



# IMPLEMENTATION PLAN – CORPORATE LIFECYCLE MAINTENANCE

## 1. OVERVIEW

Recommended Capital Project Description		Corporate Lifecycle Maintenance
<b>Executive summary</b> <i>Provide a brief description of the project and what it is expected to deliver. Capture only the essential elements of the business case, including most pertinent facts, in a clear, concise and strategic manner.</i>		<p>This program relates to lifecycle upgrades and maintenance of civic buildings (primarily stewarded by Facility Management), City-owned affordable housing properties, and community facilities such as fire and emergency response stations, recreation centers, and historic parks facilities. These investments will contribute to citizen health and safety, improvements to citizen's homes, while realizing significant economic and environmental benefits for Calgary.</p> <p>The investment will address high-priority requirements within the facility and housing portfolios, including roofing and envelope renewals, building systems upgrades, heating systems, site safety, and energy management projects leading to potential operating cost savings.</p> <p>Portions of the targeted facilities contribute key services directly to citizens while others provide administrative and operational space for City staff and business units. The current funding is not sufficient to address these critical needs or to meet improvement targets for the Facility Condition Index (FCI). The additional budget request will position The City to allocate investments in the appropriate areas for more effective and efficient management of assets.</p> <p>This budget request represents only a portion of the requirements identified for 2017 and 2018. This investment is also needed to meet legislated requirements, mitigate risks to service disruptions, avoid equipment breakdowns, avoid displacing citizens from their homes and manage facility deterioration to avoid future capital strains on The City's finances.</p> <p>Some of the investments present the opportunity for The City to reduce its carbon footprint and mitigate the impact of the carbon tax. They will also allow The City to leverage future federal and provincial funding opportunities, particularly the green energy program.</p> <p>Facility Management and Community Services will be recommending this implementation to the Priorities and Finance Committee on 2017 April 4.</p>
<b>Expected Key Deliverables</b>		Key deliverables will include lifecycle upgrades for existing parks and recreation facilities, critical unit renovations for affordable housing, emergency response stations and other civic space accommodations. The new budget request will fund lifecycle requirements, roof repairs and replacements, HVAC, electrical, plumbing and other systems in these critical citizen-facing facilities
<b>Benefits</b> <i>Describe and/or quantify value and outcomes of project</i>	<b>Economic</b>	Gross Output: 44,523,979
		Gross Domestic Product (GDP): 23,291,214
		Income: 11,793,645
		Employment: 146
	<b>Social</b>	Community outcomes: Safety, health, a well-run City, inclusion and diversity

	<b>Environmental</b>	GHG Emission Reduction: Potential investments in the envelope and building maintenance systems will lead to the reduction of GHG emissions, as buildings are among the top emitters in Canada. Lower Energy Use: The investments in the envelope and building maintenance systems will lead to energy savings.		
<b>Return on Investment</b> <i>Describe short and long-term investment returns including expected financial, social and environmental considerations, avoided costs etc. Include quantifiable and qualitative returns.</i>		<p>Timely and efficient investments in The City's buildings and housing portfolio will contribute to lower rates of asset deterioration, which will have positive social, economic, and environmental impacts.</p> <p><b>Social</b></p> <ul style="list-style-type: none"> <li>• Business continuity of City operations to deliver critical services to Calgarians</li> <li>• Preservation of historical and cultural significant sites with educational components or place making potential</li> <li>• Safer, sustainable and comfortable space for occupants and visitors to administrative and operational buildings and Operations Workplace Centres</li> <li>• Safe and well maintained homes for affordable housing tenants</li> </ul> <p><b>Economic (External)</b></p> <ul style="list-style-type: none"> <li>• Contributes to long-range accommodation planning and asset management, which will in turn permit efficient planning and value-added allocation of scarce funding</li> <li>• Maintains past investments and adds value to The City's asset holdings</li> <li>• Timely and sustainable investment in infrastructure to optimize functionality, service levels and useful life of facilities</li> <li>• Manages operating costs of buildings and sites more efficiently</li> </ul> <p><b>Environmental</b></p> <ul style="list-style-type: none"> <li>• Increased environmental efficiencies including reduced GHG emissions and reduced material to landfill</li> <li>• Best practice in environmental design and in property and facility management</li> <li>• Demonstrates leadership in innovation and sustainable buildings to community</li> </ul>		
<b>Project location</b>	<b>Address, Ward/ Catchment</b>	City-wide	<b>Project type (MUGS)</b>	M - Maintenance
<b>Business Unit (BU)</b>	<b>Calgary Housing, Calgary Fire, Calgary Parks, Calgary Recreation, Facility Management</b>			
<b>Strategic Alignment</b> <i>IC has this information and will complete this section</i>	Council Priorities		A well-run City; A city of Inspiring Neighbourhoods	
	Capital Investment Plan		Resilience	
	Calgary Economic Development (CED) 10 year Economic Strategy: Focus		Community Energy – Calgary is a vibrant, urban and prosperous community that offers people friendly neighbourhoods, diverse housing and inspirational spaces	

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	CED 10 year Economic Strategy: Strategy	Community Strategy 1 – Build Calgary as a model city for sustainable development and affordable living.
	CED 10 year Economic Strategy: Action	Community Action 2 – Direct future growth in a way that fosters more compact and efficient use of land, creates complete communities, allows for greater mobility choices and enhances vitality and character in local neighbourhoods.

**2. RESILIENCE**

<b>Program / Project Assumptions</b>	Projects contained within the program will potentially lead to energy savings and operating cost reductions while ensuring sustainability (both financial and environmental) for the city as a whole.
<b>Constraints</b>	Funding gap exists to realize full value of investments and energy savings.
<b>Dependencies:</b>	There are no major dependencies for these projects and sizeable portions of the lifecycle programs are shovel-ready.
<b>Risk(s):</b> <i>Describe any known risks</i>	Lack of funding will result in further City asset deterioration, accumulating capital and operating costs, closure of citizen's homes, potential service disruptions, safety risks for citizens and staff, and legal non-compliance in some cases.

**3. PUBLIC CONSULTATION PLANS**

<i>Provide a brief description of public consultation completed and the dates of consultation.</i>	Public consultation is not required for these lifecycle maintenance projects.
<i>Provide a brief description of public consultation outstanding and the dates of the planned consultation.</i>	Currently, there are no public consultations outstanding for any of the lifecycle maintenance projects. Planned investments will be communicated to affected stakeholders, if required.

**4. CAPITAL ESTIMATES**

<b>Estimate Class</b>	<i>Program Class Estimates (1-3)</i>
<b>External Funding (Anticipated / Received)</b> <i>List funding source and their contribution to the total cost estimate</i>	None anticipated or received
<b>Operating Impact</b> <i>Describe operating impact of investment if any (i.e. whether new or able to be absorbed within existing operating budget). Where possible provide a precise financial and operating response identifying operating benefits of the investment. Operational efficiencies may also be identified.</i>	Without capital funding to arrest the accelerating trend of deterioration in existing facilities and housing, building conditions will decline at a faster rate, resulting in higher operating and maintenance costs to The City. Capital investments for the remainder of the budget cycle for this program will help to avoid measures required to address ongoing failures of systems and building envelopes, positioning The City for efficient management of ongoing maintenance costs. Potential operating cost reductions and avoidance will primarily result from savings in energy and prevention of system failures and ongoing reactive maintenance. For example, installation of more energy-efficient systems and lighting, or upgrading of roofing components or windows, can result in significant energy cost reductions.