

**ADDITIONAL INFORMATION ON 2014-2023 CULTURE, PARKS AND RECREATION
INFRASTRUCTURE INVESTMENT PLAN (CPRIIP) AND EMERGENCY RESPONSE
INFRASTRUCTURE INVESTMENT PLAN (ERIIP)**

EXECUTIVE SUMMARY

The 2014-2023 Culture, Parks and Recreation Infrastructure Investment Plan (CPRIIP) and Emergency Response Infrastructure Investment Plan (ERIIP) are strategic, long-range capital planning documents that represent the cultural, social, recreational and safety priorities of Calgarians. The plans were brought to Council for consideration on 2013 December 16. At that meeting, Council requested additional information to support their consideration of these plans, including which projects within the 2014-2023 CPRIIP/ERIIP are funded and which are not. This report responds to Council's 2013 December 16 direction, and also provides information on 2014-2023 CPRIIP/ERIIP (such as business process, business case template, project assessment criteria and funding projections).

ADMINISTRATION RECOMMENDATION(S)

That Council:

1. Receive this report for information; and
2. Adopt the SPC on Community & Protective Services' recommendation contained in Attachment 6a of this report.

PREVIOUS COUNCIL DIRECTION / POLICY

On 2012 December 5, Council approved CPS2012-0802 '2013-2022 Culture, Parks and Recreation Infrastructure Investment Plan (CPRIIP) and Emergency Response Infrastructure Investment Plan (ERIIP)'.

On 2013 December 16, in response to CPS2013-0802 '2014-2023 Culture, Parks and Recreation Infrastructure Investment Plan (CPRIIP) and Emergency Response Infrastructure Investment Plan (ERIIP)' (Attachment 6), Council directed Administration to "return directly to Council in 2014 January, with a document stating what is funded in the Infrastructure Investment Plan for Culture, Parks and Recreation (CPRIIP) and in the Emergency Response Infrastructure Investment Plan (ERIIP), and what is not funded in these plans."

BACKGROUND

In 2005 Council directed Administration to develop a process for prioritizing and evaluating capital projects (LAS2005-65). Since then, Community Services & Protective Services (CS&PS) has been creating and reconfirming CPRIIP and ERIIP on an annual basis.

In 2013 CS&PS created the 2014-2023 CPRIIP and ERIIP plans and submitted them for Council's consideration as a part of CPS2013-0802 '2014-2023 Culture, Parks and Recreation Infrastructure Investment Plan (CPRIIP) and Emergency Response Infrastructure Investment Plan (ERIIP)' (Attachment 6). The purpose of this report is to address Council's direction and provide additional information in regards to which projects on 2014-2023 CPRIIP/ERIIP are funded and which are not, as well as additional information about the CPRIIP and ERIIP process and assessment criteria.

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INVESTIGATION: ALTERNATIVES AND ANALYSIS

In report CPS2013-0802 (Attachment 6), 156 capital projects were identified as requiring \$2.6 billion in future funding. These 156 projects included 115 unfunded and 41 partially funded projects, and did not include flood-related projects. Report CPS2013-0802 only identified unfunded dollar estimates, and as such did not include either the funded portion of the 41 partially funded projects, or any projects already funded through capital budgets approved by Council.

In summary form, the table below completes the picture of what is funded, and what is not funded. Rows 1 and 2 identify the 156 projects, representing \$2.6 billion in estimated funding required, included in report CPS2013-0802. Of the 41 partially funded projects, the table shows the total partial funded amount to be \$100 million, or \$0.1 billion. To provide ease of reference with this report, the 115 unfunded projects are provided in Attachment 1, and the 41 partially funded projects, including both their funded and unfunded amounts, are provided in Attachment 2.

To complete the picture for what is funded, row 3 identifies the 59 capital budget items approved by Council. These budget approvals are for the years 2014-2017 and represent \$900 million, or \$0.9 billion, for fully funded projects. A list of fully funded projects is provided in Attachment 3. Total committed or budgeted funding is therefore \$1 billion, including the funding committed to both partially funded projects and fully funded projects.

The summary table below, supported by attachments 1-3, identifies a total of \$3.6 billion in future capital needs, of which \$1 billion has existing funding commitments through budget approvals, and there is an additional \$2.6 billion identified and included in report CPS2013-0802, for which funding commitments would be required in order for the projects to proceed.

Funding Status Classification		Number of Projects		Capital Spending Estimates and Commitments (2014-2023)	
1.	Unfunded Projects	156	115	\$2.0B	\$2.6B – Required Funding
2.	Partially Funded Projects		41	\$0.6B \$0.1B	
3.	Fully Funded Projects	59*		\$0.9B	\$1.0B – Approved Capital Budget
Total:		215		\$3.6B	

*Financial line-items with committed 2014-2017 funding; line-items may contain multiple projects.

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Report CPS2013-0802 estimated that \$1 billion over 10 years is projected to be available from a variety of funding sources, including the Community Investment Fund (CIF), Community Recreation Levy (CRL), municipal taxes / Pay-As-You-Go (PAYG), Lifecycle, Maintenance, Upgrade Reserve (LMUR), and ENMAX Legacy Parks Reserve. The purpose of providing this projection funding estimate was to identify the amount of funding that may be available to address the \$2.6 billion funding requirement identified. Therefore, given this estimate, a funding gap of \$1.6 billion remains. Attachment 4 provides an overview of the analysis undertaken, including potential funding sources, an estimate of the amount of funding available and funding projection assumptions.

Some reasons for the 41 projects being partially funded are as follows:

- Many CS&PS projects have approved funding assigned to a particular phase of the project (such as planning and design), but not to the remainder of the project (such as construction).
- The nature of multi-year lifecycle projects and programs means that they are sometimes partially funded, but only within the existing budget cycle. In such a case, the remaining unfunded portion is still noted on the CPR IIP-ERIIP as requiring funding within a 10-year period.

30 flood-related projects (estimated at \$88.6 million) may require additional funding if insurance or federal and provincial funding is insufficient. These projects were identified in report CPS2013-0802, yet not included in the CPR IIP/ERIIP \$2.6 billion unfunded estimate amount.

In addition to Council requesting information on the funded and unfunded projects, information was requested on how CPR IIP and ERIIP plans are created. A detailed overview of the CPR IIP and ERIIP process, methodology and assessment criteria is provided in Attachment 5.

CS&PS will continue to advance CPR IIP and ERIIP through its commitment to continuous improvement, transparency and accountability, as well as participation in corporate-level Infrastructure Investment Plan initiatives (such as IIPs integration) and collaboration with internal and external stakeholders that participate in the CPR IIP/ERIIP process or use CPR IIP/ERIIP as a data source. With 2014-2023 CPR IIP and ERIIP in place, CS&PS is well-positioned to use this information as part of the 2015-2018 Business Plan and Budget Cycle.

Stakeholder Engagement, Research and Communication

CS&PS business units and CS&PS Finance were engaged in preparation of this report.

Strategic Alignment

CPR IIP and ERIIP align with Council's Fiscal Plan for Calgary, The City of Calgary's Municipal Development Plan (MDP), the Triple Bottom Line (TBL) Framework and 2020 Sustainability direction, as well as Council policies. They reflect needs and requirements outlined in corporate, departmental and business unit strategies and business plans.

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Social, Environmental, Economic (External)

Not applicable to this clarification report.

Financial Capacity

Current and Future Operating Budget:

No new financial or budget implications were identified as a result of this report.

Current and Future Capital Budget:

\$2.6 billion over 10 years would be required to support delivery of 156 capital projects (including fully unfunded and partially funded projects). Current projection of existing funding sources available for use is approximately \$1 billion (see funding projections in Attachment 4). Administration will continue work to identify other potential funding sources and will bring these options to Council for consideration.

Risk Assessment

No new risks were identified as a result of this report.

REASON(S) FOR RECOMMENDATION(S):

As a result of the 2013 CPR IIP/ERIIP process, Administration has identified community infrastructure priorities over the next 10 years (2014-2023). This report provides Council with additional information on these priorities and guides Administration in its planning and budgeting processes. As such, it is recommended that this report be received for information and that the SPC on Community & Protective Services' recommendation, contained in Attachment 6a of this report, be adopted.

ATTACHMENTS

1. Unfunded 2014-2023 CPR IIP and ERIIP Projects
2. Partially Funded 2014-2023 CPR IIP and ERIIP Projects
3. Summary of CS&PS & Civic Partners Fully Funded Approved Capital Projects
4. 2014-2023 Funding Projections
5. CPR IIP and ERIIP Overview
6. a. CPS2013-0802 '2014-2023 Culture, Parks and Recreation Infrastructure Investment Plan (CPR IIP) and Emergency Response Infrastructure Investment Plan (ERIIP)';
b. Investing In Community Priorities: Infrastructure Investment Plans for Culture, Parks, Recreation (CPR IIP) and Emergency Response (ERIIP) 2014-2023.