This involves simultaneously evaluating projects based on multiple criteria. It considers the combined impact of various factors on the project's overall value and feasibility. Developing a multi-criteria prioritization matrix will require formalizing levels of service, the selection of cross-departmental qualitative and quantitative values, as well as the criteria for measuring strategic alignment across services.

- **Level of Service:** This criterion evaluates the project's impact on the Level of Service. It considers how the project can measurably improve or maintain service quality and efficiency.
- **Quantitative Values:** This measures the quantitative aspects of the project. It evaluates factors such as measurable outcomes, performance metrics, and data-driven assessments.
- **Qualitative Values:** This criterion assesses the qualitative aspects of the project. It considers factors such as stakeholder perceptions, community impact, and alignment with organizational values. Examples of qualitative values are Social (community safety, social equity, vibrancy or health and wellness of the community) Environmental (Climate Lens, Resiliency and Waste Reduction) and Economic (Financial Prudence, Economic Benefit)
- **Strategic Alignment:** This criterion evaluates the project's ability to further council and corporate priorities.

Cost-Benefit Analysis:

This assesses the project's cost-effectiveness relative to other competing projects. It evaluates the balance between the project's costs and the expected benefits or returns. Developing a cost- benefit criteria will require the selection of cross-departmental metrics for measuring social return on investment and balance across services.

- **Social Return on Investment:** This measures the social impact of the project. It considers factors such as community benefits, social equity, and contributions to societal well-being relative to other projects for consideration. This methodology requires the development of financial proxy for the service or benefit
- **Balance Across Services:** This measures the project against other projects or previous investments across the asset portfolio to address perceived over or under investment across the portfolio.

SFMPv.1 Prioritization Recommendations

SFMPv.1 acknowledges the difficulty and complexity of assessing the relative importance of various priorities and that not all projects are equally defined. Currently, there are no precise criteria for comparing different types of projects, therefore comparing a fire hall project to a recreational project should be avoided unless staffing or funding limitations necessitate such a comparison. However, existing priorities from the current Capital Plan, the concepts of "shovel-worthy" versus "shovel-ready," and risk mitigation based on FCI should provide sufficient criteria for recommending facility projects at this stage of SFMP development.

1 Facilitate current Capital Plan 2024 –2025 projects:

- Enable projects with well-defined scope, budget and schedule.
- Defer projects with insufficient information to deliver the project within the stated budget or timeline.
- Develop a plan for incorporating deferred projects into future Capital Plan until the project is "shovel ready".

2 Facilities identified based on SFMPv.1 Portfolio Assessment section:

Primary Facilities

- Public Yards Main Building
- Fire Hall 1
- Fire Hall 2
- KPSB
- Rutland CPO

Core Facilities

- Memorial Arena
- Rutland Arena
- Prospera, MNP and Apple Bowl (Partnership Opportunities)

Support Facilities

- Parks Operations Admin and Foreman Building
- Facilities Department (Building)
- 9 Recreational Facilities

3 Facility Category + Facility Condition Index + Risk Prioritization, using current available data:

- Prioritize strategic planning and needs assessments for Primary and Core facilities with FCI >40%
- Rank short-, mid- or long-term projects by Category
- Develop a divest criteria and develop a plan for facilities that meet the divest criteria.

4 Assess emergent projects based on Council referrals, partnership opportunities, or as identified thru new or updated departmental facility master plans.

3

Implementation

Updating the Plan

The SFMP should be reviewed annually alongside the development of each year's Capital Plan. Each annual review will outline the objectives and initiatives to be implemented in that calendar year, organized to align with the Capital Plan Service Based Budget. The annual review will also report on the effectiveness of the current SFMP version through a summary of key measures to be developed at a later stage.

The SFMPv.1 recommended implementation timeframes are as follows:

- **Short term (Immediate - 1 year)**
- **Medium term (1-3 years)**
- **Long term (3-10 years)**

Besides annual reviews, this Plan should include two updates: one in Q4 2026 at the end of the "short term" period, and another in Q4 2027 at the conclusion of the "medium term" period. Thereafter the SFMP should be updated every 5 years.

Strategic objectives and initiatives may be adjusted during annual reviews and sequenced updates. Engaging with residents, community interested parties, and Service Area managers during planned updates can effectively address evolving needs. Furthermore, cost forecasts should be refined to account for inflation, construction escalation, or other relevant cost considerations.

Measurement

Developing a comprehensive evaluation program has been deferred to SFMPv.2, as several dependencies must be addressed to ensure the uniform application of key asset management concepts across the organization. These include reliable data collection for all asset classes, ongoing maintenance efforts, clearly defined performance measures for services, and the consistent application of Level of Service principles. SFMPv.1 acknowledges the interdependent relationship between facilities and the services they deliver, which emphasizes the importance of collaborating with other Service Areas to maintain consistency in our measurement methodologies.

Creating a unified approach across Service Areas will ensure strategic alignment and allow for effective evaluation of facility investments towards a *Future Ready Facilities Portfolio*. Clear and consistent metrics are needed to measure the impact of facility programs and projects, documenting conditions before and after implementation to assess benefits and monitor progress.

Despite the complexity of services and the diversity of facilities, overall progress must be demonstrated across all City facilities. Measurement metrics that reflect this progress will be developed as part of SFMPv.2, culminating in a Facilities Report Card to be developed in collaboration with the Corporate Strategies and Performance department.

Insights gained during the planning, development and delivery of facility projects will aid in the long-term enhancement and refinement of the SFMPv.1 framework and subsequent iterations.

4

Summary of Recommendations

Implementation and Summary of Recommendations

SFMP is considered a living document divided into three implementation phases:

Phase 1: Ready

SFMPv.1 Establish the Plan *(2025 to 2026)*

- Enable Existing Capital Plan Commitments
- Assess key Primary and Core Facilities
- Complete Departmental Facility Master Plans
- Rank Facilities and Investigate Portfolio Scenarios
- Identify 2026 Capital Plan Candidate Projects
- Explore facility benchmarks, guidelines and policies
- Establish Business Case and Stage Gate-based Capital Plan
- Initiate Integrated Facility Portfolio Planning and Development workflow
- Stress Test the SFMPv.1 framework

Phase 2: Set

SFMPv.2 Implement the Plan *(2026-2027)*

- Monitor Business Case and Stage gate-based Capital Plan
- Update the Capital Plan based on Portfolio Planning
- Establish Levels of Service and Facility Standards by Service Area
- Formalize process for Integrated Facility Portfolio Planning and Development

Phase3: Go

SFMP+ Improve the Plan *(2027+)*

- Deliver the Capital Plan based on forecasted projects and comprehensive Portfolio Planning
- Continuous Improvement

The development of the SFMP is intended as a measured progression of iterative steps starting with understanding what we have (SFMPv.1), followed by confirming what we need and how we work as One Team (SFMPv.2) and thereafter charting a path towards a *Future Ready Facilities Portfolio* (SFMP+). Each step is a commitment towards continuously improving the way we plan, fund, deliver, operate and sustain our current and future generation of municipal facilities and the community services that they support.

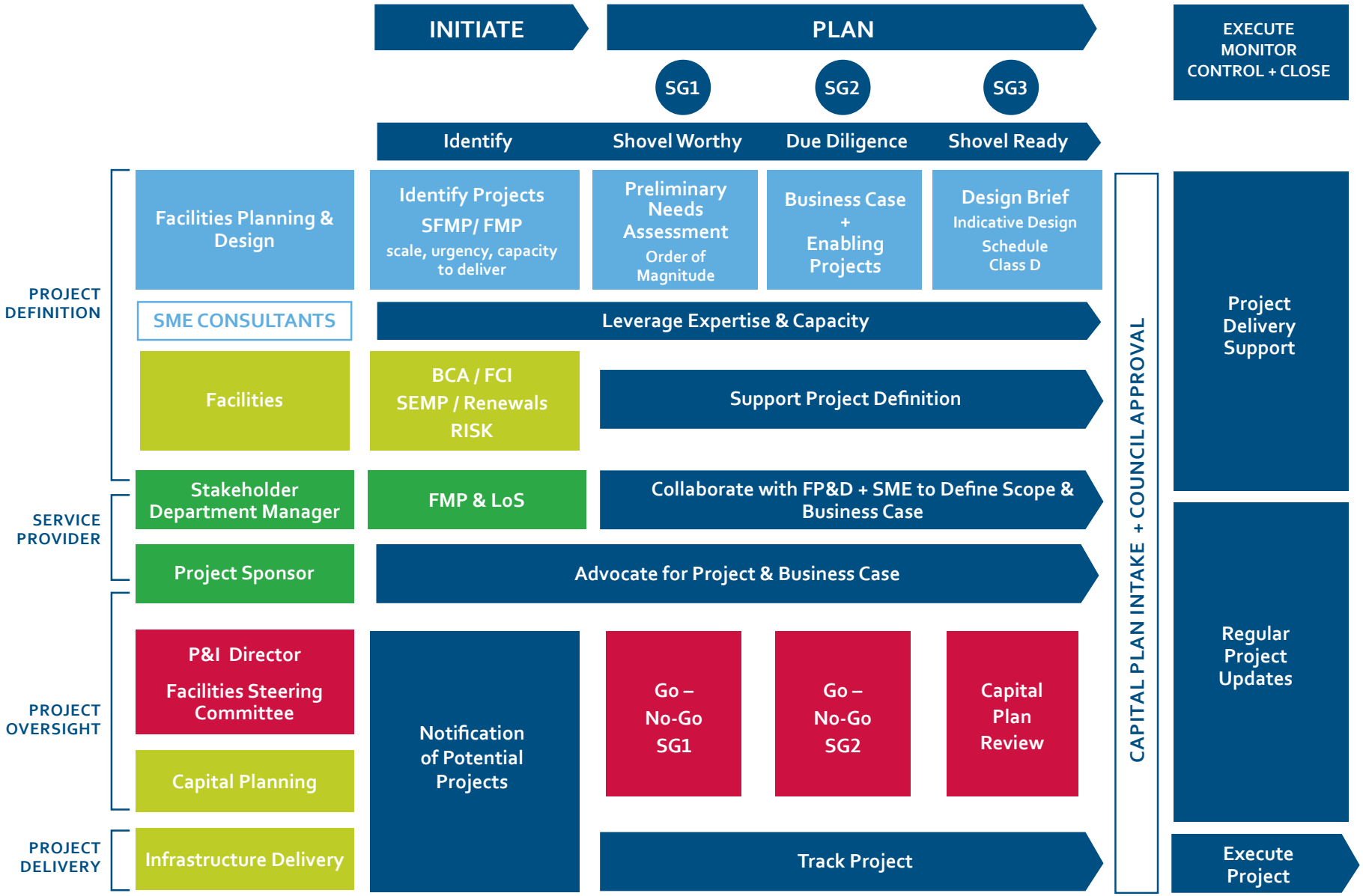
5

Appendices

SFMPv.1 Roadmap

The SFMPv1 was developed in 2025, via a cross-departmental core working group from, Facilities, Asset Management and Capital Planning, Infrastructure Delivery and Corporate Strategy and Performance, led by Facility Planning and Design. The core working group undertook a series of best practice research, departmental surveys, 1:1 interviews, gap analysis and workshops to arrive at SFMPv.1.

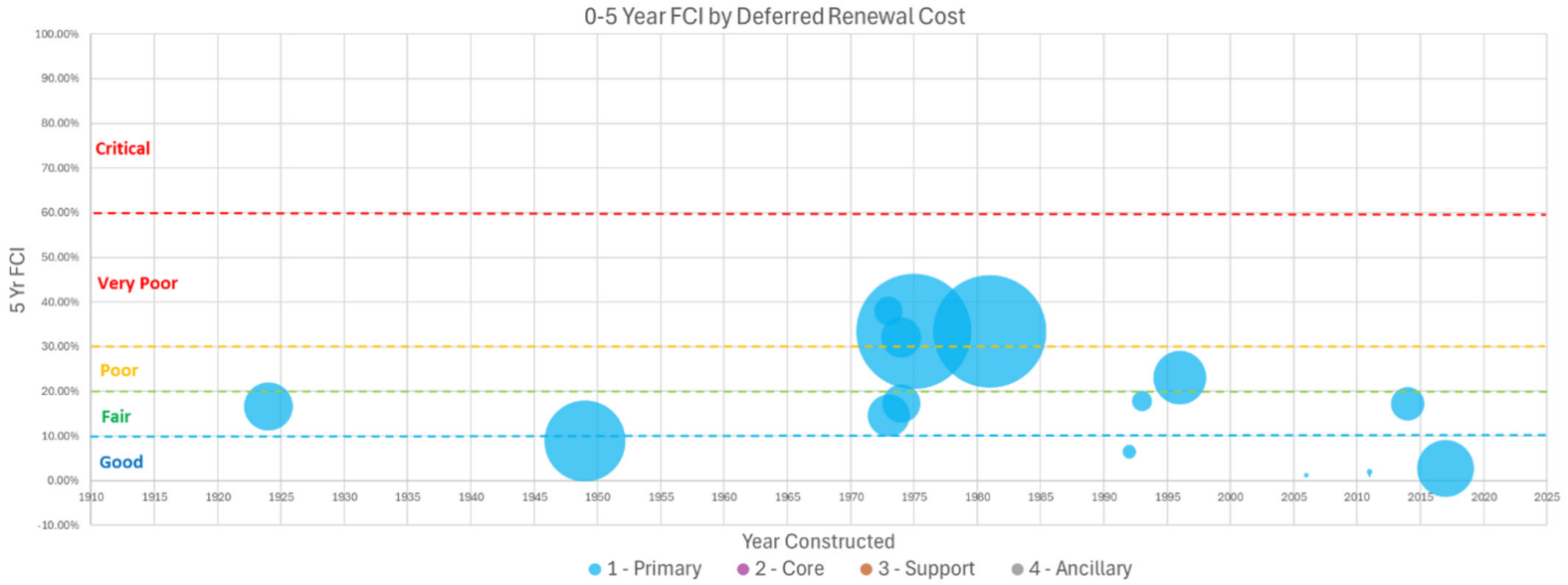
Integrated Facilities Planning & Development Workflow

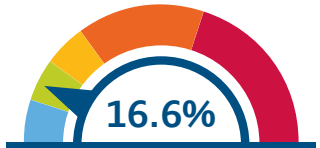


Current Prioritized List of Facility Needs for Strategic Capital Planning

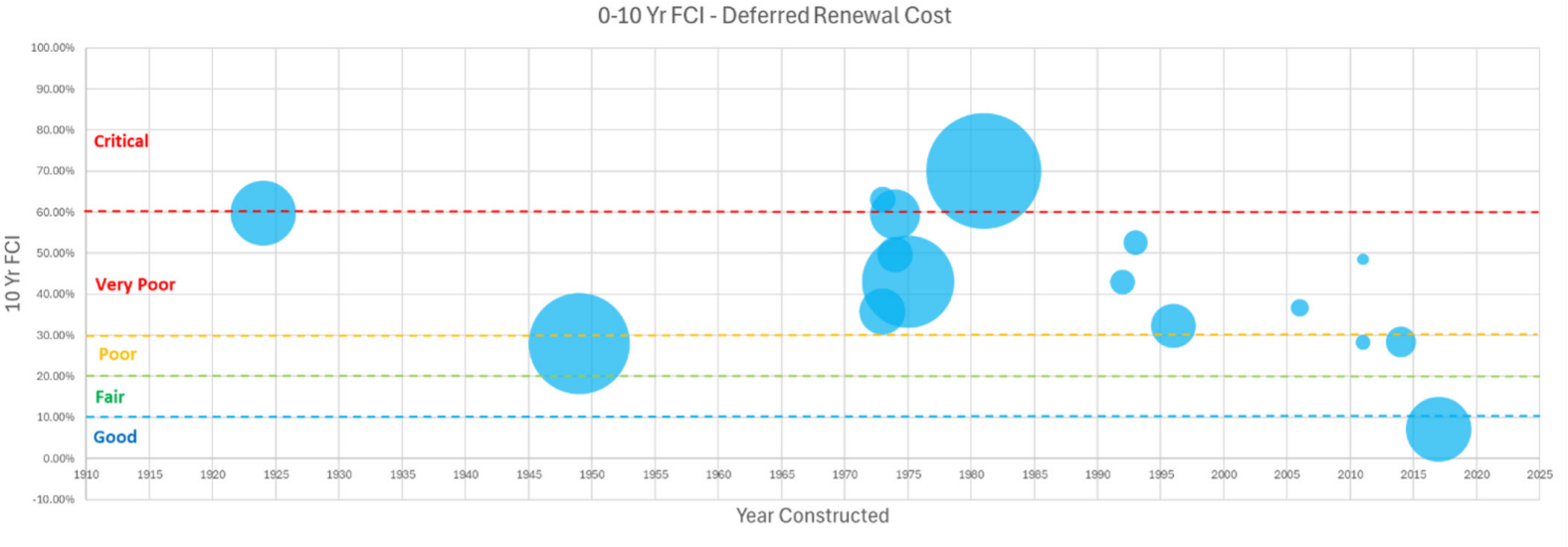
The following charts illustrate the 5 and 10 year FCI by Deferred Renewal Cost and the prioritized list of facilities based on 10 yr FCI (>39%) by Category

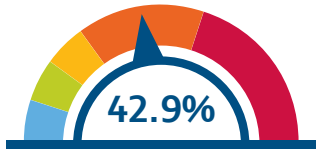
FCI Prioritized Inventory List – Primary





Fair
5 year renewal cost:
$36 Million





Very Poor
10 year renewal cost:
$77.5 Million

Service	Facility Name	Built	Area (sq ft)	Owner Type	Capital Resp.	O & M Resp.	5 Year FCI	5 Year Condition Score	10 Year FCI	10 Year Condition Score
Ops & Utilities	Construction Yard Admin Building	1973	2,099	City	City	City	38.00%	Very Poor	63.10%	Critical
Ops & Utilities	Public Works Yard Main Building	1981	37,954	City	City	City	33.40%	Very Poor	70.00%	Critical
Protective Services (Fire)	Enterprise Firehall No. 1	1975	25,553	City	City	City	33.40%	Very Poor	43.10%	Very Poor
Protective Services (Fire)	South East Kelowna Firehall	1974	3,251	City	City	City	32.10%	Very Poor	49.60%	Very Poor
Protective Services (Fire)	McKinley Landing Firehall	1993	1,442	City	City	City	17.80%	Fair	52.60%	Very Poor
Protective Services (Fire)	Mission Firehall No. 4	1974	5,457	City	City	City	17.30%	Fair	59.50%	Very Poor
Protective Services (Fire)	Water St. Firehall No. 2	1924	9,160	City	City	City	16.60%	Fair	59.80%	Very Poor
Protective Services (Fire)	Enterprise Communications Centre	2011	377	City	City	City	1.20%	Good	48.50%	Very Poor
Protective Services (Police, Bylaw & Security)	Kelowna Police Services Building*	2017	102,688	City	City	City	2.70%	Good	7.10%	Good
Protective Services (Police, Bylaw & Security)	Rutland Community Policing Office	1992	2,895	City	City	City	6.50%	Good	43.00%	Very Poor

SFMPv.1 Recommendations for Strategic Capital Planning review:

Operations Facilities:

1. **Public Works Yard Main Building**
2. **Construction Yard Admin Building**

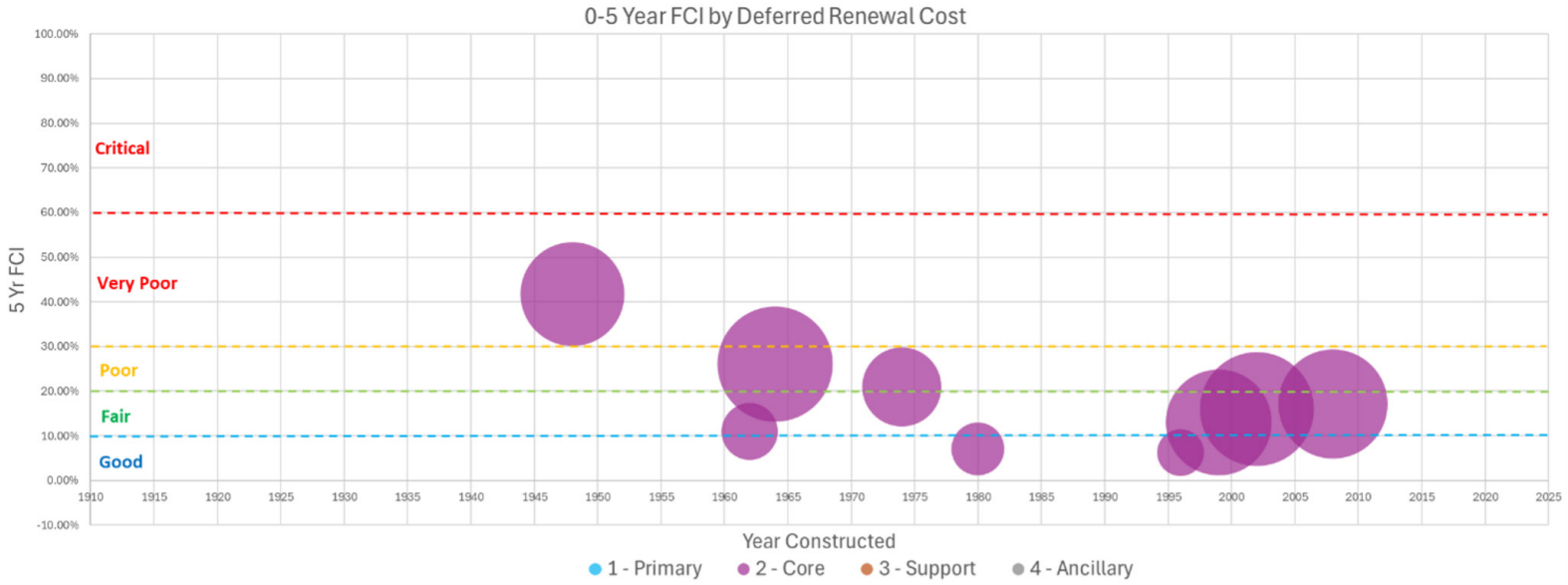
Protective Facilities: Fire:

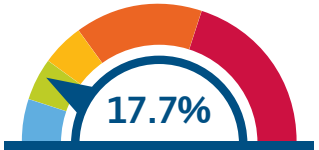
3. **Enterprise Fire Hall 1**
4. **Fire Hall 2**

Protective Facilities: Police:

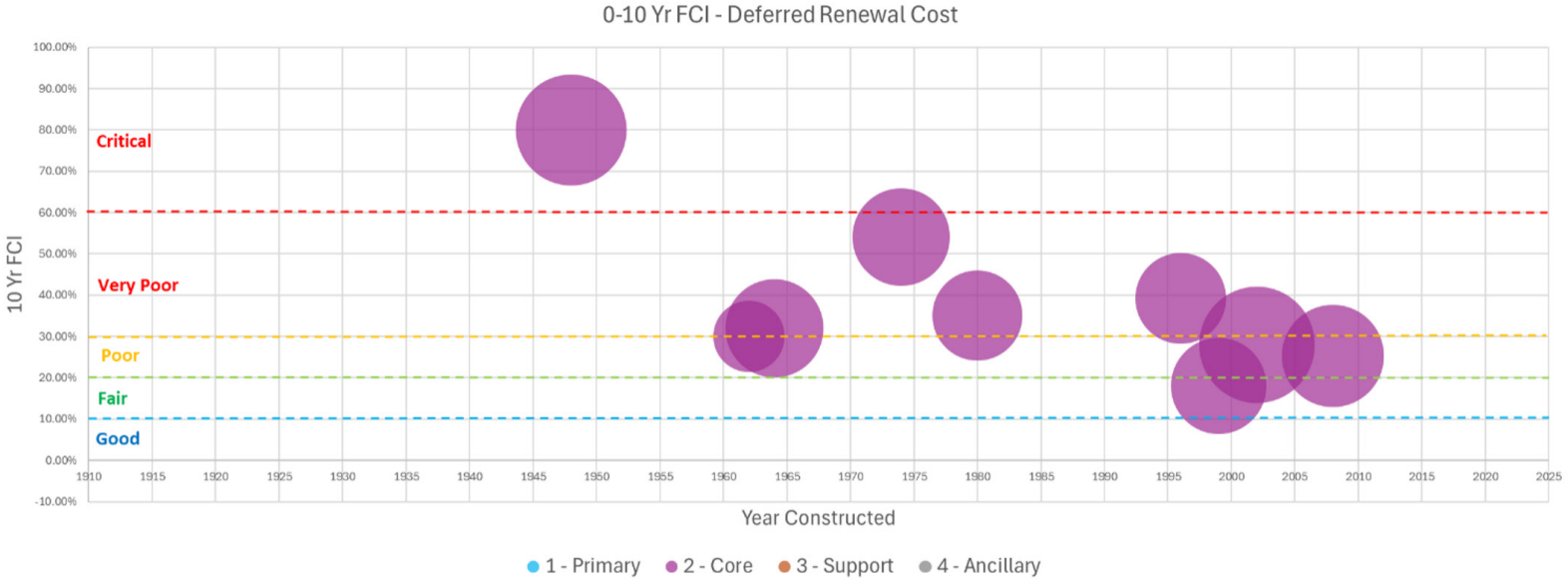
5. ***KPSB:** -FCI indicates facility in good condition, however current staffing growth projections indicate exceeding available space by 2028. A Police & Bylaw Services Master Plan is being undertaken to determine recommendations and next steps.
6. **Rutland CPO**

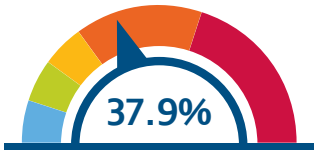
FCI Prioritized Inventory List – Core





Fair
5 year renewal cost:
$115.8 Million





Very Poor
10 year renewal cost:
$225.4 Million

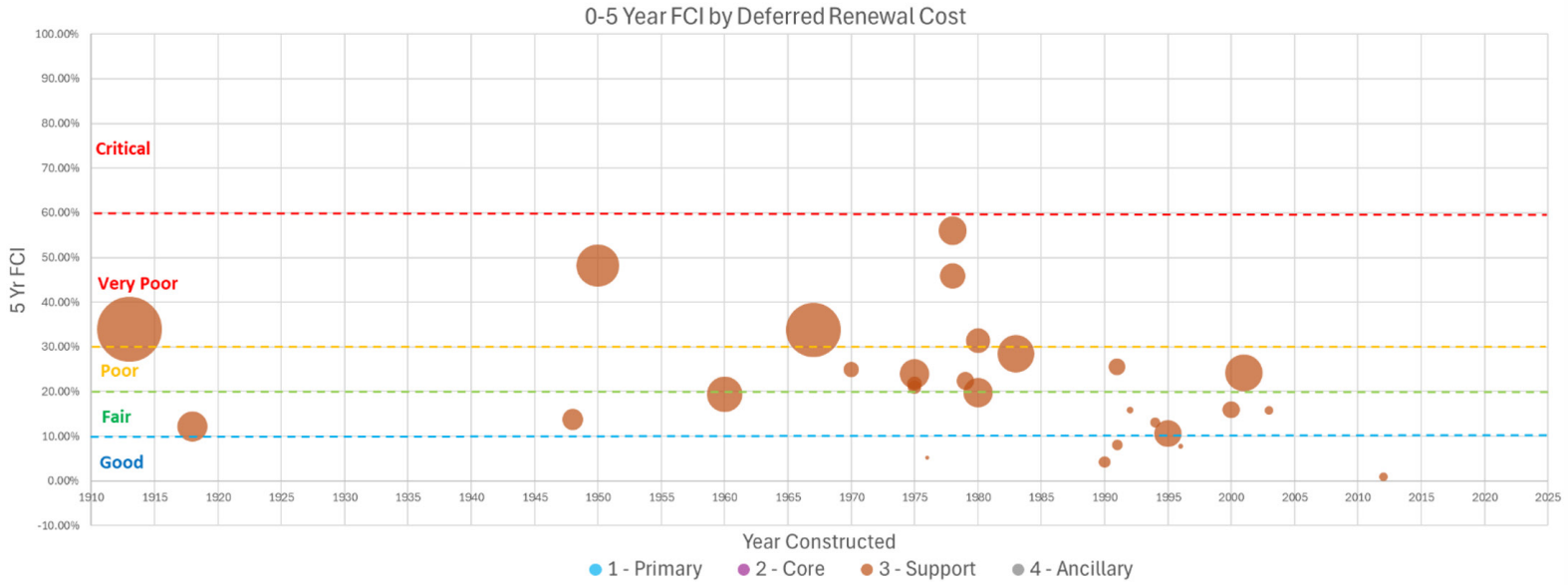
Service	Facility Name	Built	Area (sq ft)	Owner Type	Capital Resp.	O & M Resp.	5 Year FCI	5 Year Condition Score	10 Year FCI	10 Year Condition Score
Cultural	Kelowna Library	1996	58,792	City	City	3rd Party	6.20%	Good	39.20%	Very Poor
Recreational	Memorial Arena	1948	61,279	City	City	City	41.80%	Very Poor	80.00%	Critical
Recreational	Rutland Arena	1974	70,288	City	City	City	21.00%	Poor	54.00%	Very Poor

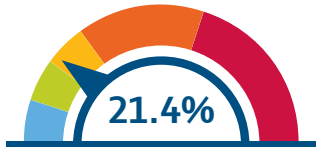
SFMPv.1 Recommendations for Strategic Capital Planning review:

Recreational

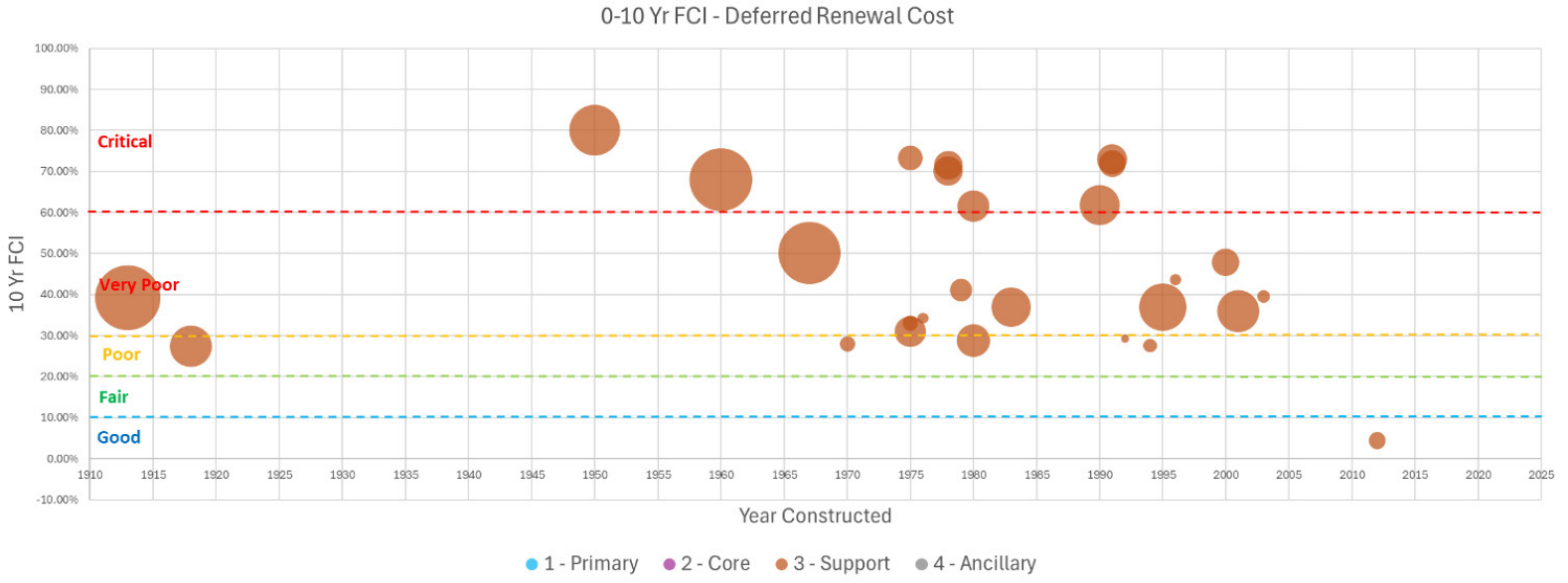
1. Memorial Arena
2. Rutland Arena
3. Partnership Opportunities (Apple Bowl, Prospera, MNP Place)

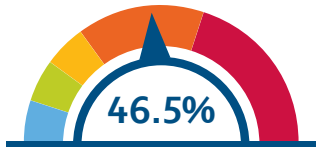
FCI Prioritized Inventory List – Support





Poor
5 year renewal cost:
$42.7 Million





Very Poor
10 year renewal cost:
$81.3 Million

Service	Facility Name	Built	Area (sq ft)	Owner Type	Capital Resp.	O & M Resp.	5 Year FCI	5 Year Condition Score	10 Year FCI	10 Year Condition Score
Ops & Utilities	Simpson House / Caretaker House	2003	1,302	City	City	City	15.80%	Fair	39.60%	Very Poor
Ops & Utilities	Facilities Headquarters	1990	8,148	City	City	City	4.30%	Good	61.80%	Critical
Ops & Utilities	Jack Brow Building	1996	915	City	City	City	7.70%	Good	43.60%	Very Poor
Recreational	Badminton Club	1950	10,000	Leased	City	3rd Party & City	48.20%	Very Poor	80.00%	Critical
Recreational	Downtown Boys & Girls Club	1913	17,943	Leased	City	3rd Party & City	34.00%	Very Poor	39.20%	Very Poor
Recreational	King's Stadium Beer Gardens	1980	5,005	Leased	City	3rd Party & City	31.40%	Very Poor	61.50%	Critical
Recreational	Cedar Creek Community Centre	1975	2,616	City	City	City	21.80%	Poor	73.30%	Critical
Recreational	Elks Stadium Grandstand/ Changerooms	1979	3,714	City	City	City	22.40%	Poor	41.10%	Very Poor
Recreational	Kinsmen Field House	1991	2,982	City	City	City	25.50%	Poor	71.90%	Critical
Recreational	Ben Lee Multi-use Building	2000	4,844	City	City	City	15.90%	Fair	47.90%	Very Poor
Recreational	Martin Education Centre	1960	17,674	Leased	City	3rd Party & City	19.40%	Fair	68.00%	Critical
Recreational	Kinsmen Quadplex	1991	3,843	City	City	City	8.00%	Good	73.00%	Critical

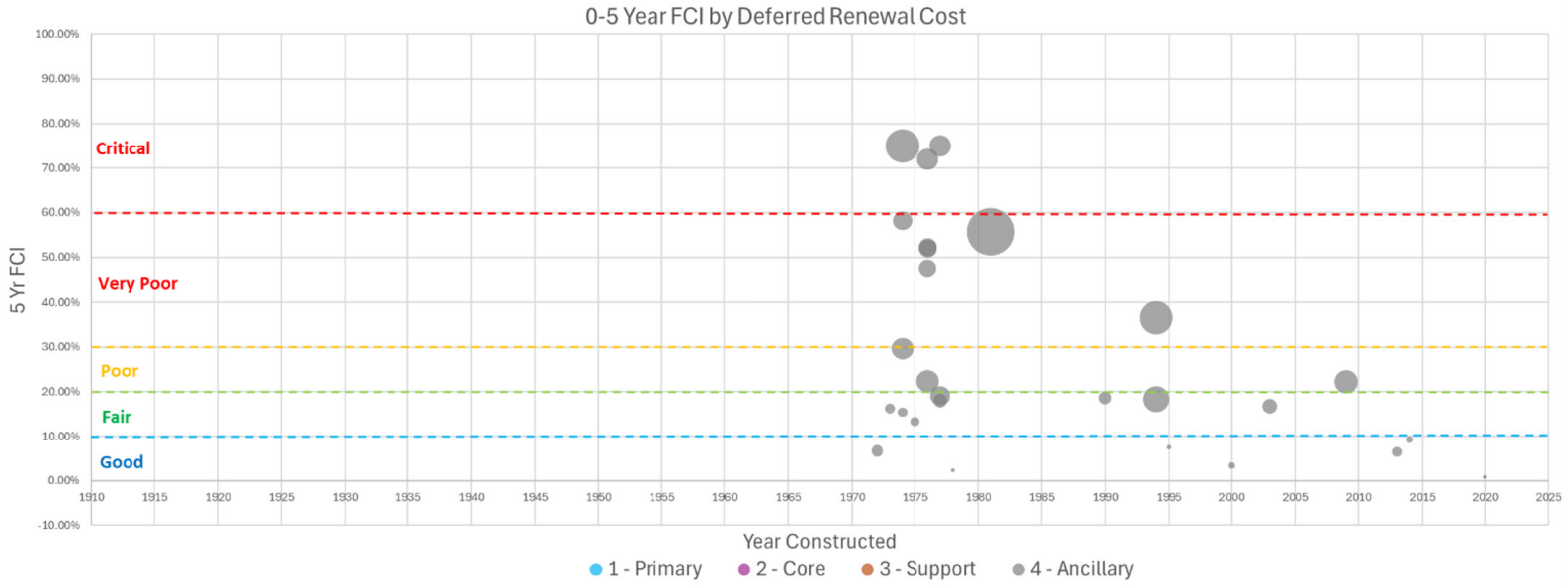
SFMPv.1 Recommendations for Strategic Capital Planning review:

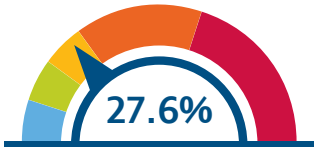
Operations Facilities:

1. **Parks Yard Head Office**
2. **Parks Yard Foreman Building**
3. **Facilities Headquarters**

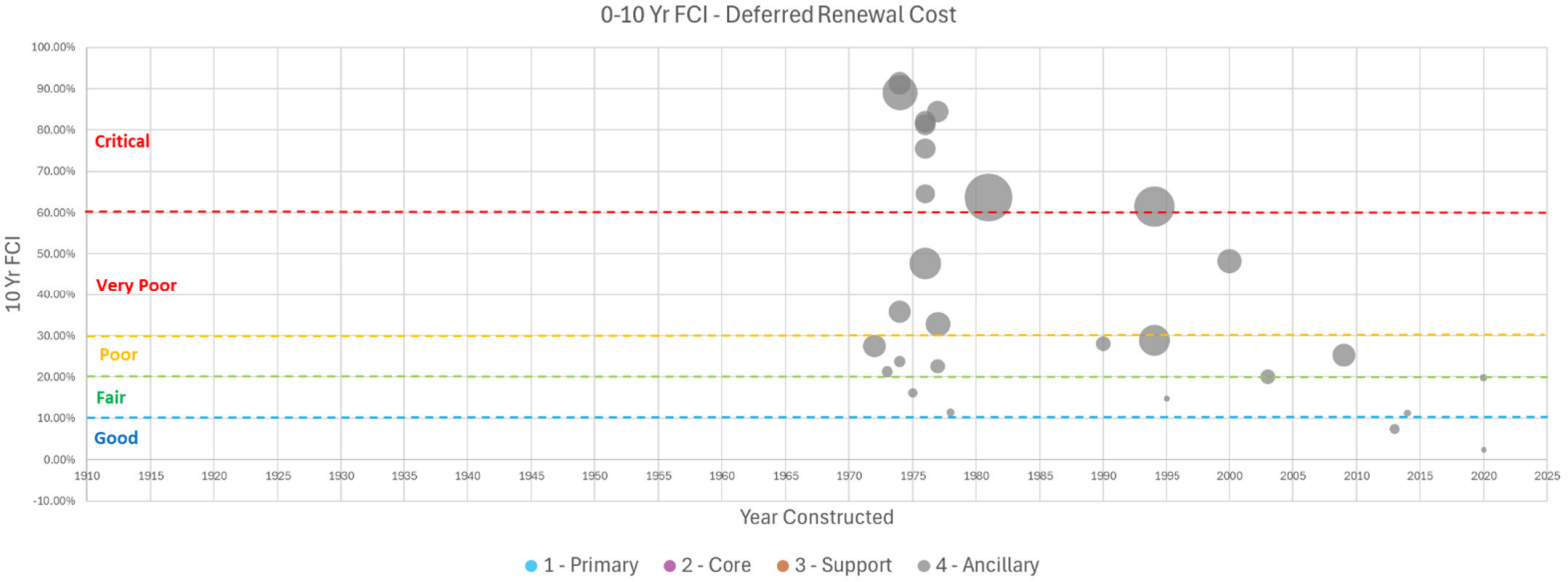
Recreational Facilities: To be reviewed with Active Living and Culture facility ranking and 3rd Party Facility Master Plan.

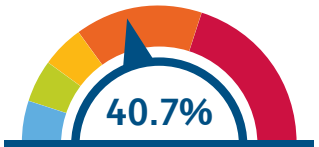
FCI Prioritized Inventory List – Ancillary





Poor
5 year renewal cost:
$4.3 Million





Very Poor
10 year renewal cost:
$6.3 Million

Service	Facility Name	Built	Area (sq ft)	Owner Type	Capital Resp.	O & M Resp.	5 Year FCI	5 Year Condition Score	10 Year FCI	10 Year Condition Score
Ops & Utilities	Public Works Truck Storage Building	1981	7,373	City	City	City	55.70%	Very Poor	63.70%	Critical
Parks	Rutland Lions Park Washroom	1977	312	City	City	City	75.00%	Critical	84.50%	Critical
Parks	Sarsons Beach Park Washroom	1976	312	City	City	City	72.00%	Critical	82.00%	Critical
Parks	King's Stadium Concession/ Washroom	1974	764	Leased	City	3rd Party & City	75.00%	Critical	89.00%	Critical
Parks	Belgo Park Washroom	1976	312	City	City	City	52.00%	Very Poor	81.30%	Critical
Parks	Kinsmen Park Washroom	1974	312	City	City	City	58.20%	Very Poor	91.30%	Critical
Parks	Strathcona Park Washroom	1976	312	City	City	City	52.20%	Very Poor	75.50%	Critical
Parks	Sutherland Bay Park Washroom	1976	312	City	City	City	47.50%	Very Poor	64.50%	Critical
Parks	Waterfront Park Washroom	1994	1,496	City	City	City	36.60%	Very Poor	61.40%	Critical
Parks	High Noon Washrooms and Concession	1976	1,141	City	City	City	22.40%	Poor	47.70%	Very Poor
Parks	Southeast Kelowna Stadium Washroom	2000	753	City	City	City	3.40%	Good	48.30%	Very Poor

SFMPv.1 Recommendations for Strategic Capital Planning review:

The investment decisions relative to Ancillary facilities are relatively small in comparison to the other categories. These facilities should rely on Standard Operation Procedures for renewal, maintenance or replacement.

FCI Protocol

An FCI protocol has been developed to describe the facility condition relative to FCI scale with a corresponding management strategy.

FCI Scale	Condition Description	Management Strategy
Critical (>60%)	• The facility is in critical condition, with widespread system failures and substantial safety risks. • Major building systems are beyond their service life and no longer viable for repair, requiring extensive rehabilitation or full replacement. • Routine operations and maintenance are no longer effective in sustaining functionality. • The facility may no longer be suitable for its intended purpose, necessitating serious consideration of decommissioning, demolition, or replacement.	• Obtain detailed demolition and decommissioning estimates, including environmental remediation and disposal costs. • Develop contingency plans to address service continuity due to imminent facility closure, including alternative service locations or temporary solutions. • Evaluate long-term strategic needs and determine whether continued investment aligns with organizational priorities. • Ensure transparency in decision-making by communicating risks, costs, and timelines to all stakeholders.
Very Poor (30-60%)	• The facility is in severely deteriorated condition, with numerous building systems at or beyond the end of their expected service life. • Frequent system failures and ongoing maintenance issues are significantly impacting operations. • Safety concerns, regulatory non-compliance, and operational inefficiencies are prominent, requiring immediate intervention.	• Develop an urgent response plan to address immediate safety and operational concerns. • Perform a cost-benefit analysis to assess major rehabilitation versus replacement. • Engage stakeholders to communicate service delivery implications, explore funding opportunities, and ensure transparency in decision-making. • Plan temporary mitigation measures to maintain service delivery while long-term solutions are implemented
Poor (20-30%)	• The facility is showing significant deterioration, with multiple building systems at or near the end of their expected service life, requiring urgent repair or renewal. • Safety risks or operational disruptions are becoming more likely due to system failures. • The facility is struggling to maintain compliance with regulatory, safety, or operational standards.	• Implement a risk-based approach to address critical deficiencies immediately. • Develop a comprehensive rehabilitation or replacement plan based on condition assessment findings. • Engage with stakeholders to discuss operational impacts, service delivery, and funding requirements. • Perform cost-benefit analysis of rehabilitation versus replacement to guide decision-making. • Review Facility Master Plans relative to Level of Service recommendations and forecasted facility enhancements.

FCI Scale	Condition Description	Management Strategy
Fair (10-20%)	• The facility exhibits noticeable wear and tear, with some building systems approaching the end of their expected service life and requiring rehabilitation or renewal. • Deficiencies are beginning to impact operational efficiency, user satisfaction, or regulatory compliance. • Deferred maintenance is becoming evident, leading to increasing future repair or renewal costs.	• Continue regular preventive maintenance while prioritizing emerging deficiencies. • Identify and address key systems requiring rehabilitation or renewal to prevent further deterioration. • Conduct detailed system-focused condition assessments as needed to refine maintenance planning. • Update the asset management plan to include short-term lifecycle replacement projects and funding strategies.
Good (0-10%)	• The facility is in good working order, with minor deficiencies that do not affect operations. • All major building systems are within their expected service life and functioning as intended, with minimal wear and no significant repairs anticipated. • Some building systems may require minor repairs or proactive upgrades to extend service life. • Fully complies with operational, health, safety, and environmental standards.	• Continue regular preventive maintenance to sustain the condition. • Evaluate opportunities for proactive upgrades to extend lifecycle performance. • Address minor repairs to avoid escalation into costly issues. • Update the asset management plan to include mid-term lifecycle replacement projects.

Facilities Maintenance Policy

Facilities maintenance is a critical component of the facilities lifecycle, ensuring the longevity and efficiency of the infrastructure. It involves inspections, various types of maintenance, and timely repairs of base building systems to meet levels of service and maintain optimal functionality and safety. By prioritizing maintenance, the City will reduce operational and capital costs, reduce energy consumption, minimize downtime, and preserve asset life. Maintenance activities are conducted under the constraints of available resources and at an acceptable lifecycle cost.

Maintenance Statements

The Facilities Department will:

1. Maintain facilities in a manner that adheres to health, safety and environmental standards mandated by applicable laws, codes, regulations and City of Kelowna policies.
2. Maintain facilities that support delivery of City services and a productive work environment for City staff.
3. Maintain efficient facilities by adopting practices that optimize their service life and operational performance at an acceptable lifecycle cost, consistent with corporate financial planning for the benefit of the community, the environment, and staff.
4. Enable effective and evidence-based decision making by providing necessary and sufficient information on facilities and facility maintenance activities in a timely and effective manner.

Guiding Principles

The fundamental facility maintenance principles are:

1. **Proactive Maintenance Approach**
   Prioritize preventative and predictive maintenance strategies to minimize unplanned downtime, extend asset life, and optimize operational efficiency. Ensure maintenance schedules are based on asset lifecycle analysis, usage patterns, and industry best practices to reduce long-term costs and maintain service continuity.
2. **Safety and Compliance Focus**
   Maintain all facilities in full compliance with applicable safety regulations, building codes, and environmental standards. Regularly assess and mitigate risks to ensure the health, safety, and well-being of employees, contractors, and the community. Promote a culture of safety by adhering to protocols and providing ongoing training for maintenance staff.
3. **Sustainability and Energy Efficiency**
   Continually review maintenance activities and incorporate sustainability and energy-efficient solutions where suitable. Focus on reducing energy consumption, water usage, and waste while adopting environmentally friendly materials and systems to support the building's long-term sustainability and compliance with climate goals.
4. **Data-Driven Decision-Making**
   Utilize maintenance management software and other facility data to track building performance, monitor maintenance activities, and analyze trends. Use data to prioritize repairs, allocate resources effectively, and make informed decisions about upgrades or replacements, ensuring cost-efficiency and improved building operations.
5. **Prioritization Based on Resources and Risk Evaluation**
   Allocate maintenance efforts by evaluating the criticality of facilities and building systems, the impact of potential failures, and available resources. Use a risk-based approach to prioritize tasks, focusing on safety, regulatory compliance, operational continuity, and cost-effectiveness. Ensure high-risk and high-impact issues are addressed promptly.
6. **Collaboration, Communication, and Information**
   Foster collaboration between Facilities staff, contractors, consultants, and stakeholders to ensure efficient service delivery. Provide clear communication channels for reporting issues, sharing updates, and discussing planned activities. Generate, retain, and share maintenance records and facility documentation to support current and future work activities.

Levels of Service

Three levels of service – Mandated Maintenance, Lifecycle Maintenance, and Extended Lifecycle Maintenance are strategically applied across the portfolio through the Facilities Maintenance Plan. This approach ensures effective maintenance by balancing fiscal stewardship, Council and Corporate priorities, and community needs. Maintenance activities are performed utilizing a combination of internal staff and external service providers to optimize efficiency, manage lifecycle costs, and ensure operational excellence while mitigating risk.

Mandated Maintenance – Level 1
Focuses on essential maintenance tasks required to address critical safety, compliance, regulatory or functionality issues. Minimal preventative measures are performed, and most activities are reactive.

Lifecycle Maintenance – Level 2
Includes mandated maintenance. Lifecycle maintenance aims to achieve the expected service life of the assets; it is a combination of reactive, routine, preventative, and predictive maintenance to ensure reasonable performance, reliability, and facility operations.

Extended Lifecycle Maintenance – Level 3
Includes mandated maintenance and lifecycle maintenance. Extended lifecycle maintenance emphasizes extending asset life beyond expected service life and maximizing asset performance through reliability centered maintenance and predictive data-driven maintenance strategies to further protect the value of the assets.

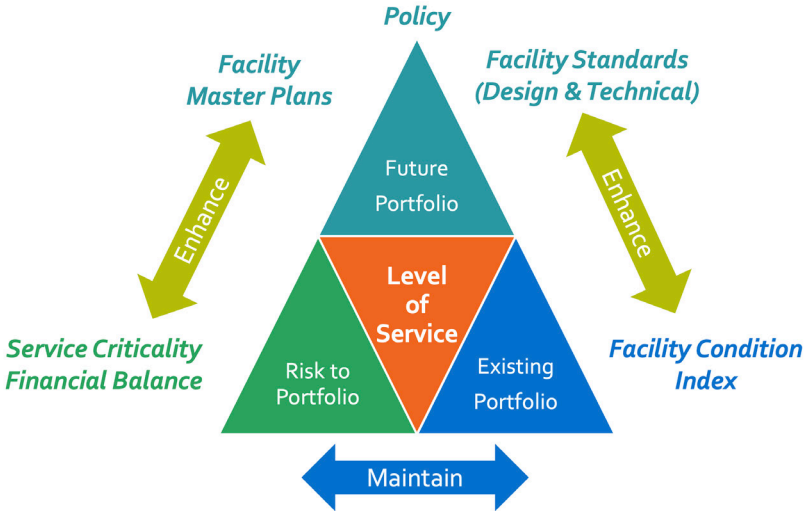
Guideposts for Development of Future Vision SFMPv.2

Level of Service

At the core of Future Vision is the Facility Level of Service (LoS). A correlation between the level of services being provided to the community and the corresponding facilities associated with these services will need to be developed for each Service Area. Levels of Service can be grouped into three categories:

1. **Operational:** Is the facility in good condition, safe and code compliant? Is the asset accessible to the people who need it?
2. **Service Provision:** Is the facility large enough to deliver the services? Are there enough of these facilities available for the community? Is it fit for purpose?
3. **Implementation:** When redeveloping an existing facility or constructing a new one, will its capacity adequately meet future demands? Is the service being provided cost effectively?

Developing an acceptable facility LoS will need to consider the suitability of the existing portfolio, the forecast for the future portfolio and the risks associated with the portfolio. The metrics for measuring the service level target and the analytics to determine if a facility is, below the LoS target level, meets the LoS target level or exceeds the LoS target should be developed for each Service Area as part of the FMP development. This calibration guides the balance of maintain versus enhance strategies in the Capital Plan, where maintain focuses on the risk associated with the renewal of the existing portfolio and sustaining existing services versus enhance which addresses the risk associated with future portfolio growth and improving services.



Facility Standards

Design and Technical Standards are created to provide City staff, consultant design teams, and service partners with comprehensive guidance based on insights from the construction and operation of existing facilities, as well as best practices and exemplary facilities from other municipalities. These guidelines set forth expectations, standards, and performance targets that future projects should consistently and uniformly meet, thus avoiding "one-off" or "first principles" approaches.

The standards aim to facilitate communication and understanding between the City's planning, maintenance, and operational teams, and the design and construction teams responsible for delivering future facilities. Furthermore, these standards offer guidance on the estimated costs associated with specific building typologies.

Technical Standards

The Facilities department completed the Facilities Technical Standards V.1 in May 2024.The Facilities Technical Standard aims to establish comprehensive building standards for the delivery, addition, and renewal of city-owned facilities, providing guidance to consulting teams preparing project documentation. It ensures quality control and consistent project delivery by considering the total Life Cycle Cost from concept to operation and disposal. Additionally, the standard seeks to mitigate long-term operational and maintenance costs by promoting the use of durable and efficient building systems and ensuring adaptability for future expansion needs to enhance the longevity of facilities over time.

Design Standards

The City currently lacks formal guidelines for facility design. The future Facility Design Guidelines aim to complement the Technical Standards by providing objectives, criteria, and guidance on the following:

General Design Considerations

- Sustainability (see Policy Below)
- Accessibility (see Policy below)
- Diversity Equity and Inclusivity
- Indigeneity

- Architectural Design

- Facility Specific Guidelines
  - Recreational
  - Cultural
  - Childcare
  - Protective (Fire, Police, Bylaw)
  - Civic
  - Public Washrooms (in-progress)

- Order of Magnitude Cost
  - Construction

Facility design plays a crucial role in creating vibrant focal points, inspired workplaces, and buildings that embody community values and instill civic pride. Thoughtfully designed facilities not only enhance the aesthetic appeal of a community but also foster a sense of belonging and identity among its residents. By incorporating elements that reflect indigeneity, local culture and history, these buildings can become landmarks that instill pride and unity. Moreover, well-designed workplaces can inspire creativity and productivity, providing environments where employees feel motivated and valued. The integration of sustainable and innovative design practices ensures that these facilities are not only functional but also resilient and adaptable to future needs. Ultimately, facility design that prioritizes community engagement and inclusivity can transform spaces into dynamic hubs of activity, fostering social connections and enhancing the overall quality of life for all members of the community.

Risk to the Portfolio

Identifying and mitigating risks to services is crucial in defining the acceptable Level of Service. It is important to consider whether our facilities provide services at the level expected by the community, the likelihood of a service interruption, the known consequences of service failure, and the costs associated with mitigating these risks. In this context, risk to the Future Vision involves Service Criticality and Financial Balance:

Service Criticality

Determining the service criticality of facilities, ensures that consideration is appropriately allocated relative to the service provided to the community. Primary services, like fire, police, public works, utilities and administration are essential to the health, safety, resilience and the stable governance of the community. Core services, like recreation centers, cultural facilities and libraries, play a crucial role in community well-being, while Support services, such as activity centres, enhance the quality of life. Understanding service criticality helps allocate resources effectively to maintain and enhance vital services, ensuring uninterrupted service delivery.

Prioritizing investments based on service criticality in combination with identifying and addressing high-risk facilities, ensures that resources are allocated efficiently to maintain and enhance vital services.

Risk rating of facilities based on service criticality is a key factor in prioritizing investments. Facilities providing critical services are given higher priority for maintenance and renewal to ensure uninterrupted service delivery. For example, facilities with an FCI greater than 60% are considered high risk and may require immediate action, such as initiating a replacement or divest plan. Prioritizing critical services and pro-actively addressing facility conditions, capacity and suitability ensures that municipal facilities remain resilient, sustainable, and capable of meeting the community's needs now and in the future. Refer to **Appendix I** Draft Risk Rating Matrix.

Financial Balance

Financial balance involves carefully weighing costs, benefits, and risks to determine the facility portfolio's future vision and selecting optimal investment strategies to guide the decision to maintain, enhance, replace, or dispose. By understanding the total cost of ownership and service costs, we can make informed decisions for long-term financial stability. Prioritizing investments based on service criticality and addressing high-risk facilities ensures that resources are allocated effectively.

Guidelines and Policy

Developing and establishing facility-specific policies and guidelines will ensure a uniform, consistent, and reliable source for direction to streamline decision-making and thereby accelerate the delivery of renewal and capital facility projects. In today's rapidly evolving urban landscape, municipalities must adopt comprehensive guidelines and policies that address Council and Corporate priorities.

For example, Council has declared a climate emergency; by implementing robust climate action strategies, such as the Climate Resilient Kelowna Strategy and the Strategic Energy Management Plan, we can significantly reduce greenhouse gas emissions and foster resilience against climate impacts. Prioritizing accessibility within public facilities is essential to guarantee equitable access for all community members, reflecting our commitment to inclusivity. Furthermore, maintenance policies are crucial to preserving the functionality and longevity of municipal infrastructure, thereby safeguarding the delivery of vital services to the community.

Below are three examples of facility related policies that address these concerns:

Taking Action on Climate Change

Climate action and environmental stewardship is a Council priority, and the City supports this priority by working towards reducing greenhouse gas emissions in line with community and corporate targets. On the community front, the *Climate Resilient Kelowna Strategy* (CRKS) was adopted in September 2024 and outlines actions to put us on a path to reduce community greenhouse gas (GHG) emissions while helping us become more resilient to climate change impacts. On the corporate side, *The Strategic Energy Management Plan* (SEMP) is the City's comprehensive guide to enhancing energy efficiency, reducing corporate GHG emissions, and fostering a sustainable future. Both strategies aim to reduce emissions by 40% below 2007 levels by 2030 and reach net zero emissions by 2050.

Buildings significantly contribute to greenhouse gas (GHG) emissions and energy consumption at both community and corporate levels, accounting for 40% of community emissions and over half of corporate emissions. Consequently, achieving reductions in this sector is essential for the City to meet its GHG emissions reduction targets. As a rapidly growing city, renovations and new construction provides an opportunity to establish low-emission, energy-efficient, and resilient buildings that will benefit future generations.

Recognizing the importance of decarbonizing new buildings and demonstrating leadership through climate action initiatives, stringent performance standards and climate resilience factors must be incorporated into the design and construction of new civic facilities.

The following are the recommendations for new civic facilities with a conditioned gross floor area of 10% or more:

- Achieve the **Zero Carbon Building Design Standard** and LEED Gold certification or higher, including pursuing credits for 'Bicycle Facilities' and 'Electric Vehicles', climate resilience design credits, and ensuring building commissioning with operator training and recommissioning within 6-12 months of occupancy.
- Comply with the highest required Step of the BC Energy or Zero Carbon Step Code.

- Align with the 2040 Official Community Plan.
- Utilize the Zero Carbon Building Design Standard workbook for embodied carbon design.
- Include primary energy measuring devices and sub-metering infrastructure.

Accessibility Plan

In accordance with the Accessible British Columbia Act, City staff is in process of finalizing the City of Kelowna Accessibility Plan in collaboration with the Accessibility Advisory Committee. The Committee consists of community members and is an advisory committee of Council that will make recommendations on how the City can identify, remove and prevent barriers to the full and equal participation of people with disabilities. The committee is responsible for the following:

- Advise the City in the development of and updates to its Accessibility Plan;
- Advise Council as it establishes priorities, develops policies and plans, and implements programs related to accessibility;
- Assist the City with identifying barriers related to civic infrastructure including municipal services and online resources;
- Advise the City on a process for receiving comments from the public on the City's accessibility plan and barriers to individuals in or interacting with the organization; and
- Accessibility related matters as referred by Council.

In developing and updating the Accessibility Plan, the following principles must be considered:

- inclusion;
- adaptability;
- diversity;
- collaboration;
- self-determination;
- universal design.

Facilities Maintenance Policy

The Facilities department has developed a Facilities Maintenance Policy to be applied to all base building systems of municipal facilities managed by the department. The purpose of the policy is to ensure that all maintenance activities of municipal facilities are carried out in a proactive manner to meet levels of service, ensure safety, minimize downtime, reduce energy usage, and improve asset longevity within the constraints of available resources and at an acceptable life-cycle cost. Refer to **Appendix E**.

The policy is founded on three guiding principles:

- Pro-active Maintenance and Risk Based Prioritization
- Safety, Compliance and Sustainability
- Data Driven Decision-making and Collaboration

The SFMPv.1 is committed to exploring facility related guidelines and policy frameworks for future consideration. It must be noted that there are implicit cost premiums as well as potential cost savings associated with implementing these guidelines and policies and will be integral in their development.

Data Governance

The Future Vision will rely on the collection, analysis and interpretation of facilities related data. At present, this is primarily the Facility Condition Index data and associated renewal costs. In future, other data collection relative to facility use, capacity and costs will be integrated to arrive at a comprehensive data-driven decision-making process.

Key components of data-driven decision making include:

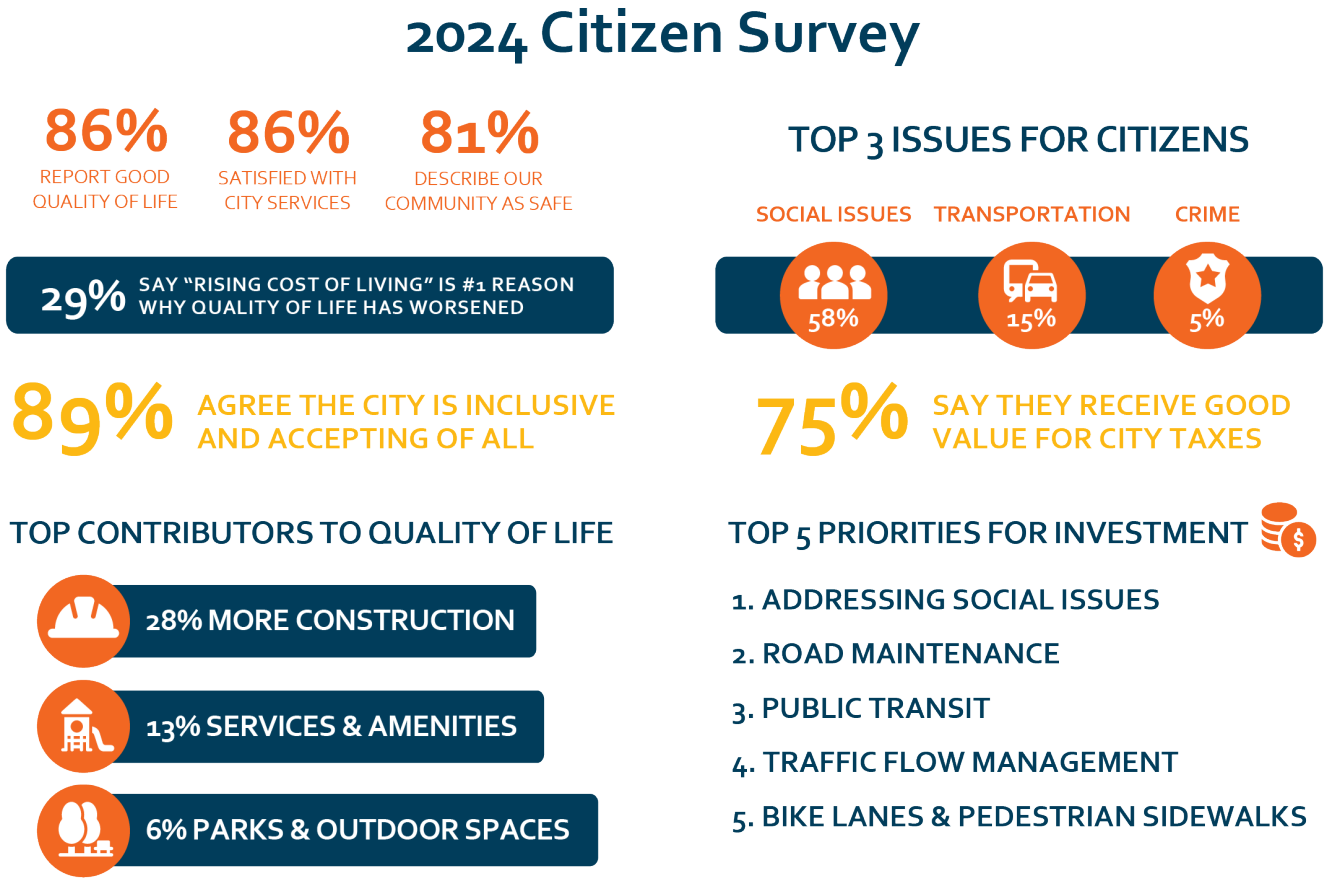
- Access - Data is a corporate asset and the sharing of data is a keystone of data driven decision making. Establishing a "one source of truth" approach will enable the integration of effort across the organization.
- Comprehensive data collection - Gathering accurate and relevant facilities data from various sources and the commitment to keep data accurate, relevant, and valuable.
- Rigorous analysis- Employing statistical and qualitative methods to interpret data.
- Evidence synthesis - Integrating findings to form a coherent basis for decisions.
- Continuous monitoring - Tracking outcomes to refine and adapt strategies as needed.

Community Survey

SFMPv.1 considered the results of community engagement conducted in the preparation of the Cultural Facilities Master Plan, the Indoor Recreation Facilities Framework and most recently the results from the 2024 Citizen Survey which revealed that 86% of respondents were satisfied with the overall level and quality of services provided by the city. Additionally, 81% of respondents described the community as being safe.

The survey highlighted that citizens prioritize renewing existing infrastructure over building new infrastructure, with 56% favoring renewal. Top issues identified by respondents included social concerns (40%), transportation (39%), and growth and development (15%).

Insights gained from the Citizen survey are gathered every two years and guide the City to make important decisions regarding planning, budgeting, and service improvements.



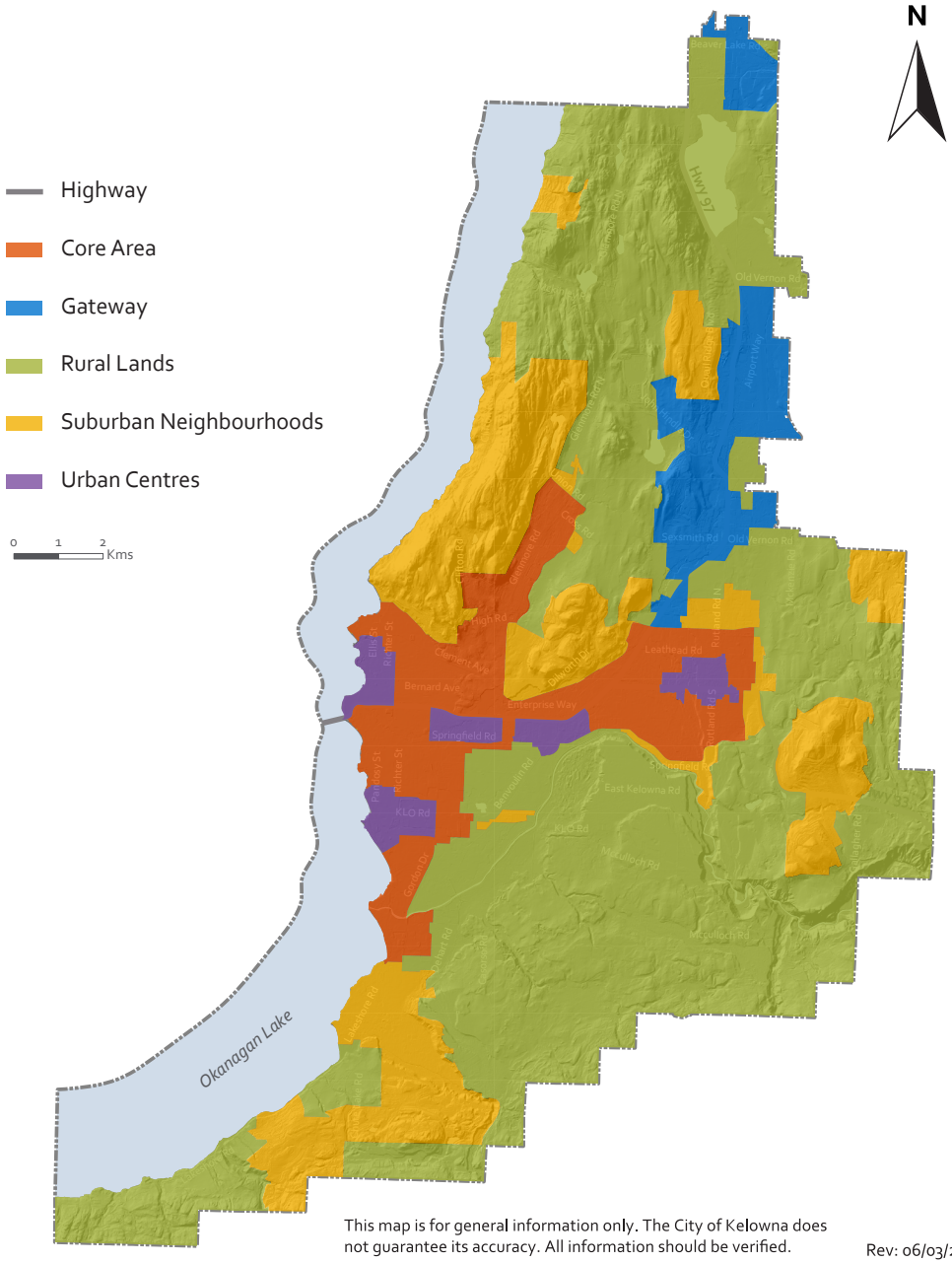
2041 OCP Growth Strategy

The facility portfolio and the services provided thru them contribute to the shaping of our community and support strategic outcomes. Pro-actively aligning the SFMPv.1 with the forthcoming 2041 Official Community Plan (OCP) and the Growth Strategy Districts update is essential for ensuring that municipal facilities are optimally located to anticipate future service needs and support the goal for a compact and complete community.

SFMPv.1 must evaluate the suitability of the existing facility portfolio relative to its ability to accommodate growth and future demands. This integration will assist in identifying the optimal locations for future facilities and services within the forecasted 2040 OCP growth districts. By considering how services are provided and accessed by the community today, and how they may be provided or accessed in the future, by doing so we can make informed decisions that align with the community's vision and growth strategy.

SFMPv.1 presents opportunities to strategically locate and co-locate services, and to achieve synergies and economies of scale in determining the optimal investment strategy for future service delivery that meets the needs of a growing and dynamic community.

This approach ensures that investments are directed towards facility strategies that support sustainable and resilient service delivery, ultimately enhancing the quality of life for all residents.



This map is for general information only. The City of Kelowna does not guarantee its accuracy. All information should be verified.

Rev: 06/03/2024

Draft Facilities Risk Rating Template

Facility	Risk	Likelihood	Impact	Risk Level	Comment
XYZ	Major Earthquake	4	16	64	Service disruption certain and immediate - depending on severity potential to be prolonged
	Major Fire	4	16	64	Service disruption immediate and lasting weeks
	Severe Weather	4	8	32	Crew deployment may be slightly delayed but assumed manageable
	Health (mold/vermin /etc)	5	8	40	Disruption due to staff re-location
	Envelope Failure	4	4	16	Recurring but manageable, dispuptions localized
	Systems Failure	3	8	24	Renewals mitigated, but major systems require significant investment
	Equipment / Vehicle Failure	3	8	24	Inadequate requires managed mitigation
	Personal Injury (layout)	4	8	32	Requires constant monitoring due to congested site, improvements required
	Limit to Productivity / Flexibility to Change	5	8	40	Increased staffing and service level expectations impacting operations
	Staff morale / engagement	4	8	32	Management required
	Financial	4	8	32	FCI indicates significant degradation and renewal costs
	Average	4	9.09	36.36	**High Risk**

Likelihood		Impact				
		Insignificant	Minor	Moderate	Critical	Catastrophic
		1	2	4	8	16
5	Frequent	5	10	20	40	80
4	Probable	4	8	16	32	64
3	Occasional	3	6	12	24	48
2	Remote	2	4	8	16	32
1	Improbable	1	2	4	8	16

Average	Risk Rating
40 to 80	Critical
17 to 39	High
10 to 16	Medium
3 to 9	Low
1 to 2	Negligible

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