

COMMUNITY SERVICES INFRASTRUCTURE CALGARY IMPLEMENTATION PLANS

EXECUTIVE SUMMARY

Council report C2017-0214 approved in principle a series of recommended capital investments. This report provides the further detailed list and implementation plans for Community Services led capital projects and programs for consideration and approval as per Attachment 1. The recommended projects were selected through an evaluation that included consideration of the following: a) provide short term economic stimulus through project readiness, b) maintain existing infrastructure through lifecycle funding, c) build a great community through legacy investments, and d) leverage public and private investment.

Funding the recommended capital projects and programs will support our capital portfolio and provide the necessary backbone to deliver the programs and services that Calgarians rely on and enjoy every day. These services, programs and facilities are provided by Calgary Fire, Calgary Parks, Calgary Recreation, Calgary Community Standards including Calgary 9-1-1, Calgary Emergency Management Agency, Calgary Neighbourhoods, as well as Civic Partners and support the development of complete communities. Attachments 2 through 8 outline the capital projects and programs that Community Services will deliver on in the next two years through the Infrastructure Calgary process. They include an overview as well as information on benefits, deliverables, and a high level implementation plan.

ADMINISTRATION RECOMMENDATION(S)

That the SPC on Community and Protective Services recommend that:

1. Council Receive for information this report and the detailed implementation plans in Attachments 2 through 8.
2. Council Approve capital budget increases as per Attachment 1 to be funded by corporate capacity identified by Infrastructure Calgary.
3. Council direct that Attachment 1 remain confidential pursuant to the *Freedom of Information Privacy and Protection Act* Sections 23(1)(b), 24(1)(a) and 24(1)(g) until all Infrastructure Calgary implementation plans related to C2017-0214 are approved.
4. This Report and Attachments be forwarded as an Item of Urgent Business to the 2017 April 10 Combined Meeting of Council for final approval.

PREVIOUS COUNCIL DIRECTION / POLICY

At its 2017 March 06 Strategic meeting, Council adopted report C2017-0214 which included the following direction:

“Direct Administration to return with implementation plans, including refined capital estimates, public consultation plans and financing strategies, to the Priorities and Finance Committee or the appropriate Standing Policy Committee as soon as possible for final approval by Council.”

Prior to receiving the direction above, as part of the Action Plan Mid Cycle Adjustments report to Council on 21 November 2016, Council approved the Capital Investment Plan and authorized the Deputy City Manager to continue to identify capital funding sources, including allocations and efficiencies from existing capital budgets and to transfer funds to the Budget Savings

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Account. The Deputy City Manager was directed to return to Council no later than Q2 2017 with recommendations for new, or currently unfunded investment projects.

BACKGROUND

Infrastructure Calgary (IC) is a corporate program created to align and optimize capital investments and strengthen investment decision making and the processes involved in capital planning management.

In response to Council direction, IC established a Director led sub-committee of the IC Steering Committee to lead the identification, evaluation and selection of potential projects. The sub-committee looked at funding sources identified through a corporate capacity review to determine the best alignment based on funding restrictions and guidelines.

Projects were assessed according to four key filters determined by the sub-committee: Strategic Alignment, Project Readiness, Project Financials and Project Value and Benefit. After application of these filters, a peer review process looked at a project's ability to provide short term economic stimulus, add resilience in the community, including flood protection, maintain and preserve The City's existing infrastructure and community assets through lifecycle funding, build a great community through legacy investments, and leverage public and private investment.

As a result of this work, IC recommended 21 programs/projects to Council and received approval in principle. Implementation plans require Council approval.

INVESTIGATION: ALTERNATIVES AND ANALYSIS

Community Services has a ten year Infrastructure Investment Plan that represents approximately \$3.5 billion in unfunded capital needs. These needs are related to maintenance of our existing assets, upgrades, growth and new service development. The assets include building and facility infrastructure, land improvements, natural spaces, technology and equipment. Our capital portfolio is diverse and provides the necessary backbone to deliver the programs and services that Calgarians rely on and enjoy every day making our city a great place to live. These services, programs and facilities are provided by Calgary Fire, Calgary Parks, Calgary Recreation, Calgary Community Standards including Calgary 9-1-1, Calgary Emergency Management Agency, Calgary Neighbourhoods, as well as Civic Partners.

Several high priority programs and projects included in the Community Services Infrastructure Investment Plan have been approved through Council for funding in principle and are now recommended through Infrastructure Calgary for detailed investment and implementation as per Attachment 1. Detailed plans in Attachments 2 through 8 further expand the level of detail and scope of each investment. These investments leverage existing or confirmed funding (from both internal budgets and partner contributions), are in many cases shovel ready, and provide economic, social and environmental benefits to Calgarians.

Community Services has recommended funding several lifecycle programs to address a growing deficit of funding for community infrastructure lifecycle requirements. The resulting *Community Infrastructure Lifecycle including Community Associations* program combines needs

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from several existing business unit lifecycle portfolios (Attachment 2). Projects under this program were selected from current unfunded lists and emphasized importance and urgency of the need, readiness of the project, ability to increase operating efficiency and potentially reduce future operating costs. The ability to secure external funding was considered for projects that require matching funds, as is the case for Community Associations and Civic Partners. Projects that have matching funds already in place were given priority.

In addition, The Director's Integrated Growth Committee (DIG C) created a list of recommendations for short term capital projects that support job creation and economic stimulus across all areas of the city including greenfield, developed and industrial land use areas. In communities experiencing redevelopment, DIG C focused on projects that support completing community assets and recommended the two local park projects in Inglewood (Jack Long Park, Attachment 3 and Mills Park, Attachment 4). As well, DIG C recommended two small pathway missing link projects that support alternate mobility in developed communities (Montgomery, Attachment 5 and Bridgeland, Attachment 6).

Calgary Parks also brought forward the new challenge of projects that were previously funded through the Enmax Legacy Parks Program and are now on hold indefinitely. Two of the Tier 2 projects were considered urgent and are recommended for funding (Attachment 7). Haskayne Park will provide short term economic stimulus, is leveraging philanthropic funding, and has a Council commitment to complete an initial phase of the new regional park for Calgarians. Century Gardens is a Legacy project that has partial funding to address this deteriorated regional park in the west downtown. Funding the balance of this lifecycle project will provide short term economic stimulus through job creation and reduce future operational costs.

Calgary Parks also recommended *River Access Improvements – High Priority Projects* based on an assessment of projects identified through the River Access Strategy (Attachment 8). This strategy responded to both the commercial and recreational challenges to existing river access points since the 2013 flood as well as the growing use of the river for recreational activities.

All projects will comply with Corporate Project Management Framework standards.

Stakeholder Engagement, Research and Communication

Infrastructure Calgary consulted with the Director's Integrated Growth Committee, members of the Administrative Leadership Team, Infrastructure Calgary Steering Committee, Network members, enabling service providers (Law, Supply, Finance, Real Estate) on the potential projects. The approach and projects were shared with Calgary Economic Development.

Strategic Alignment

Recommended capacity projects align with Council Priorities for 2015-2018 and the geographic, targeted and community themes in the Council approved Capital Investment Plan. There is also strong alignment with Calgary Economic Development's 10-Year Economic Strategy for Calgary: Building on our Energy, and the recommendations are also in alignment with The City's seven key result areas in the Economic Resilience Strategy. The project implementation plans in Attachments 2 through 8 provide detail on project-level alignments.

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Social, Environmental, Economic (External)

Each investment project offers unique social, environmental and economic benefits. The collective impact of the proposed investment is enhanced resilience, a range of economic benefits including regional employment creation, gross domestic product, regional gross input, regional income, and operating savings to The Corporation. The proposed community investments support program and service delivery and maintain community infrastructure. The attached implementation plans for each project provide more detail on project-level benefits.

Financial Capacity

Current and Future Operating Budget:

There are minimal anticipated operating budget impacts. Any impacts associated with the capital projects and programs will be absorbed within the existing operating budget.

Current and Future Capital Budget:

A capital budget increase, as outlined in Attachment 1, is requested for Community Services led capital projects and programs. This budget request is to be funded by Corporate capacity identified by Infrastructure Calgary. The requested amount is consistent with the information provided by Infrastructure Calgary as part of report C2017-0214, which was approved by Council, in principle, on 2017 March 06.

Risk Assessment

From an Integrated Risk Management perspective, there is an identified risk in securing internal capacity to deliver the proposed projects. To mitigate this risk, Infrastructure Calgary considered internal resourcing and worked with the business units, both delivery and enabling, to assess their ability to successfully contribute to execution of these projects. No significant resourcing concerns were identified.

A potential risk of reallocating funds for the recommended projects is that it draws funding away from other potential projects. This risk is mitigated by the selection of projects that bring economic, social and environmental value to The Corporation and the city. Projects that are not being recommended for funding right now can still be considered for funding as part of the next Action Plan cycle.

Given the funding allocation timing, there is a potential risk that project construction will largely occur in 2018 to align with implementation plans and typically available construction seasons.

REASON(S) FOR RECOMMENDATION(S):

The proposed capital infrastructure projects and programs are recommended based on maintenance and lifecycle need, economic stimulus value, and leveraging public and private investment. Many of the projects are shovel ready, and will bring immediate economic, social and environmental benefits for Calgarians.

ATTACHMENT(S)

Implementation Plans:

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1. Financing Summary of Recommended CS projects and Funding (Confidential)
2. Community Infrastructure Lifecycle including Community Associations
3. DIG C recommendation - Jack Long Park
4. DIG C recommendation - Mills Park
5. DIG C recommendation - Montgomery Missing Link Pathway
6. DIG C recommendation - Bridgeland Missing Link Pathway
7. Legacy Parks Phase 3 – Tier 2 Projects
8. River Access Improvements – High Priority Projects