

2015-2018 Draft Capital Plan

Council meeting
July 9, 2014

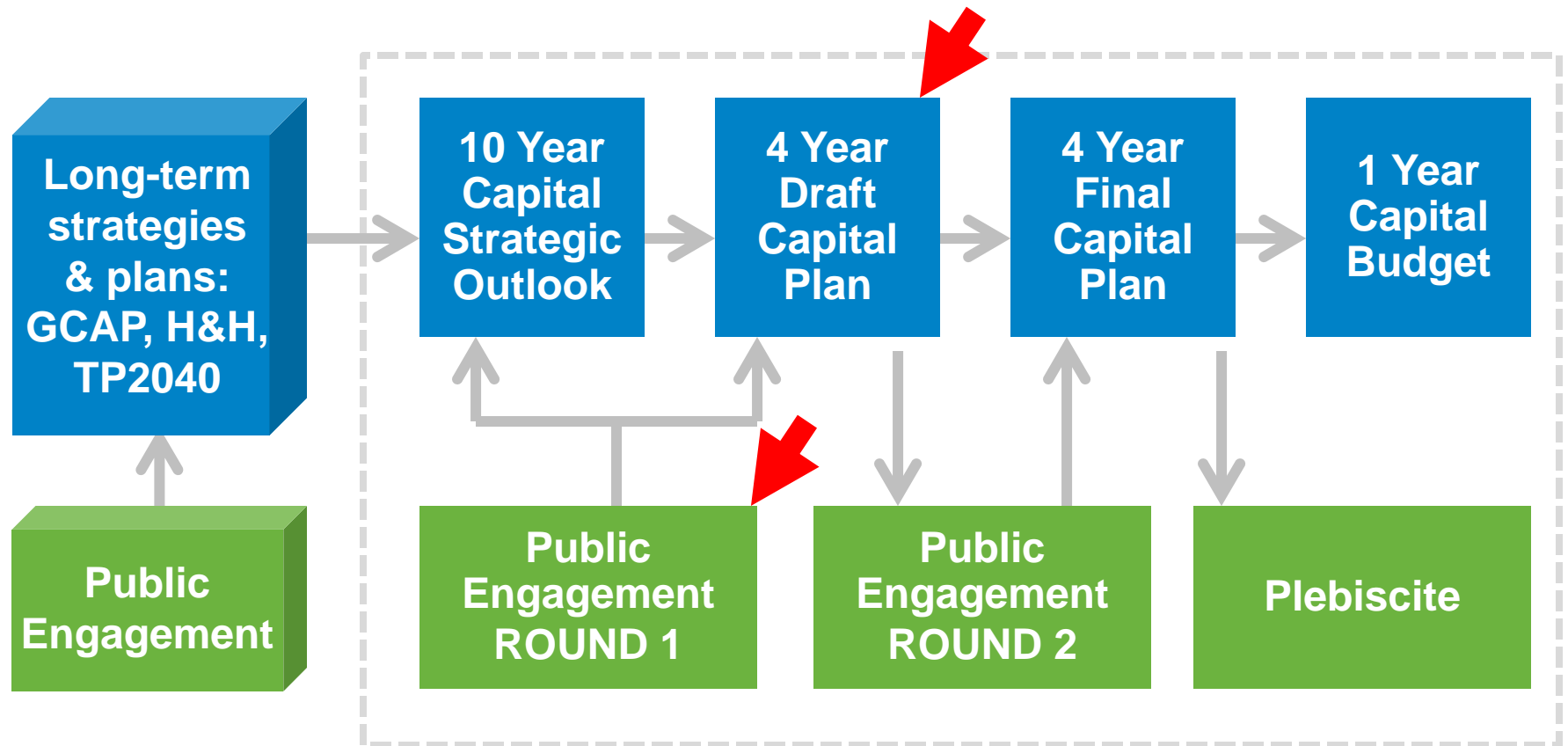


Agenda

- Background & Process
- Public Engagement - Round 1
- Financial Context
- 2015-2018 Draft Capital Plan
- Next Steps



Capital Planning Framework



✔ City Infrastructure, Facilities & Fleet

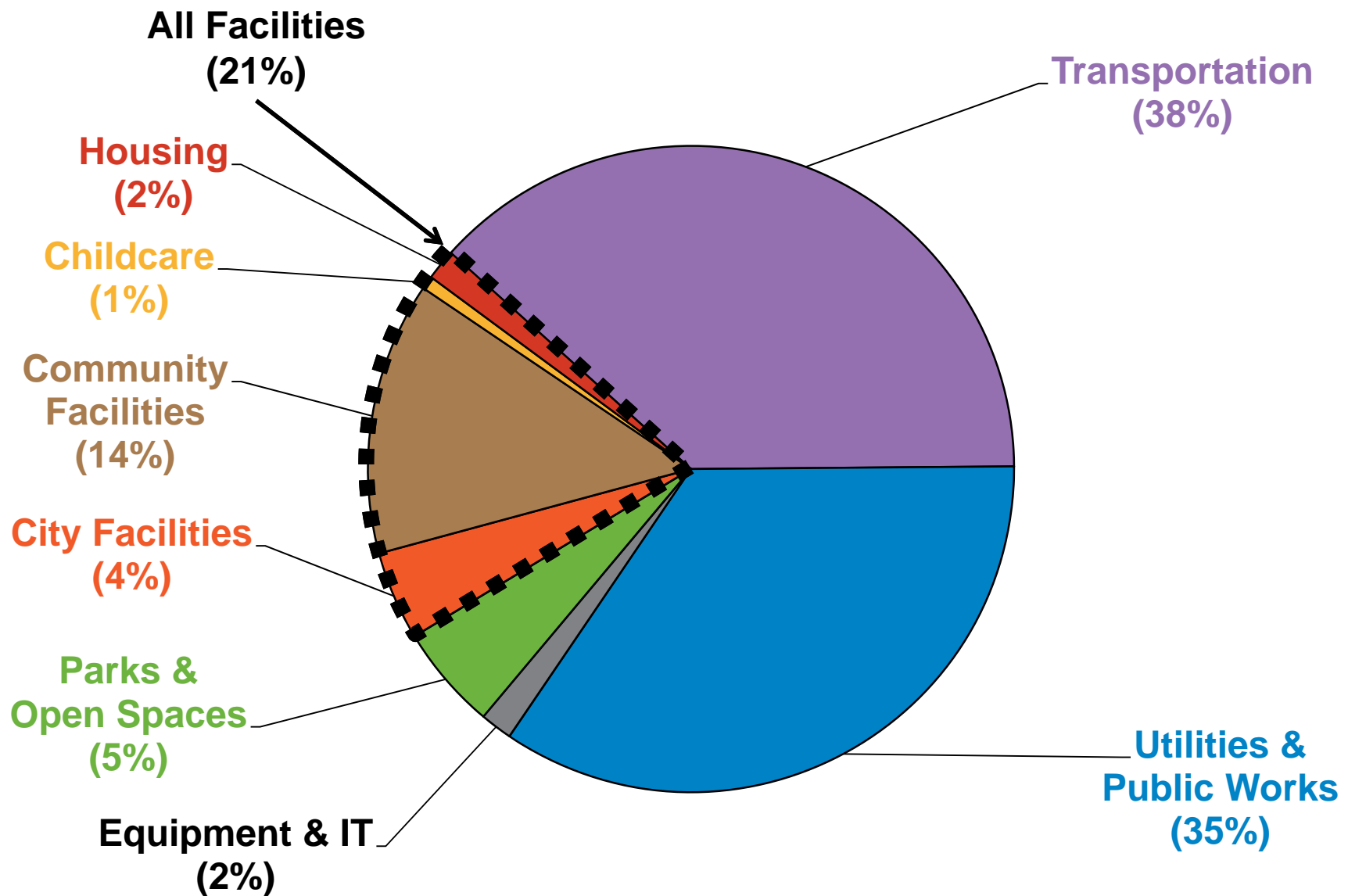
- 475 buildings totaling 8 million square feet
- 13 km² of parks and open spaces
- 4,300 km of streets and sidewalks
- 3,600 km of water and sewer mains
- 1,850 cars and trucks

Condition assessments and asset management plans inform the Capital Plan





Substantial Replacement Value ~\$20 Billion





Key Capital Themes

City of Today

Which of our existing facilities and infrastructure need special attention?

City of Tomorrow

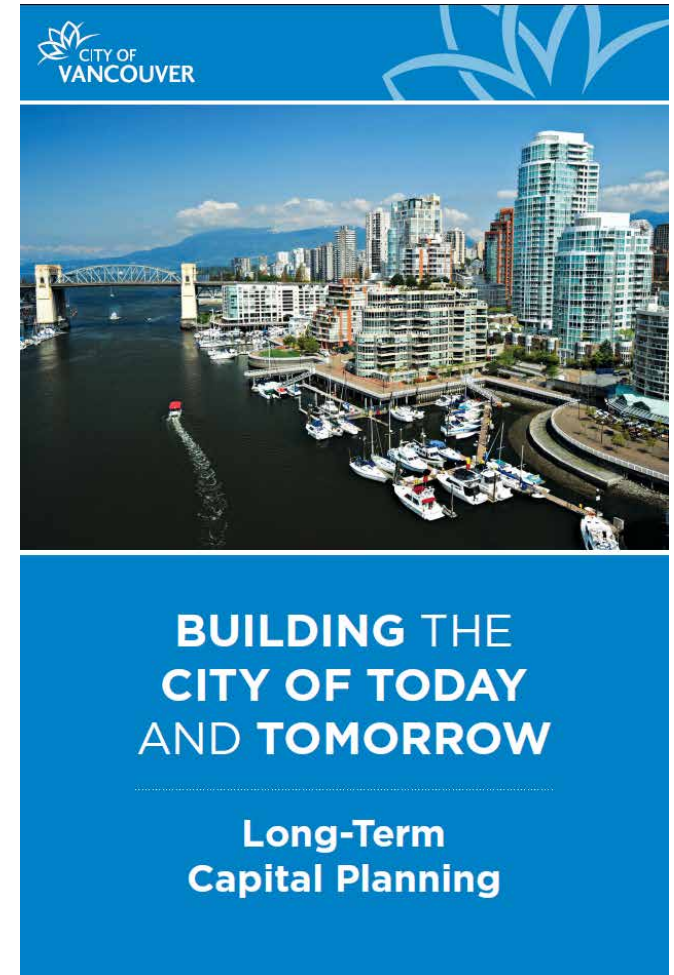
What new facilities and infrastructure do we need to build to serve us well in 10 years?

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✓ Public Engagement – Round 1

- May 5-18, 2014
- Outreach:
 - Newspaper ads, social media, Talk Vancouver
 - Invites to civic advisory committee members + partner agencies
- Public events: 25-30 participants
 - 1 stakeholder meeting
 - 2 public open houses
- On-line: 963 participants





Results: The City of Today

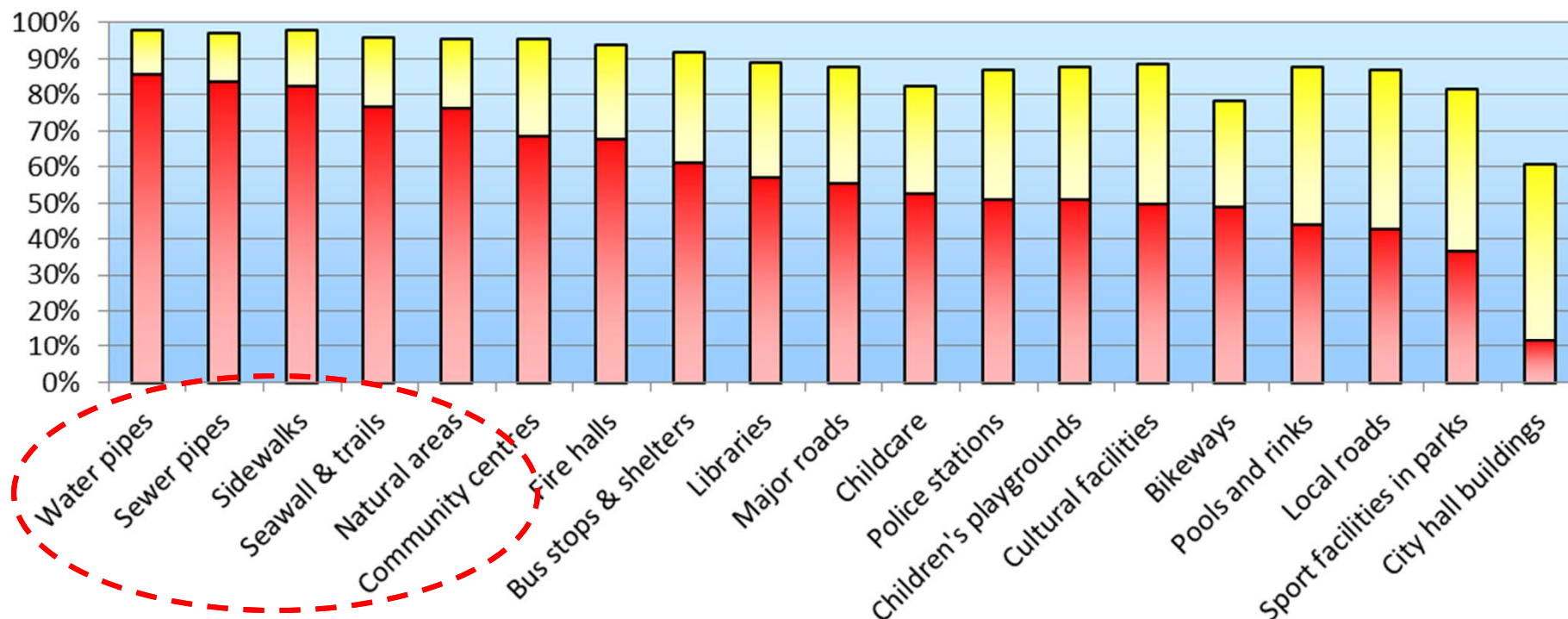


Capital Planning - Public Engagement - Round 1 (May 2014)

Final results: n=963

Infrastructure rated by "importance to the larger community"

Very Important Somewhat important



Basic infrastructure (water & sewer pipes, sidewalks) and access to nature (seawall & trails, natural areas) are ranked as the top 5 important amenities.



Results: The City of Today

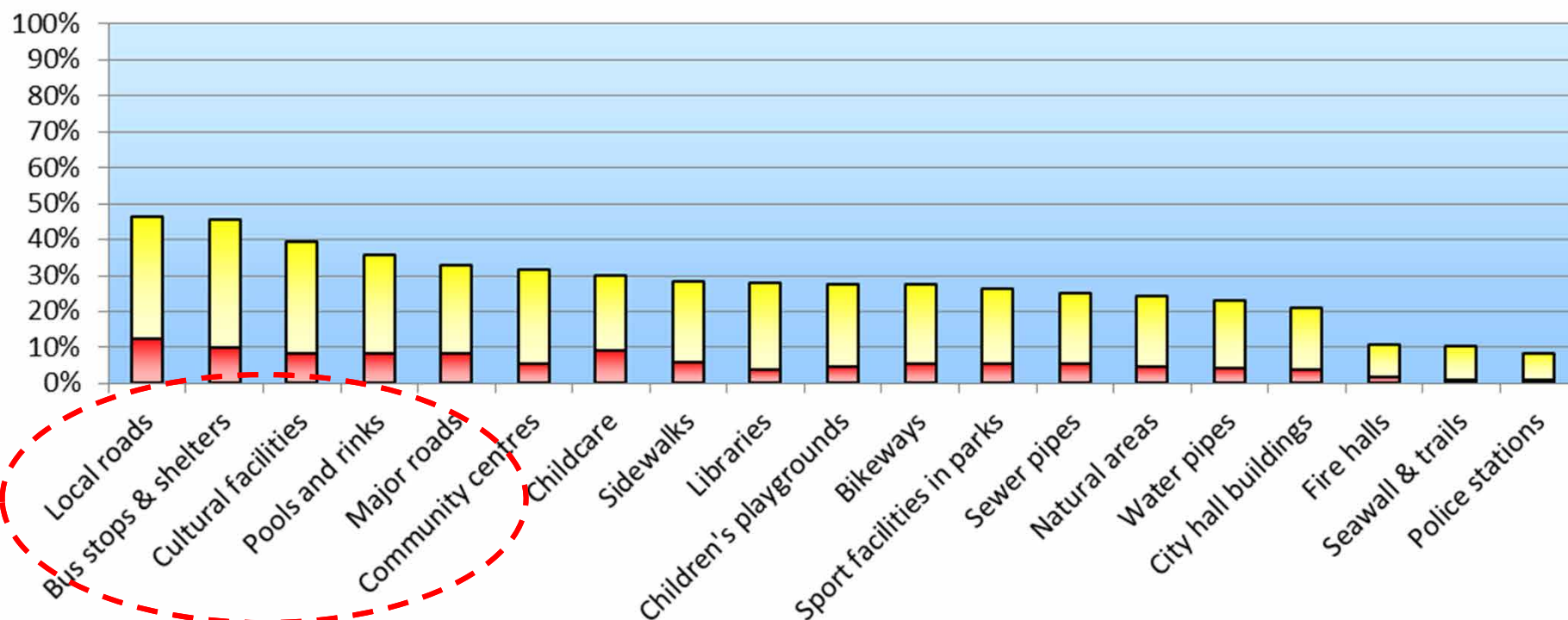


Capital Planning - Public Engagement - Round 1 (May 2014)

Final results: n=963

Infrastructure rated by "perceived condition & function"

Poor Fair



The asset condition of key infrastructure and facilities are rated as generally "fair".



Results: The City of Tomorrow

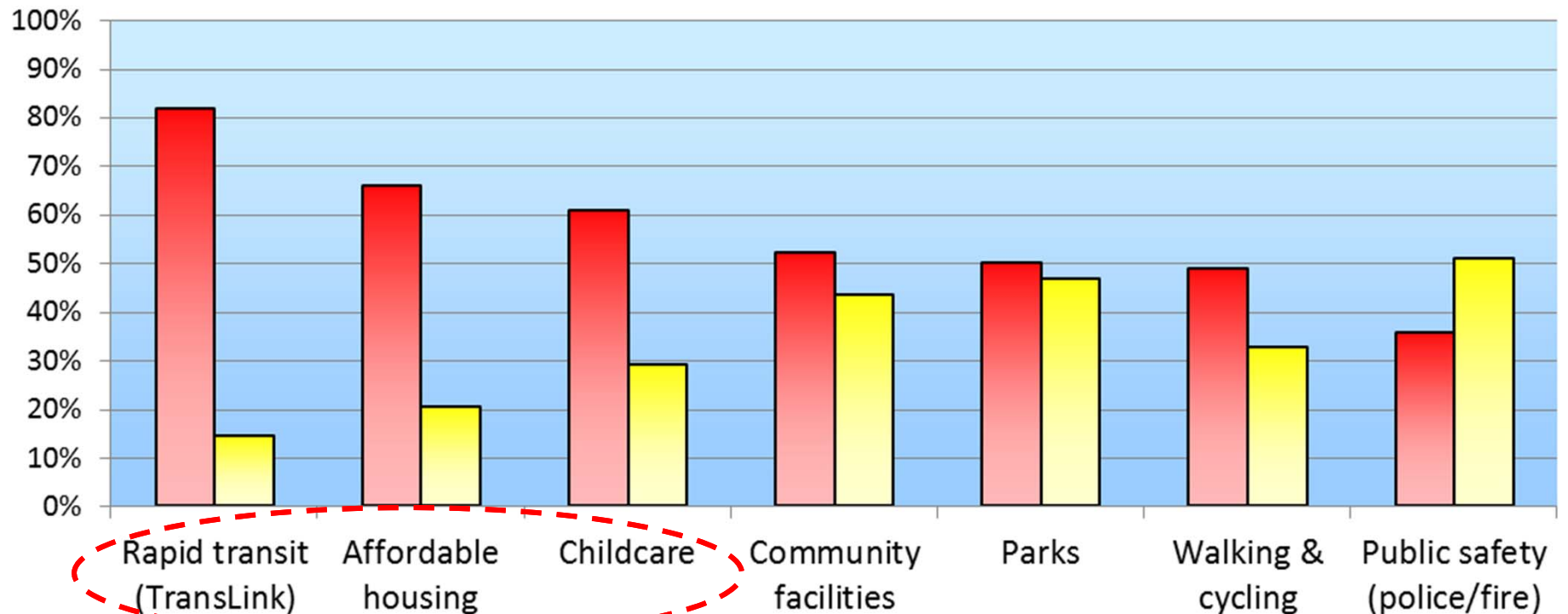


Capital Planning - Public Engagement - Round 1 (May 2014)

Final results: n=963

Investment priorities for next 10 years

More than today About the same as today



The public views rapid transit, affordable housing and childcare as the top 3 priorities – aligned with Council's strategic priorities.

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Financial Sustainability Guiding Principles

Fiscal Prudence

- live within our means
- consider long-term implications in all decisions
- maintain a stable and predictable revenue stream
- keep debt at a manageable level
- build in flexibility and contingencies for emerging priorities and opportunities

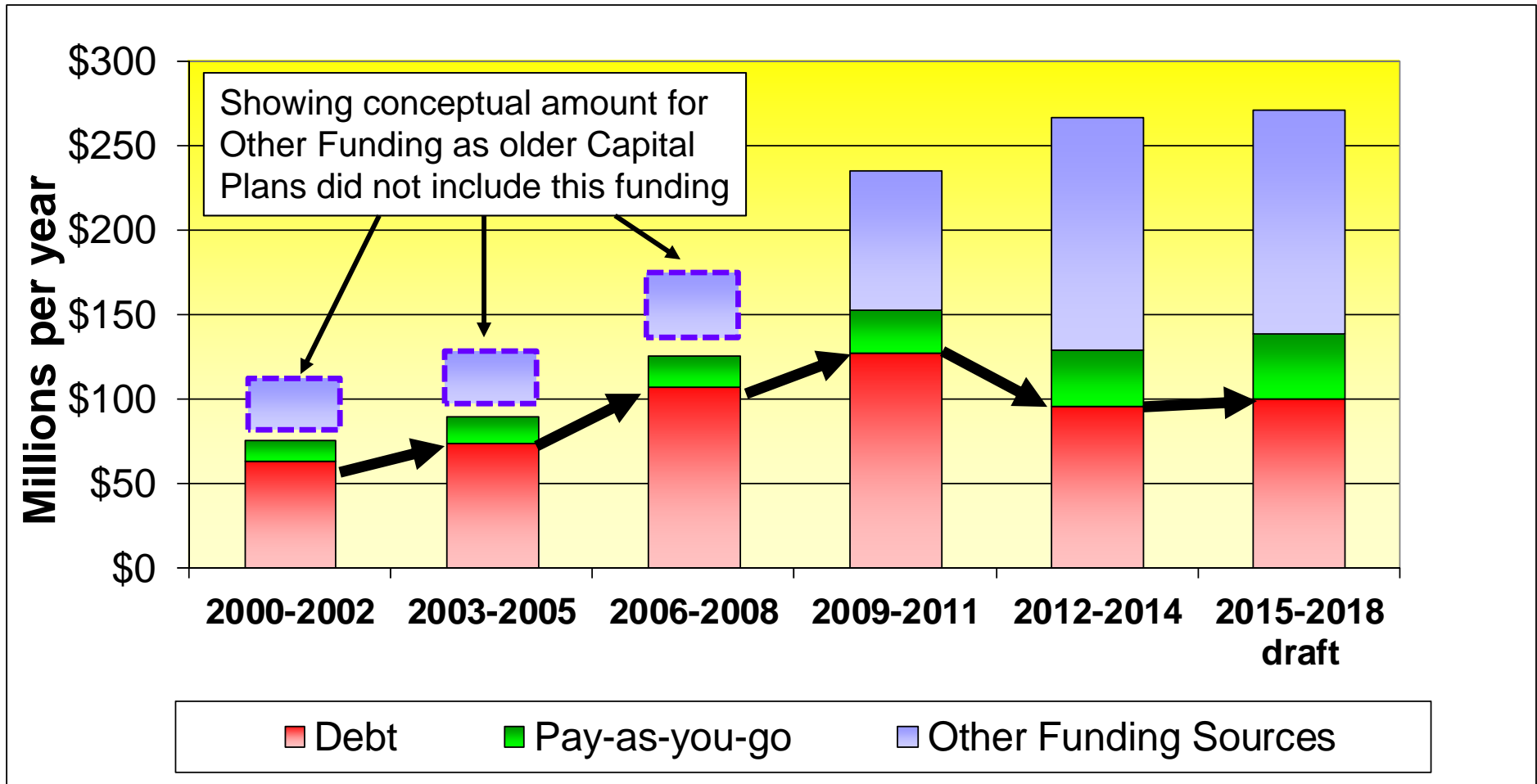
Affordability & Cost Effectiveness

- deliver services that are relevant and result in desired public outcomes
- ensure value for money through productivity and innovation
- keep property tax and fees affordable (in line with inflation)

Asset Management

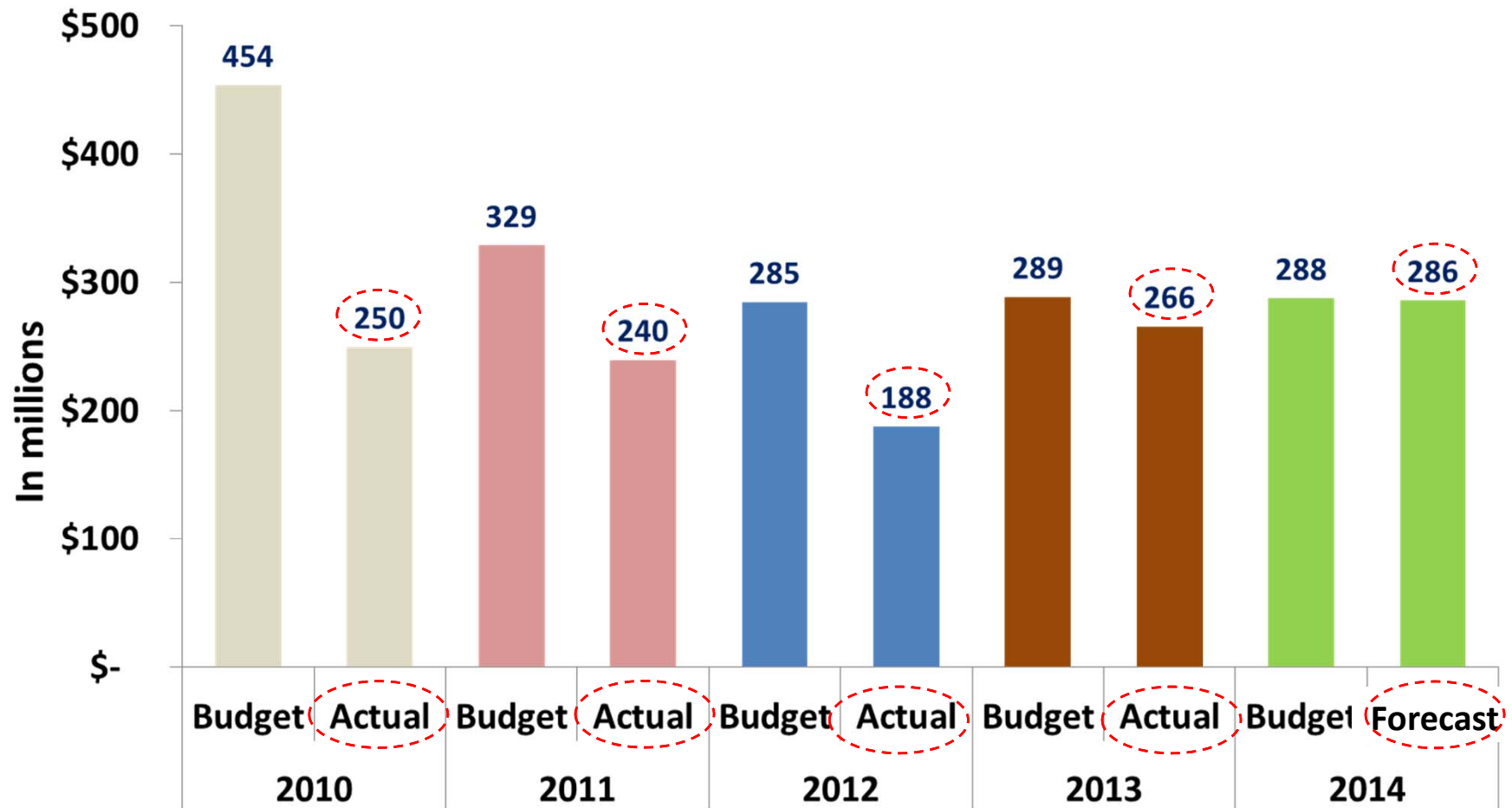
- maintain assets in an appropriate state of good repair
- optimize capital investments to meet public and economic needs while achieving value for the investment

Capital Plan Trend





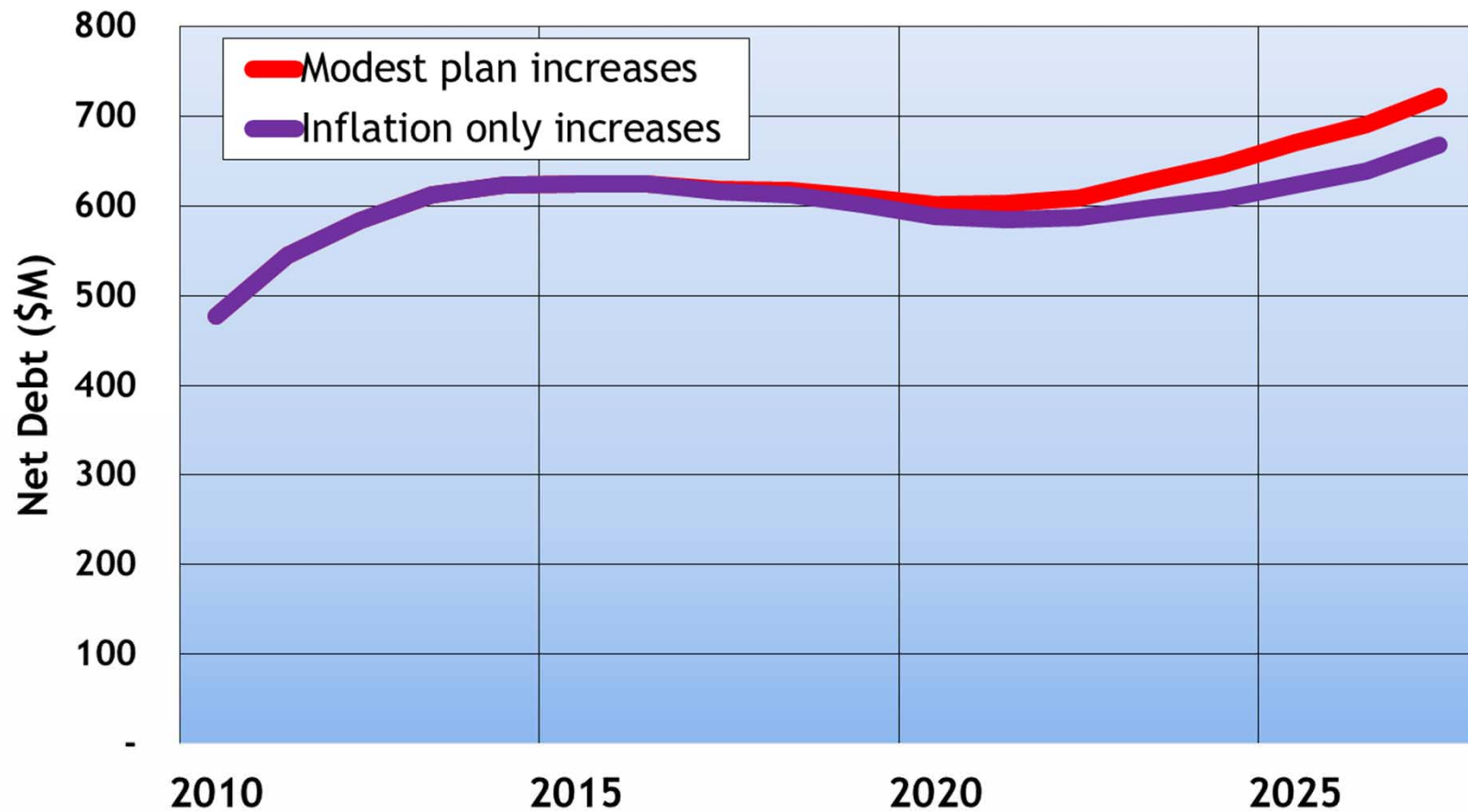
Annual Spending on Capital (2010-2014)



Capital spending ranges \$190M - \$285M over the last 5 years (average @ \$245M)
Besides financial constraints, capacity to deliver projects is also a key consideration.

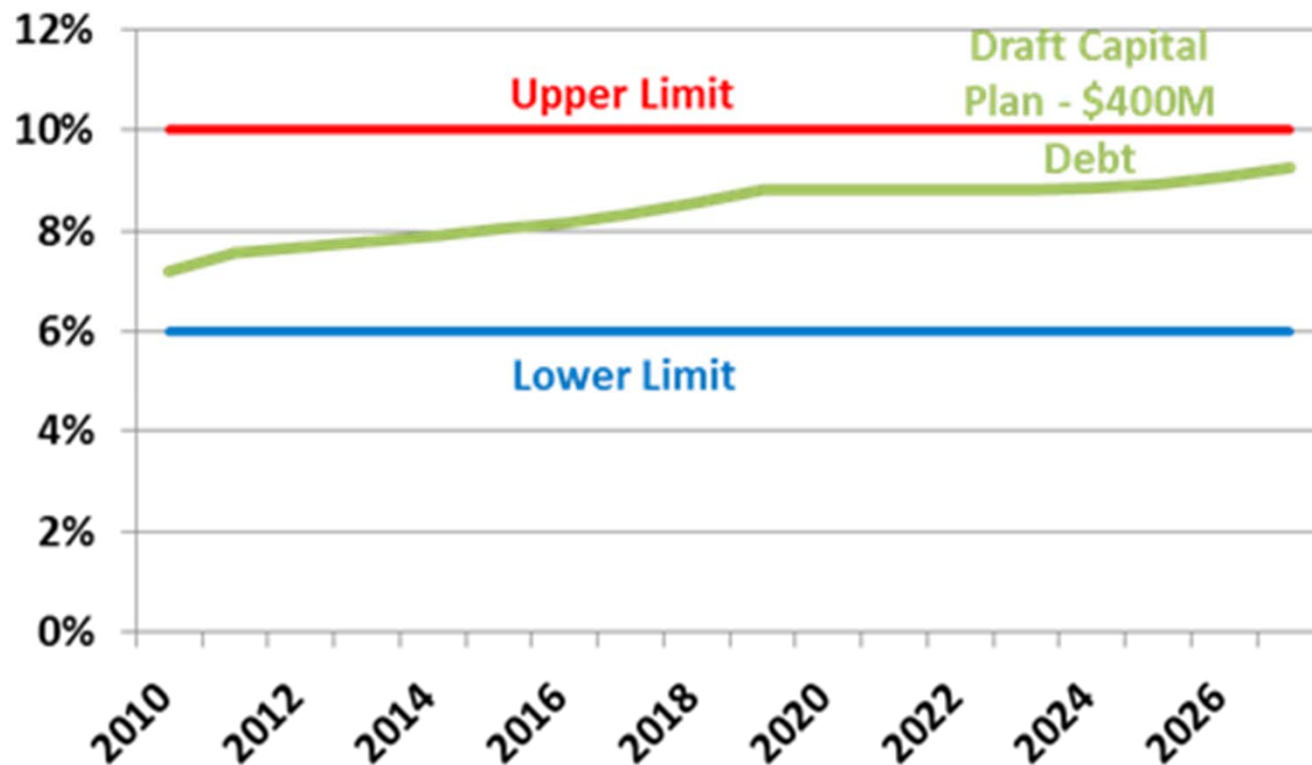
✓ Net Debt

Net Debt = General Debt + Utility Debt – Sinking Fund



✔ Tax-supported Debt Servicing as % of Operating Expenditures

Tax-supported Debt = General Debt + 50% Sewer Debt



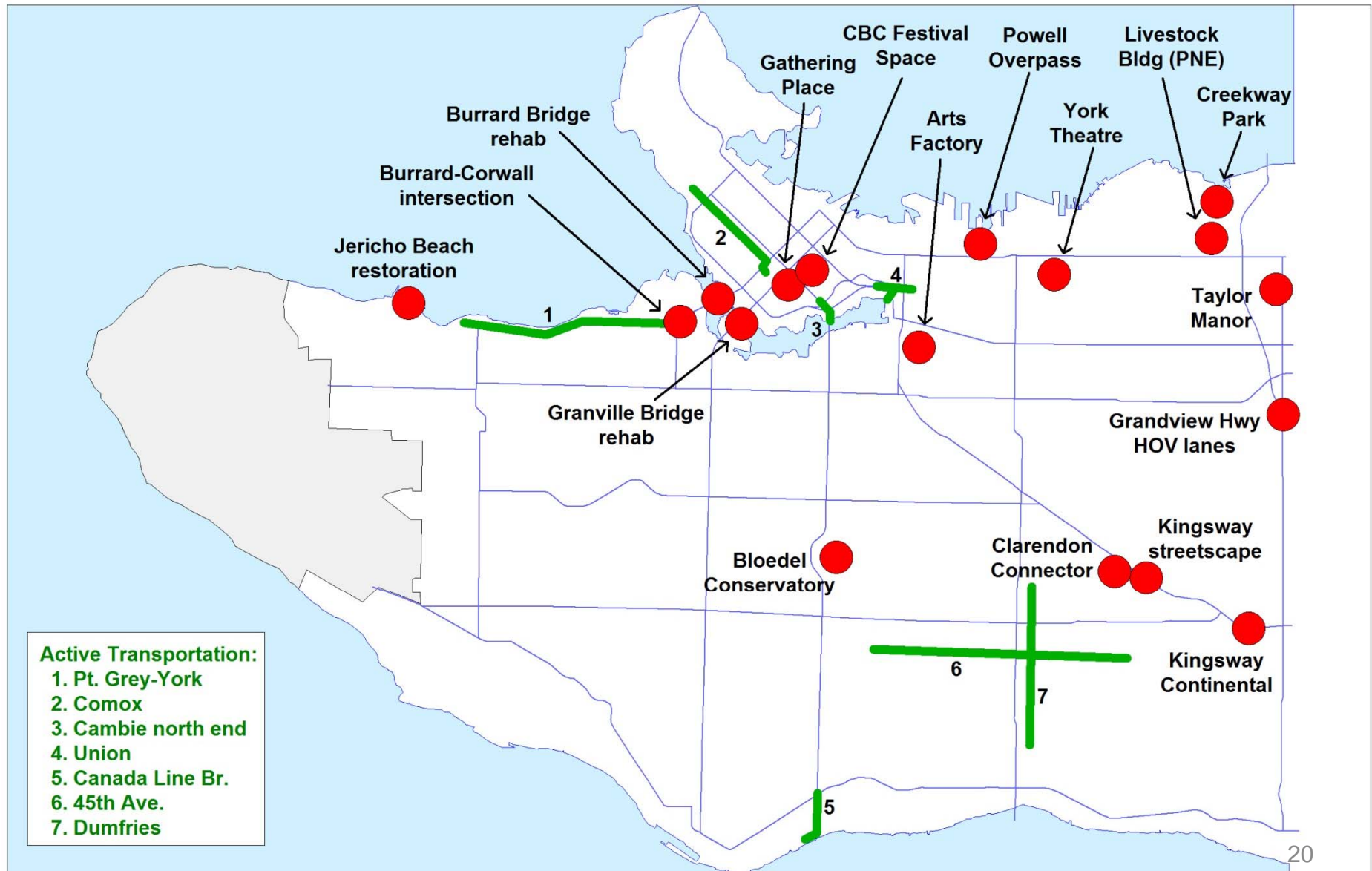
Every \$1 M of Debt = \$140K Annual Debt Servicing

- Capital investments impact on operating expenditures
 - Interest
 - Debt repayment
 - Asset operating maintenance
 - Operating costs
- More capital = more operating costs = more productivity savings required
- Annual Operating Expense
 - \$1M 10-yr Debt = \$140k/yr debt servicing for 10 years
 - 1 acre of park = \$50k/yr park maintenance
 - 1 community centre/library = \$0.5M-\$1M/yr operating

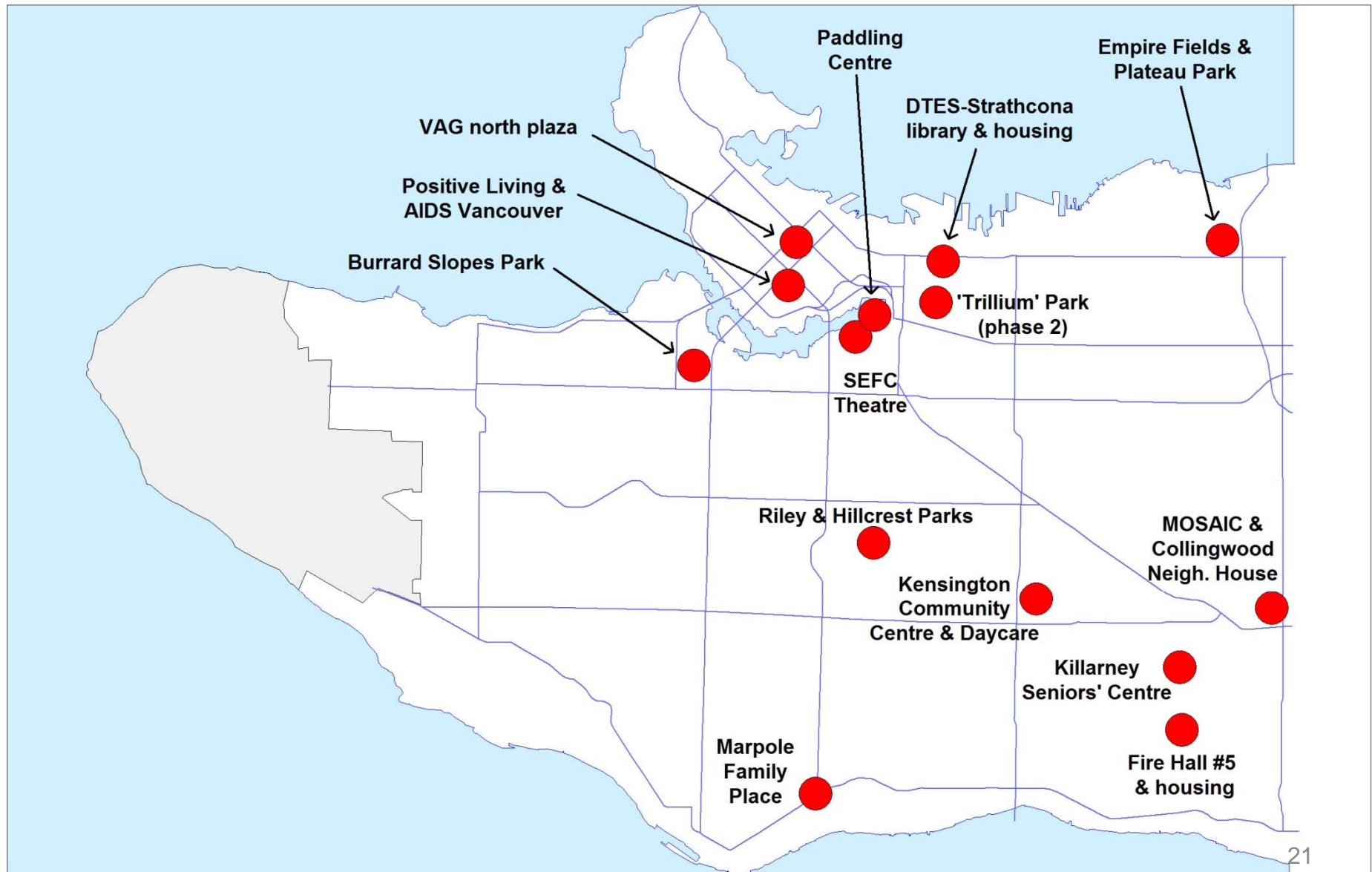
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2012-2014: Accomplishments



2012-2014: Projects in process





Capital Categories

Affordable Housing

Childcare

Parks, Open Spaces & Recreation (incl. Hastings Park/PNE)

Community facilities: libraries, social, cultural

Transportation

Utilities: water, sewer, solid waste, neigh. energy

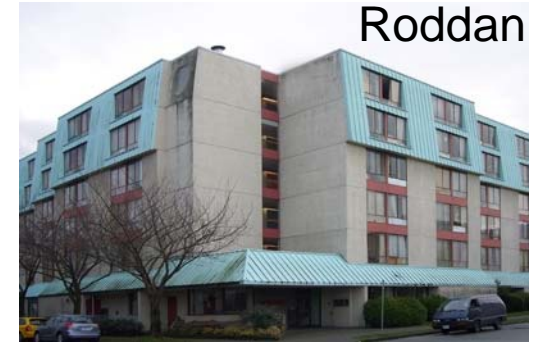
City facilities: police, fire, admin., service yards

Equipment & technology

✓ Affordable Housing \$125M

City of Today

- renewal of 3 City-owned and operated social Housing buildings
- 251 units:
 - Roddan Lodge
 - Central Residence
 - Alexander Residence
- capital grants for SRO upgrades (target: 400 rooms)



Roddan



Central

✓ Affordable Housing \$125M (continued)

City of Tomorrow

- add 2,550 non-market housing units:
 - 30% City-owned projects (includes in-kind CAC projects in West End)
 - 45% non-City owned projects on City Land
 - 25% partner projects
- secure shelter and interim housing sites with partners
- continue to enable market rental development through Rental 100, laneway housing & secondary suites
- optimum affordability (deep core need) leveraged through equity from other levels of government, non profits, foundations and philanthropy

4,200 additional units
completed by
City and partners
in the last 10 years



✓ Childcare \$30M

City of Today

- continue renewal of 1-2 City-owned childcare facilities

City of Tomorrow

- 500 new spaces for children aged 0-4 years old
- 500 new spaces for children aged 5-12 years old

3,500 additional
licensed childcare
spaces created by
City, VSB and
other providers
in the last 10 years

Staff to work with Park Board, VSB & community partners to deliver childcare cost-effectively; and explore option of increasing spaces as part of school renewal or as new schools are built.

✓ Parks & Recreation \$125M

City of Today

- Britannia phase 1 renewal (incl. swimming pool & gym building)
- Hastings Park/PNE renewal (need to prioritize):
 - Livestock Building phase 2 renewal
 - central outdoor plaza
 - stream extension
 - outdoor amphitheatre
 - Playland renewal
- Park Board network: ongoing replacement of park & open space features (e.g. playgrounds, sport fields, fieldhouses, sport courts, seawall, public art, park infrastructure)



Hastings Park



✓ Parks & Recreation \$125M (continued)

City of Tomorrow

- plant 40,000 to 50,000 trees
- add/expand ~10 community gardens
- add/enhance natural features (e.g. Beaver Creek in Stanley Park)
- add new parks:
 - Smithe & Richards in Downtown South
 - Fraser River park & trail in Marpole
 - East Fraser Lands
- add new sport facilities (e.g. track and field, synthetic turf playfield, running tracks)
- install 10-20 new public art pieces

in the last 10 years...
10 hectares of new park
8 synthetic turf playfields
2 skateboard parks

✔ Community Facilities \$40M

City of Today

- Evelyne Saller renewal
- capital grant program (social, cultural, DTES, heritage facades)



City of Tomorrow

- Central Library expansion (Levels 8 & 9) – originally planned rooftop garden will be publicly accessible once the project is completed
- Qmunity relocation & expansion
- Killarney Seniors' Centre



QMUNITY
BC'S QUEER RESOURCE CENTRE

✔ Transportation \$150M

City of Today

- reconstruct ~10 km of sidewalk
- repave ~45 km of major roads (including Water Street in Gastown)
- repave ~45 km of local roads/lanes
- reconstruct 20-25 traffic signals
- replace ~3,000 street lighting poles
- repair sidewalks & replace railings & lighting on Burrard Bridge



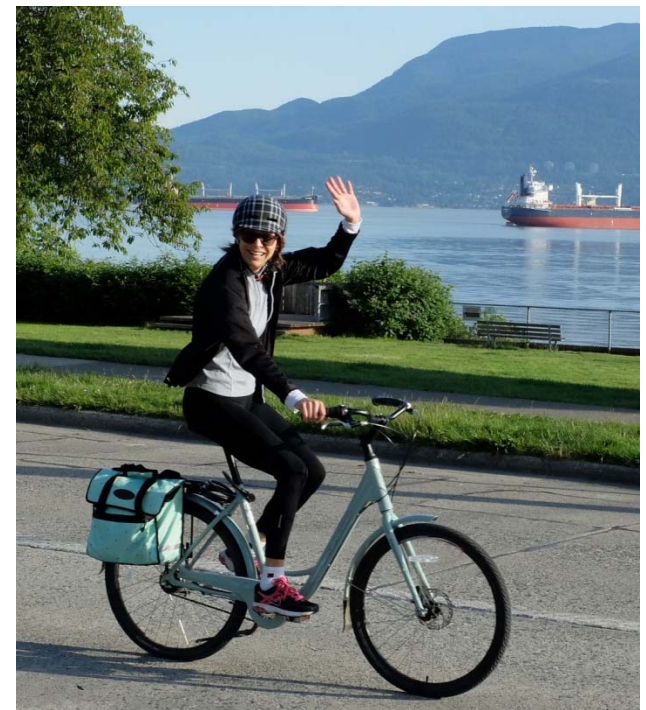
✔ Transportation \$150M (continued)

City of Tomorrow

Walking and cycling:

- add 2 km of new sidewalk
- 250-300 new or upgraded curb ramps
- complete Comox-Helmcken & Seaside (Pt. Grey Rd.) greenways
- upgrade 10th Ave, Adanac & Ontario bikeways to AAA
- upgrade and make facilities permanent on Burrard Bridge
- implement temporary improvements on Granville and Cambie Bridges
- add 12 new pedestrian-bicycle signals
- implement pedestrian safety & public realm improvements as part of DTES, Marpole, Mt Pleasant & West End Community Plans

in the last 10 years...
30 km of new sidewalk
110 km of new bikeways
107 ped-bike signals

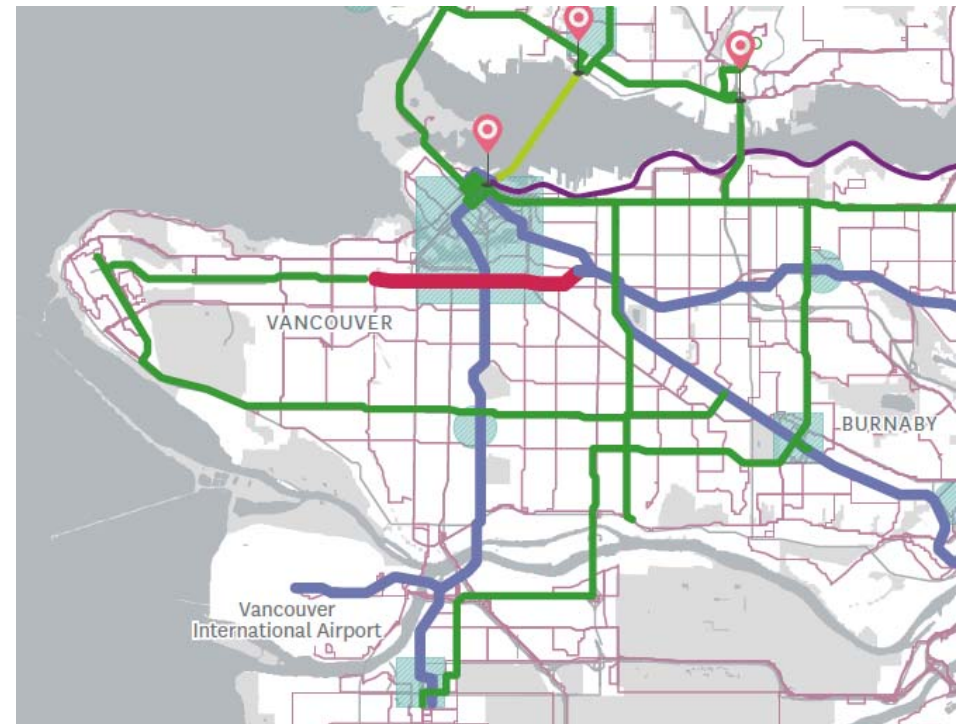


✔ Transportation \$150M (continued)

City of Tomorrow

Transit:

- Broadway Millennium Line Extension – funding options to be developed
- add new or upgrade bus stops to address proposed bus route changes in the eastern part of downtown



✓ Utilities \$325M

City of Today

- water pipe replacement (30-35 km)
- sewer separation program (60 km) – increasing from 11 km/year to 15 km/year
- sewer pump station replacement (4)



City of Tomorrow

- ~4,500 new water meters
- Phase 3 landfill closure & gas collection infrastructure
- expansion of City-owned neighbourhood energy centre and distribution pipes to connect new buildings

City Facilities \$15M

City of Today

- renewal of Fire Hall #17 @ Knight & 54th) built in 1954

City of Tomorrow

- continue to right-size and upgrade facilities as part of renewal (e.g. fire hall upgrades to accommodate women firefighters, larger fire trucks and specialized equipment)



✔ Equipment & Technology \$115M

City of Today

- Fleet – ongoing replacement of vehicles & heavy equipment
- Information Technology:
 - ongoing replacement of hardware
 - replacement and upgrades of major applications, including SAFARI recreation and fleet management

City of Tomorrow

- Information Technology:
 - completion of Permits & Licences project
 - implementation of Digital Strategy, including WI-FI expansion and mobile technology
 - geo-remote data centre
 - new business system technologies, such as Business Intelligence, E-Recruiting, Procurement and Employee Self-Serve Technology



Emerging Priorities \$75M

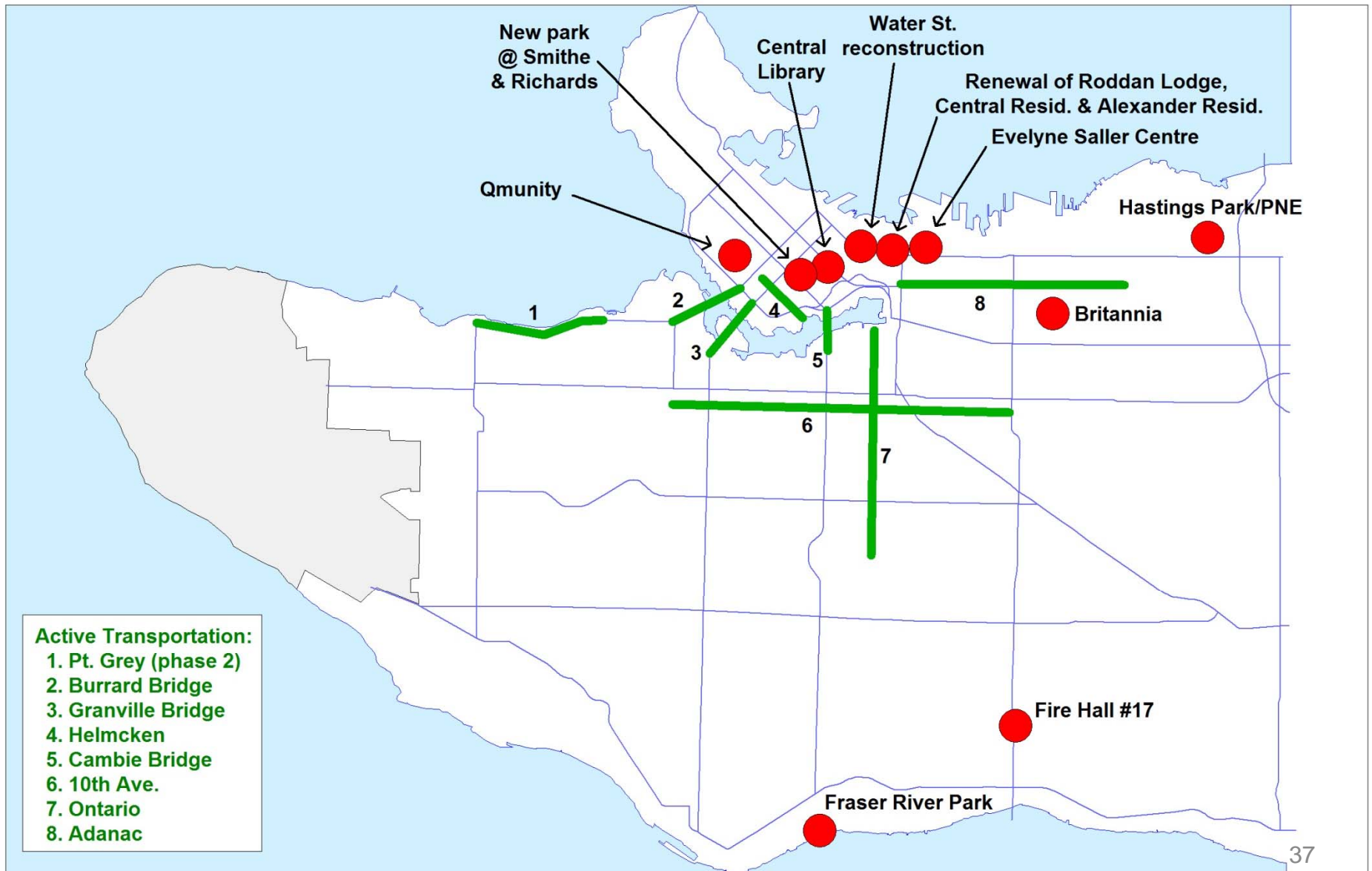
Inflation Contingency & Overhead \$20M

- Emerging Priorities:
 - Priorities that may emerge over next 4 years
 - Potential projects where scope and timing has not been determined – eg: Marpole Community Centre
- Inflation & Overhead:
 - Contingency for inflationary impacts over the period
 - Capital overhead across all categories

Draft Capital Plan Summary

	Renewal	New/expanded	Total
Affordable housing	\$40 M	\$85 M	\$125 M
Childcare	\$5 M	\$25 M	\$30 M
Parks, open spaces and recreation	\$50 M	\$75 M	\$125 M
Libraries, social and cultural facilities	\$15 M	\$25 M	\$40 M
Transportation	\$105 M	\$45 M	\$150 M
Utilities and public works	\$265 M	\$60 M	\$325 M
Public safety, administration building and service yards	\$15 M	\$0	\$15 M
Facility maintenance and renovations	\$65 M	\$0	\$65 M
Equipment and technology	\$105 M	\$10 M	\$115 M
Emerging priorities and inflation contingency	\$65 M	\$30 M	\$95 M
TOTAL	\$730 M (67%)	\$355 M (33%)	\$1,085 M

2015-2018 Major Projects



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Public Engagement – Round 2

When: July 2014

What: Public Input on Draft Capital Plan

Key Themes: “City of Today” vs. “City of Tomorrow”

Approach:

- 1) Stakeholder meeting
- 2) On-line questionnaire

Target Audience:

- General public (through TalkVancouver)
- Round 1 participants: civic advisory committees, non-profit organizations, resident associations, business groups, and other governments (e.g. School Board, Translink and Metro Vancouver)

Final Capital Plan & Plebiscite Borrowing Questions

When: September 2014

What:

- Final Capital Plan
- Public Engagement Round 2 results
- Plebiscite Borrowing Questions

Summary

- Carefully balanced plan:
 - Desires/needs in relation to financial capacity
 - Renewal (67%) versus new/expanded (33%)
- Investment in new facilities & infrastructure based on Council priorities:
 - Affordable housing
 - Childcare
 - Parks
 - Community facilities
 - Active transportation