

# CAPITAL PLAN



CITY OF VANCOUVER

## What is a Capital Plan?

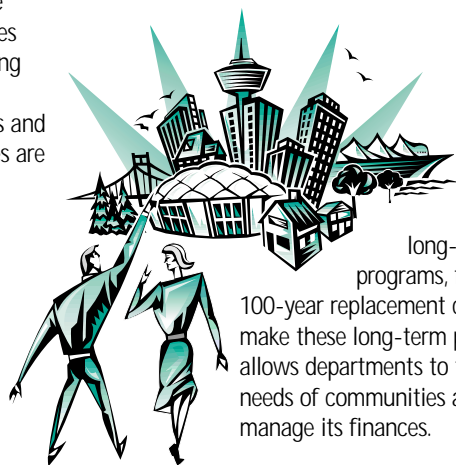
The Capital Plan is the City of Vancouver's plan for spending on our infrastructure, buildings and major community support programs for the next three years. The plan explains what programs are proposed and how much they will cost. It's essentially a long-range budget that establishes priorities for the maintenance, renewal and upgrading of City facilities and services.

### It's like running your household, only bigger

The City provides its residents with a wide variety of public services ranging from ones you see and use everyday, such as supplying water and fire protection, to long-range services such as preparing for earthquakes and other disasters. The costs for these services are divided into two categories:

The **ANNUAL OPERATING BUDGET** pays for the day-to-day running of the city. Costs in the operating budget would be similar to your everyday household expenses, such as the costs of utilities for your house and your groceries. Expenses in this area cover the basics such as water and liquid waste services and police and fire protection.

The **CAPITAL BUDGET** is where we pay for the infrastructure and buildings that the City uses to provide these services. It pays for major projects such as reconstructing streets; building and improving public facilities like community centres, parks, fire halls, libraries and bridges; and maintaining the City's sewer and water systems.



Ensuring our infrastructure is in good shape to deliver service in the future requires planning today. That's why the City approaches capital expenditures with a long-term view, just as you would plan major expenditures.

### Why we need a Capital Plan

While most of the City's capital expenditures are developed on a long-term basis (the sewer and waterworks programs, for example, are managed on a 100-year replacement cycle), we use the Capital Plan to make these long-term programs more manageable. It also allows departments to tailor programs to the changing needs of communities and it allows the City to better manage its finances.

Each Capital Plan consists of projects from City departments such as Engineering, Parks, Community Services, Library, Fire and Police. City Council decides how much the City will spend and which projects will be included in the Capital Plan. However, if these expenditures are to be paid for with borrowed money, Council must seek approval from eligible voters in Vancouver.

## How is the Capital Plan Developed?

City Council has set a limit of \$260 million for the proposed 2003-2005 Capital Plan. This is the amount of money City taxpayers will be asked to spend. This amount includes \$44 million for the waterworks capital program and \$216 million for the balance of the program. These targets were established based on City policies that limit the amount and growth of our debt and the impact of the capital program on property taxes. City departments submitted funding requests exceeding \$425 million. These requests were reviewed by a staff team, which short-listed these requests based on existing Council policies, departmental plans and future service requirements. The recommended draft Capital Plan was presented to Council in June. City Council will consider public input on the draft allocation during August and September. The projects to be included in the final Capital Plan will be decided by Council on October 1, 2002.

### Public Feedback

The City is looking for your input on the capital priorities indicated in the draft Capital Plan. Let us know what you think by completing the questionnaire on the back page or filling out an online version at our Web site:

[www.city.vancouver.bc.ca/capitalplan](http://www.city.vancouver.bc.ca/capitalplan)

Before City Council makes its final decisions on the Plan, a special meeting will also be held to hear presentations from the public:

**Tuesday, September 17, 2002, 7:30 pm**  
**Council Chamber, Third Floor**  
**City Hall, 453 West 12th Avenue**

### Referendum

Once the plan is finalized, an election guide summarizing which projects are included will be mailed to everyone eligible to vote in the municipal election on November 16, 2002. At that time, voters will be asked whether or not the City should borrow money for the projects in the plan. If these questions are approved, the projects in the plan will be initiated over the next three-year period.

### Financing Growth

The demands on the Capital Plan for new and enlarged facilities are significant and there is limited funding to pay for the things the community needs. Where these demands arise because of population growth, alternative funding sources are possible that will allow the City to meet the demands without burdening taxpayers. If you're interested in the topic, you can find more information in the City's Financing Growth Report. This report outlines some options for paying the costs related to growth and presents policy choices such as how much of the funding for growth should come from charges on new development.

For more information on the Financing Growth Report, call 604-873-7408 or visit:  
[www.city.vancouver.bc.ca/financegrowth](http://www.city.vancouver.bc.ca/financegrowth)

## Difficult Choices

### HOW TO SPEND CAPITAL FUNDS

As with any household, the City has an endless list of projects we'd like to undertake. Since we can't afford to do everything, we have two decisions that need to be made. First, we must decide how much we can afford to spend. Next, we have to find a reasonable balance between how much of our money should be spent on maintaining the quality and safety of our existing infrastructure (such as roads, sewer systems, buildings) and how much on making improvements (such as more bike routes, new parks, more trees planted). Over recent Capital Plans, for every dollar of capital spending, about 75 cents goes to maintaining what we have, and the other 25 cents goes to new projects that meet the needs of our rapidly growing and changing city.

### HOW MUCH CAN WE AFFORD?

Just as there are limits to how much you can spend to maintain or upgrade your home, there are limits on how much the City can afford to spend in each Capital Plan to take care of our infrastructure. Setting limits on our capital spending ensures that only the highest priority work is undertaken and that the costs remain within your ability to pay – since, like operating expenditures, capital expenditures are also paid by citizens through property taxes.



Like you, when the City borrows money for capital expenditures, we are required to repay it in an orderly fashion. Each year, our operating budget makes full provision for the principal and interest costs associated with our debt. We avoid funding crises because we are careful with our debt and we plan ahead. Having good fiscal policies is one of the main reasons why the City of Vancouver holds a AAA credit rating, the highest available. This means we get the lowest possible interest rates when we do borrow.

The 2003-2005 Capital Plan proposes to spend up to \$260 million. Our projections indicate that, at this level of capital expenditure, there will be minimal impact on property taxes – one of the primary criteria for establishing the limits of our capital expenditure program.

### WHERE DOES THE MONEY COME FROM?

Operating costs are primarily paid for through the annual property taxes paid by homeowners and businesses in the City. The City is required to maintain a balanced budget, so each year the City raises enough revenue to match its operating expenditures.

The City raises capital funds through a variety of sources. Of the total capital expenditure program of \$260 million, \$44 million will come from water system user fees; \$45 million will be paid by current taxes; \$12 million will come from developer contributions; and the balance – about \$159 million – will come from our borrowing program or reserve funds. These City funds will attract another \$70 million from outside sources, bringing total capital spending to \$330 million.

# #1 KINGSWAY:

## A New Community Facility in Mount Pleasant

One of the key components of the 2003–2005 draft Capital Plan is a new civic facility in Mount Pleasant.

The project brings together:

- A new 31,000 square foot Mount Pleasant Community Centre.
- A new 12,000 square foot Mount Pleasant Branch Library.
- A new 6,800 square foot childcare centre.
- Up to 73,000 square feet of market rental housing.

To be constructed at the corner of Kingsway and Main Street, this facility will greatly enhance civic facilities in the community, providing a new model of integrated service delivery and the capacity to serve a growing population. This project brings together funding from several sources including the 2003–2005 Capital Plan, developer contributions and the City's housing funds.

For more information about the #1 Kingsway project, visit: [www.city.vancouver.bc.ca/ctyclerk/cclerk/020625/rr2c.htm](http://www.city.vancouver.bc.ca/ctyclerk/cclerk/020625/rr2c.htm)

# PUBLIC WORKS

## Overview

Public works projects, such as upgrading or adding to Vancouver's streets, sidewalks, street lighting, sewers and waterworks, make up the largest portion of Capital Plan spending. These projects ensure that aging infrastructure is replaced and upgraded, and that as Vancouver grows, our systems are capable of handling the new demands. Updating and adding to our infrastructure protects public health and safety and maintains the environmental and economic well being of our city.

The City of Vancouver has long-term replacement plans that spread out the costs of projects over a number of years. This is the most effective and economical way of taking care of our city's infrastructure. Systems such as sewers and waterworks are renewed on a program that replaces one per cent of the system per year, ensuring old infrastructure is replaced before it fails.

The Capital Plan also invests in projects that improve the quality of life in the city, such as better paths for pedestrians and cyclists; traffic diverters and street lighting; and other safety improvements. These projects help ensure that Vancouver continues to be one of the most livable cities in the world.

## How much is needed?

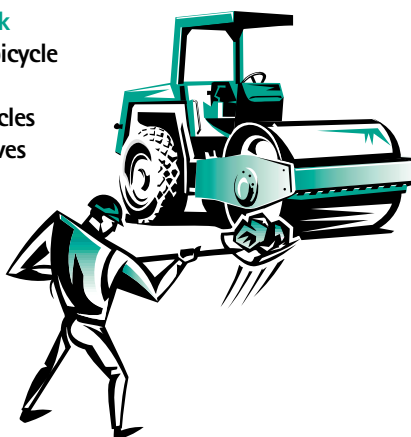
### \$70.1 million for improvements to the street and transportation network

- \$19.4 million for improvement and safety upgrades of pedestrian, bicycle and transit routes, and Greenways
- \$7.4 million to upgrade the Burrard Bridge for pedestrians and bicycles
- \$13.2 million for local area street improvements and traffic initiatives
- \$13.8 million for major street maintenance, including bridges
- \$7 million for street lighting and communications
- \$5.5 million for traffic signal construction and replacement
- \$1.9 million to upgrade the aging public works yard facilities

### \$58 million for sewer replacement and pollution reduction initiatives

### \$43.9 million for waterworks system projects

- \$28.4 million for water system replacement
- \$11.6 million for increased water system capacity, fire protection and emergency planning
- \$3.9 million for system monitoring and water quality projects



## How will the money be used?

### Streets Projects

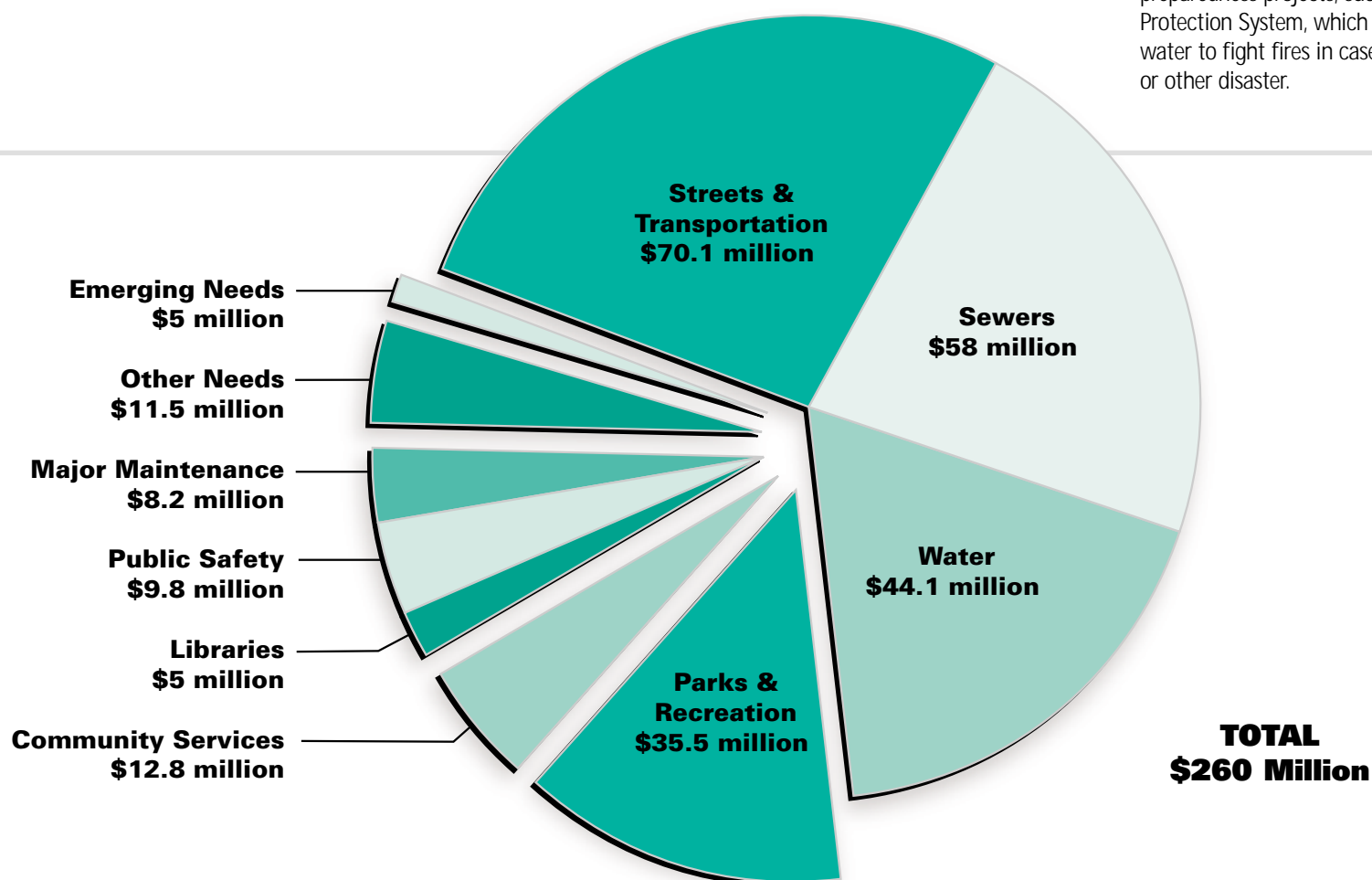
- Improvement and renovation of residential streets, major roads, and bridges.
- Major upgrading of the Burrard Bridge to accommodate pedestrians and bicycles.
- New and enhanced sidewalks and bus stops; additional curb ramps; expanded bicycle networks and Greenways.
- Upgrade and replacement of traffic signals, poles, street and lane lighting for pedestrian and driver safety.
- New left-turn bays, corner bulges and traffic diverters.

### Sewers

- Continuation of the one per cent per year sewer replacement program to reduce flooding and pollution problems.
- Continuation of the separation of the sanitary sewer and storm water programs to reduce combined sewer overflows.
- Expansion of the sewer inspection program to identify priorities for replacement programs and help reduce future costs.

### Waterworks

- The city's waterworks system is paid for by user fees, not property taxes. While the waterworks plan is included in the overall Capital Plan, it is not included within the \$200 million limit.
- Continuation of the water system replacement program, which maintains facilities to meet demand and water quality standards.
- Expansion of the current system to address population growth, improve water pressure, and increase firefighting capacity.
- Continuation of funding for emergency preparedness projects, such as the Dedicated Fire Protection System, which provides high-pressure water to fight fires in case of a major earthquake or other disaster.



# PARKS and RECREATION

## Overview

The Board of Parks and Recreation cares for and oversees programming in more than 200 parks with a total area of 1,279 acres, and 246 indoor recreational facilities and buildings. Capital funding pays for the upgrade and replacement of existing facilities and provides additional amenities for Vancouver's growing population.

## How much is needed?

\$26 million in City funding plus \$9.5 million in outside funding

Funding to be allocated to specific areas by Park Board.

## How will the money be used?

- Replacement and upgrade of Mount Pleasant Community Centre.
- Development of a new community indoor pool at the Killarney Centre.
- Maintenance and upgrades of parks and other recreational facilities, including community centres, playing fields and pools.
- Acquiring more park space in neighbourhoods with few parks or fast growing populations.
- Further development of Hastings Park, including the addition of viewing areas, Tai Chi courts, formal gardens, and stream/pond extensions.

- Maintenance in major parks, such as Stanley Park and Queen Elizabeth Park, and continued forest regeneration in the parks.
- Continuation of the street trees program to help improve air quality and enhance the beauty of our city.



# COMMUNITY SERVICES

## Overview

The City provides an extensive range of social, cultural, housing and childcare programs and facilities that must be maintained and expanded to respond to the needs of our growing and changing communities. Capital funding by the City is an investment as much as an expenditure. The money we spend on community services often generates matching funds for projects by other levels of government or private sources which enhance the facilities that the City can provide on its own.

## How much is needed?

\$9 million in City funding plus \$3.8 million in outside funding

- \$4.5 million for social, childcare and cultural facilities, including \$2.3 million for a new childcare facility.
- \$5 million for affordable housing projects.
- \$2.5 million for Downtown Eastside revitalization initiatives to be partnered with federal and provincial funding under the Vancouver Agreement.
- \$0.75 million for the Public Art Program.



## How will the money be used?

### Affordable Housing

- Developing and acquiring housing projects for low income families and singles.
- Continuing City commitments to provide affordable housing in partnership with the provincial government and community interests.

### Social, Cultural, and Childcare Facilities

- Development of a new childcare centre at #1 Kingsway.
- Maintenance and improvement of City-owned social, day care and cultural facilities, and a grant program for non-City-owned facilities.

### Downtown Eastside

- Working with the federal and provincial governments under the Vancouver Agreement to rehabilitate the Downtown Eastside.
- New community space for outdoor programming; improvements to pedestrian connections, and to Pioneer Square (Pigeon Park) and Victory Square.
- Developing public and private partnerships to stimulate new business in the Downtown Eastside.

### Other

- Continued funding for the Civic Public Art Program, which aims to bring art to the citizens of Vancouver, and to creatively combine public open space with art.

# EMERGING NEEDS

## Overview

A portion of capital funds are set aside for emerging needs which may become priorities during the 2003-2005 Capital Plan and to provide for the costs of the borrowing program that we can't anticipate now.

## How much is needed?

\$5 million for emerging needs



# OTHER NEEDS

## Overview

The City has an increasing reliance on information systems and electronic communications to manage our business. Improving service to the public depends on sustaining and upgrading this infrastructure. Council has made a significant commitment to the use of these tools, but to move ahead we need to replace obsolete equipment, increase system capacities; implement processes, tools and standards to manage increasing complexity and cost; and build in robustness to ensure information integrity and system availability.

## How much is needed?

\$11.5 million in City funding

## How will the money be used?

- \$5 million to expand data and voice communications to over 100 civic facilities, replace obsolete computer equipment; and provide improved back-up capabilities.
- \$2.5 million to replace the City's 30 year-old major billing systems to improve customer service and improve collection capabilities.
- \$4 million to upgrade applications that manage the City assets and provide management information to ensure maintenance expenditures are optimized.

# CIVIC FACILITIES

## Overview

Civic facilities provide a wide range of functions and services for Vancouver residents. Your local fire hall, police station, library, and City Hall are all civic facilities that need to be maintained and improved to better serve us all. Investing in the facilities used by Fire and Rescue Services and the Police Department helps their members better protect lives and property and maintain the safety and security of our city. Capital funding for other civic buildings, such as libraries, theatres, and administrative facilities, aims to respond to the demands that arise from growth in the community and to make City operations more efficient.

## How much is needed?

\$23 million in City funding

- \$5 million for libraries
- \$6.3 million for major maintenance of civic buildings
- \$9.8 million for public safety facilities
- \$0.75 million for 'green' building initiatives
- \$0.5 million for emergency recovery initiatives.



## How will the money be used?

### Libraries

- Replace and expand the Mount Pleasant Branch Library.

### Public Safety

- Development of a Police Officer Training Facility to ensure adequate training for police personnel and minimize costs.
- Planning for replacement of a 90 year-old fire hall.

### Civic Buildings

- Continuation of building maintenance programs to address mandated safety and environmental issues, and improve public service.
- Development of a back-up City Hall facility and a plan to provide emergency response facilities throughout the City as part of our disaster recovery plan.
- Address security issues at our Civic Theatres.
- Explore ways to save operating costs of civic facilities and make them more environmentally friendly.

# 2003-2005 Capital Plan QUESTIONNAIRE

Your views are important to us. This is your chance to tell City Council and staff what you think about City services and the Capital Plan. Let us know your views on the following questions and return the questionnaire by mail to:

Capital Plan, City of Vancouver,  
453 West 12th Avenue, Vancouver, B.C., V5Y 1V4  
Fax: 604-873-7107 or fill in this questionnaire online at  
[www.city.vancouver.bc.ca/capitalplan](http://www.city.vancouver.bc.ca/capitalplan)

**How satisfied are you with the services and facilities the City of Vancouver provides?**

- Very satisfied       Somewhat satisfied  
 Not very satisfied       Not at all satisfied

**About half of your property tax bill goes to pay for City services. The rest goes to the GVRD and B.C. government schools. How well do you believe the services you receive from the City represent value for the tax dollars spent?**

- Very well       Fairly well  
 Fairly poorly       Very poorly

**Approximately 75% of the money borrowed would be for maintaining the current quality and safety of our existing infrastructure such as streets, sewer and water systems, parks, and other public amenities. The other 25% would be directed towards new and increased facilities such as neighbourhood houses, more park space, and new bike routes and pedestrian walkways. Do you support this balance for the use of funds?**

- Strongly support       Moderately support  
 Moderately oppose       Strongly oppose

**If opposed, how do you think the money should be split?**

\_\_\_\_\_ % for maintenance of existing infrastructure  
\_\_\_\_\_ % for new and increased facilities

**The Capital Plan will invest in a mix of projects to maintain and upgrade existing City facilities and build new ones. What kinds of projects do you feel are important priorities for the City?**

Rate the following on a 1-10 scale, where 1 means not important at all, and 10 means extremely important:

- \_\_\_\_\_ Maintenance and improvement of major public works facilities such as street pavement, sidewalks, traffic control, water and sewer systems
- \_\_\_\_\_ Maintenance and improvement of City-owned facilities such as theatres, fire halls, community centres and libraries
- \_\_\_\_\_ Maintenance and improvement of non-City-owned facilities such as cultural, community and day care facilities
- \_\_\_\_\_ Construction of new Greenways such as pedestrian walkways, grass boulevards, and adding trees to link open public spaces
- \_\_\_\_\_ Construction of additional bike routes
- \_\_\_\_\_ Upgrading and building community centres and recreation facilities

- \_\_\_\_\_ Upgrading and building new social service facilities and day cares
- \_\_\_\_\_ Acquiring new park space for neighbourhoods that lack parks
- \_\_\_\_\_ Safety improvements to streets such as traffic diverters and lighting
- \_\_\_\_\_ Traffic flow improvements such as new left-turn bays
- \_\_\_\_\_ Downtown Eastside revitalization initiatives such as the purchase and renovation of buildings and the acquisition of public open space
- \_\_\_\_\_ New library branches in areas currently underserved
- \_\_\_\_\_ Providing affordable housing

**Is there one area where you think the City should be spending more for capital projects?**

\_\_\_\_\_

**Do you have any other thoughts on the proposed Capital Plan? (Feel free to submit additional comments on a separate page.)**

\_\_\_\_\_

**Tell us a little about yourself:**

**Where do you live?**

- Downtown/West End
- North of 16th Avenue, West of Main Street
- North of 16th Avenue, East of Main Street
- South of 16th Avenue, West of Main Street
- South of 16th Avenue, East of Main Street
- Outside Vancouver

**Do you:**

- Rent       Own

**How long have you lived in Vancouver?**

- 5 years or less       6 to 10 years
- 11 years or more

**How old are you?**

- 18 to 34       35 to 54
- 55 or older

**Do you plan on voting in the November 16 municipal elections?**

- Yes       No
- Not eligible

## What projects aren't included in the Capital Plan?

The requests for funding in the Capital Plan far exceed the available funding. As a result, there are many important projects that have not been included in the Plan. City staff has recommended to Council that additional funding above the financial limits be considered for these projects if matching funding from outside sources (such as senior governments) becomes available during the Capital Plan. Some of these projects include:

- **Sunset Community Centre replacement**
- **Coal Harbour Arts Centre**
- **Little Mountain Neighbourhood House**
- **Queen Elizabeth Park Reservoir upgrade**
- **Downtown Streetcar Line**
- **Downtown Eastside/Strathcona Branch Library**

More information on these projects is included in the Capital Plan Draft Allocation Report considered by Council on June 25. This report is available from the City Clerk or at [www.city.vancouver.bc.ca/capitalplan](http://www.city.vancouver.bc.ca/capitalplan)

Special Meeting on the  
**Capital Plan**  
Tuesday, September 17, 2002,  
7:30 p.m.  
  
Council Chamber,  
Third Floor, City Hall,  
453 West 12th Avenue  
  
TO REGISTER TO SPEAK AT THIS MEETING,  
CONTACT THE CITY CLERK'S OFFICE  
AT 604-873-7276.



## CAPITAL PLAN Priorities

### 1ST PRIORITY

- maintain existing infrastructure and facilities
- address safety and security issues
- undertake mandated environmental improvements

### 2ND PRIORITY

- maintain existing service levels
- act on service deficiencies

### 3RD PRIORITY

- increase service levels
- provide new services
- address other environmental issues
- beautification



CITY OF VANCOUVER

For more information, contact us:  
E-mail: [capital\\_plan@city.vancouver.bc.ca](mailto:capital_plan@city.vancouver.bc.ca)  
Web: [www.city.vancouver.bc.ca/capitalplan](http://www.city.vancouver.bc.ca/capitalplan)

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