

Re: Item No. 3

HALIFAX

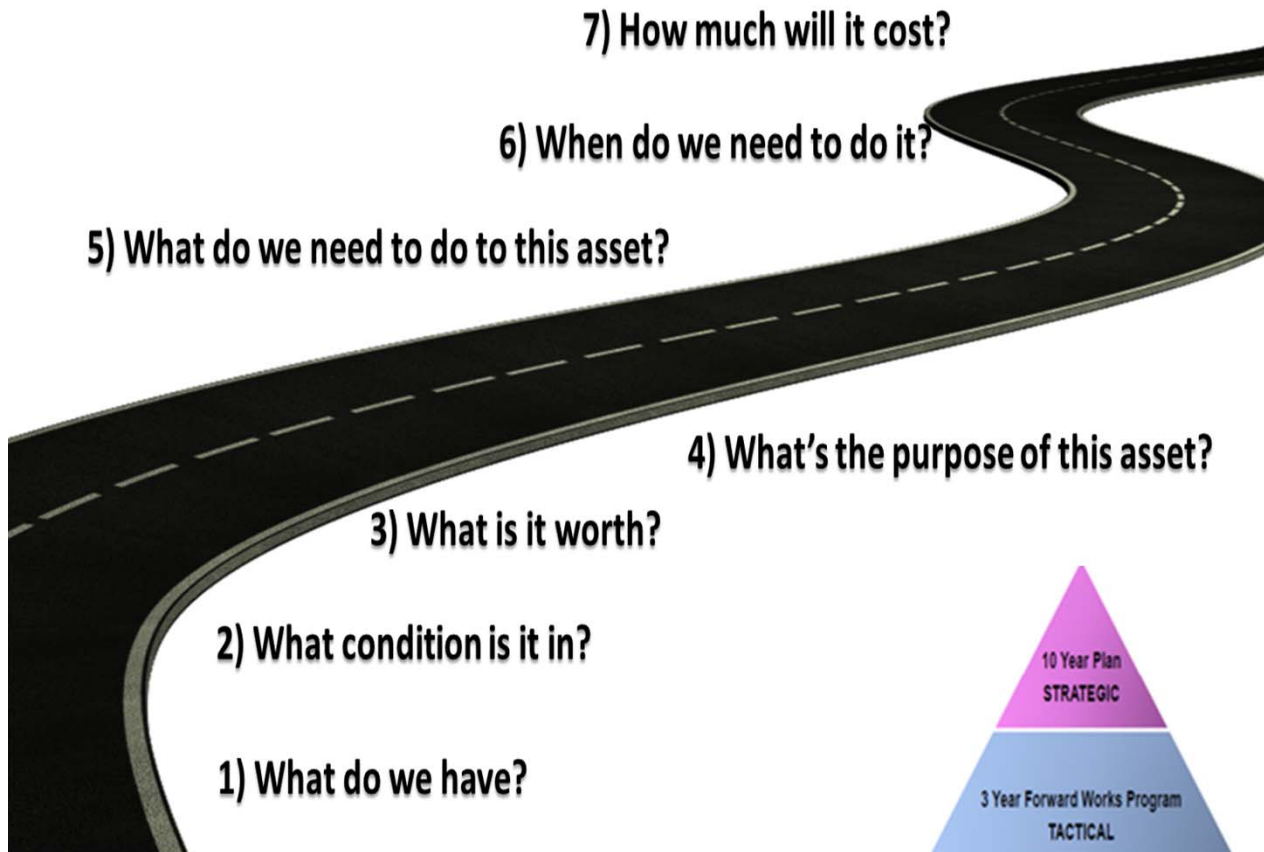
Capital Program Budget 2019/20

December 4, 2018
January 16, 2019
Regional Council

2019-20 Capital Budget: Outline

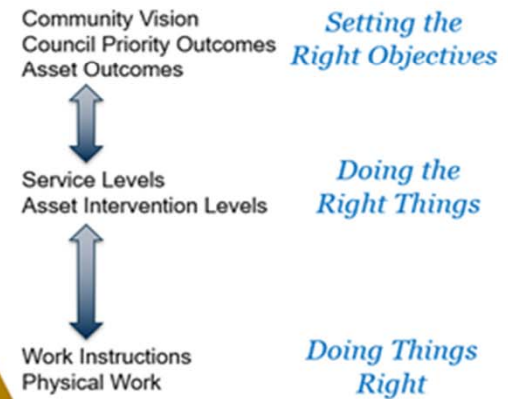
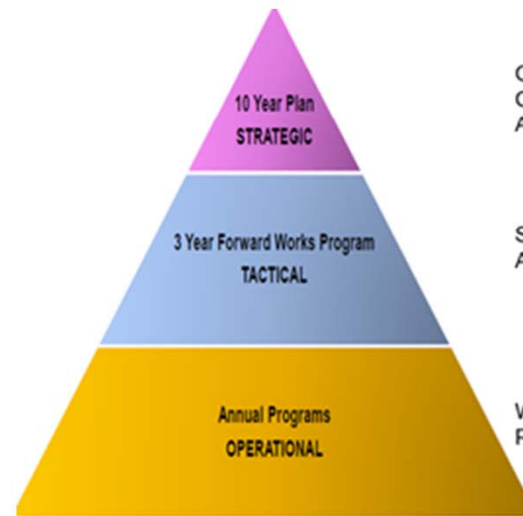
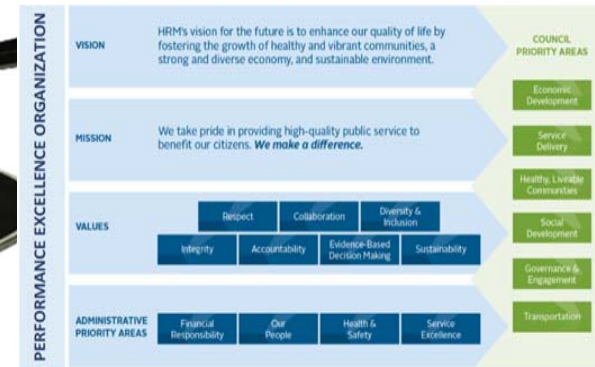
- Summary of Changes to the Capital Process this Year
- Beginning Capital Position
- Focus for Three-Year Balanced Capital Budget
- Long-Term Capital Outlook
- Recommendation for Council's Consideration

The Asset Management Journey



HRM's Plan on a Page: 2017-2021

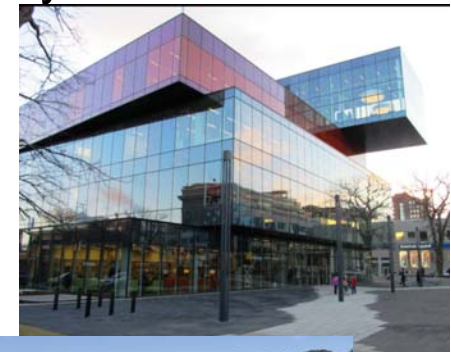
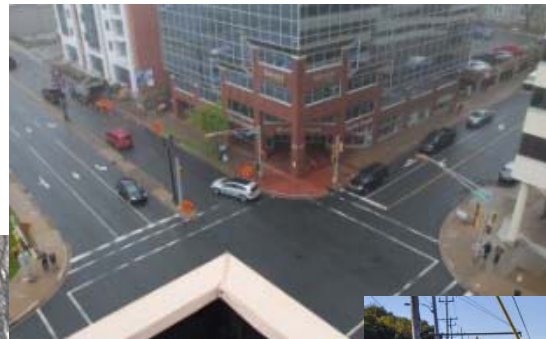
The Plan on a Page articulates the values of our organization and demonstrates our key priorities.



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Assets Supporting Halifax Services

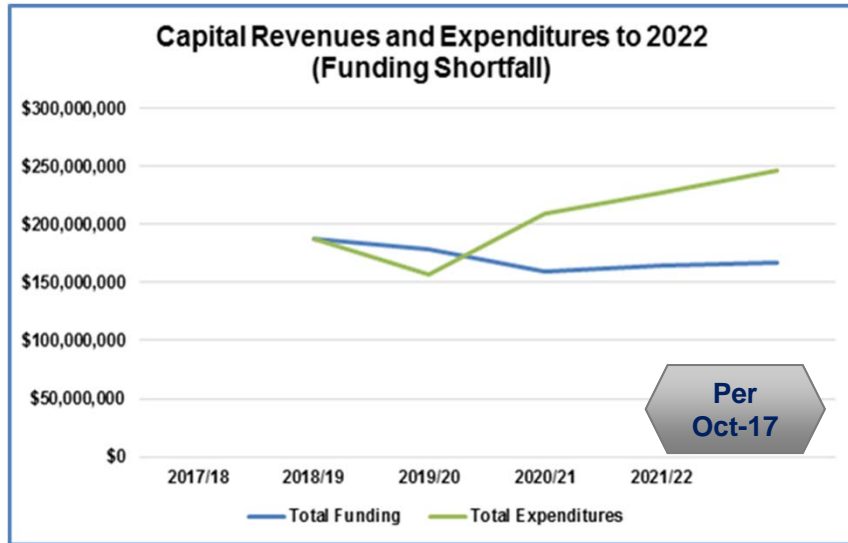
\$3.6 Billion capital investment in current assets, plus annual operating and capital funds to manage, operate and regularly maintain that investment to enable service delivery to the community.



- 368 Buildings
- 1,721 Parks and Playgrounds
- 701 Sports Fields/Courts & Ball Fields
- 1,847 Km's of Paved Roads
- 939 Km's of Sidewalks
- 274 Km's of Trails & Multi-use Paths
- 241 Bridges (Vehicle & Pedestrian)
- 1,499 Vehicles and 6 Ferries

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Capital Program Outlook

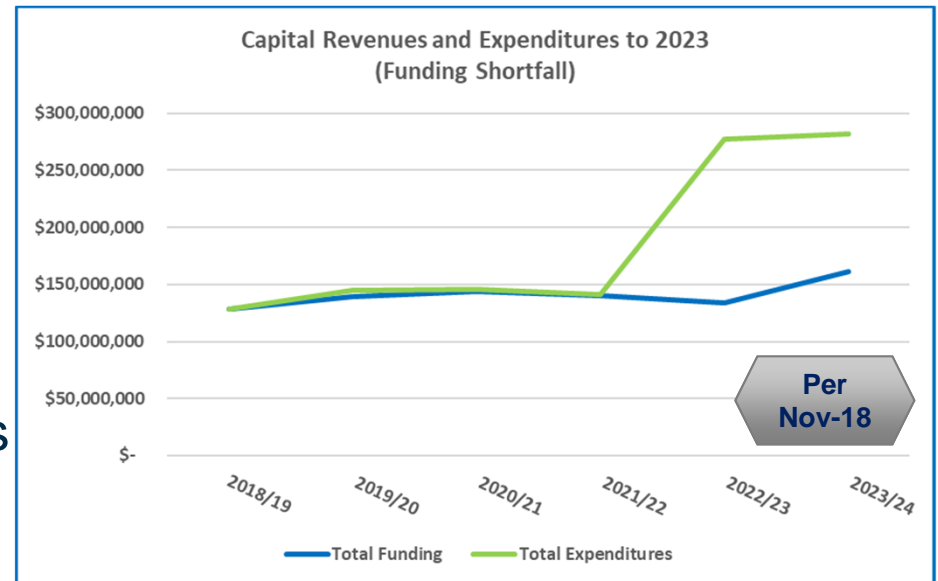


October 3, 2017:

- Funding shortfall in next 10 years by one-third of expenditures
- Land sales have not occurred as planned
- Long-term resources are limited

November 27, 2018:

- Ten-year funding shortfall now 40% of expenditures
- Still significant delays in land sales
- Long-term resources still limited



2019/20 Capital Program Evaluation

September 2018 Citizen Survey

SI2. Overall, how satisfied are you with the delivery of all the services provided by the municipality?

<i>Very Dissatisfied</i>	1.5%
<i>Dissatisfied</i>	17.7%
<i>Satisfied</i>	76.7%
<i>Very Satisfied</i>	4.1%

SI4_Y. ...please indicate whether you believe the municipality should increase, maintain, or reduce the level of service:

<i>Increase Service Levels</i>	26.2%*
<i>Maintain Service Levels</i>	66.0%*
<i>Reduce Service Levels</i>	7.8%*

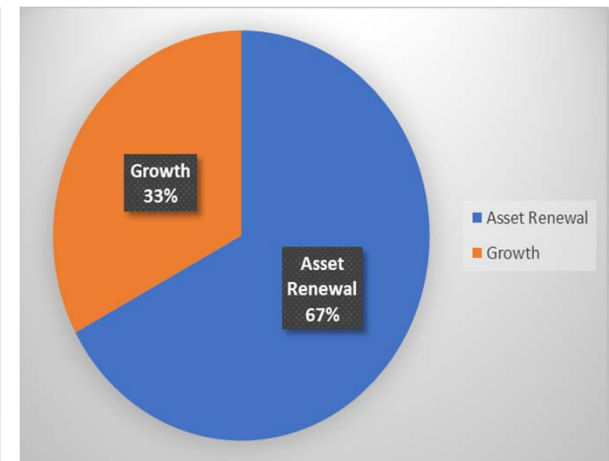
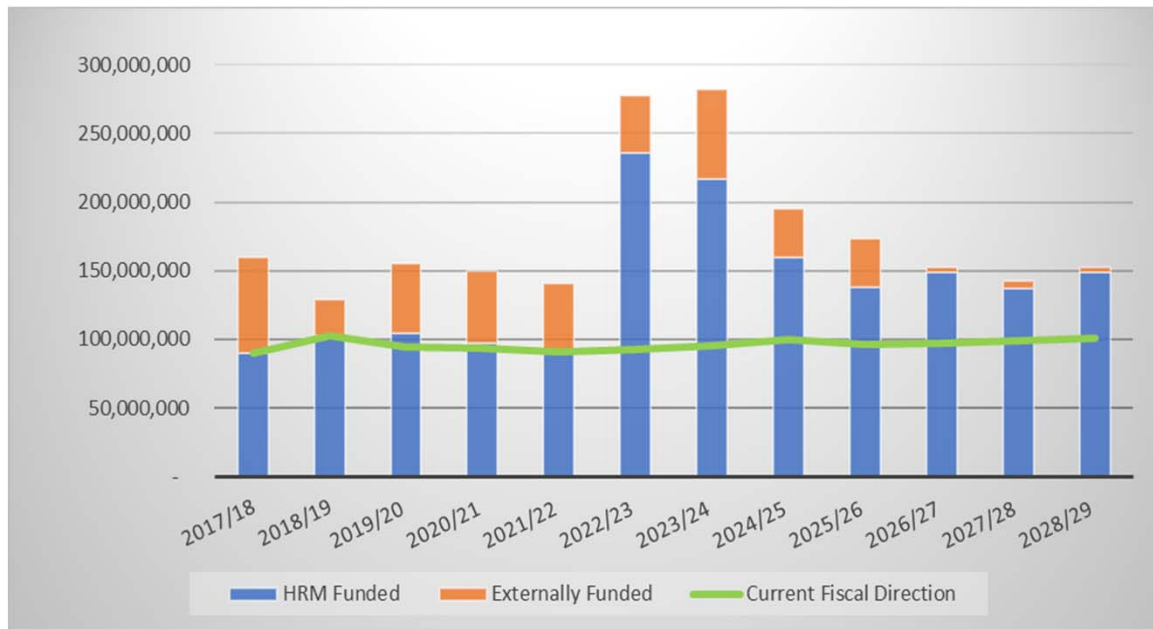
* Average of 25 individual questions & results

Three-Year Balanced Capital Budget

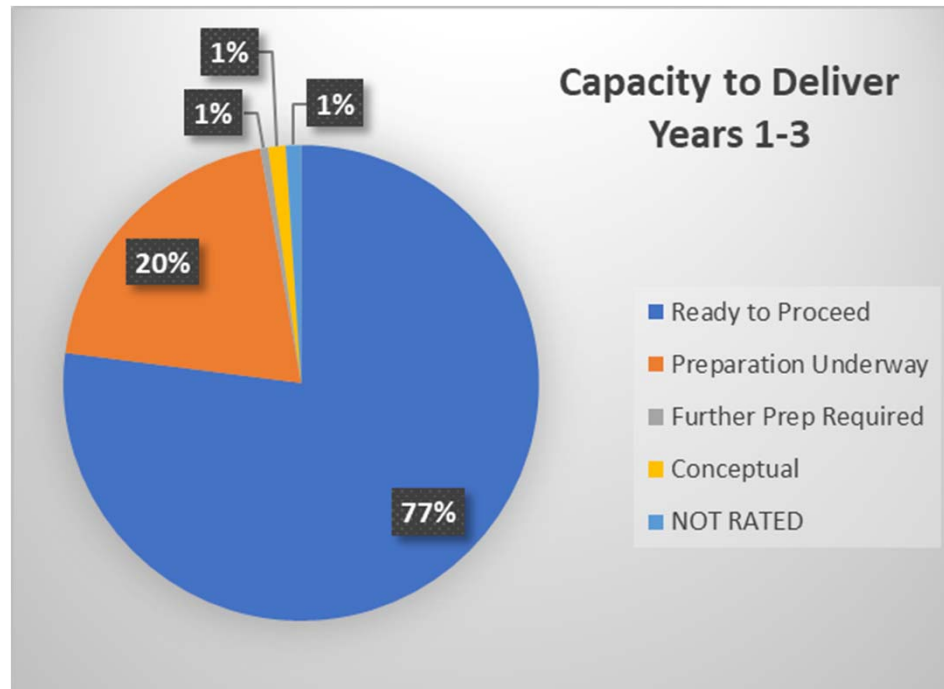
	2018/19 Gross Capital Budget	Q2-2018/19 Projected Carry Over	2019/20 Gross Capital Budget	2020/21 Gross Capital Budget	2021/22 Gross Capital Budget
Buildings	24,520,000	19,477,363	28,745,000	20,410,000	18,800,000
Business Tools	12,529,300	15,428,645	18,106,950	12,754,354	6,335,000
District Capital Funds	1,504,000	-	1,504,000	1,504,000	1,504,000
Equipment & Fleet	6,900,000	3,902,185	8,591,000	8,825,000	9,678,000
Halifax Transit	21,157,000	19,355,938	30,835,000	25,440,000	31,735,000
Parks & Playgrounds	10,208,500	9,987,668	12,860,000	4,150,000	6,250,000
Roads & Active Transportation	44,335,000	19,557,729	37,641,000	45,000,000	45,000,000
Solid Waste	4,750,000	6,983,428	2,240,000	1,790,000	450,000
Traffic Improvements	2,680,000	36,209,137	4,325,000	25,855,000	21,305,000
Grand Total	128,583,800	130,902,093	144,847,950	145,728,354	141,057,000

Capital Plan Years 4-10

	2022/23 Gross Capital Budget	2023/24 Gross Capital Budget	2024/25 Gross Capital Budget	2025/26 Gross Capital Budget	2026/27 Gross Capital Budget	2027/28 Gross Capital Budget	2028/29 Gross Capital Budget
Buildings	90,083,000	114,231,000	57,450,000	45,230,000	22,560,000	15,260,000	15,260,000
Business Tools	8,275,000	9,000,000	8,000,000	7,000,000	8,000,000	8,000,000	8,000,000
District Capital Funds	1,504,000	1,504,000	1,504,000	1,504,000	1,504,000	1,504,000	1,504,000
Equipment & Fleet	16,852,600	8,325,000	8,425,000	12,635,000	8,275,000	8,275,000	8,275,000
Halifax Transit	30,831,835	29,277,572	22,019,923	21,003,922	18,720,000	19,320,000	25,120,000
Parks & Playgrounds	14,700,000	18,900,000	12,900,000	12,600,000	9,600,000	8,800,000	6,800,000
Roads & Active Transportation	66,720,000	68,145,000	68,370,000	64,800,000	66,235,000	68,520,000	69,805,000
Solid Waste	550,000	550,000	920,000	550,000	550,000	940,000	550,000
Traffic Improvements	47,745,000	32,395,000	15,385,000	7,715,000	17,285,000	11,500,000	17,540,000
Grand Total	277,261,435	282,327,572	194,973,923	173,037,922	152,729,000	142,119,000	152,854,000



On-Ramping to Project Delivery



The Capacity to Deliver rating reflects the state of readiness to move from the project planning & preparation phase to the delivery phase.

IMP Integration with Capital Plan

From 2017-2018:

- 14-15 years' implementation timeline
- Initial capital estimates \$190M, in excess of 10-year capital funding shortfall
- 2018/19 Capital Budget reflected 78% of \$190M in first three years

Preparing for 2019/20:

- Staff now reviewing all related capital projects for IMP alignment
- Three-year balanced budget includes \$20M for IMP
- Addition of \$190M projects without fiscal direction change results in a) deferring IMP, or b) deferring other projects including Asset Renewal

Key Principles



COMPLETE COMMUNITIES

Cluster complete communities around public transit, employment, shops, and services.



MOVE PEOPLE

Move people and goods, instead of focusing solely on vehicles.



MANAGE CONGESTION

Manage congestion instead of attempting to eliminate it.



INTEGRATE SOLUTIONS

There is no one solution to solve mobility problems.

HALIFAX | INTEGRATED MOBILITY PLAN

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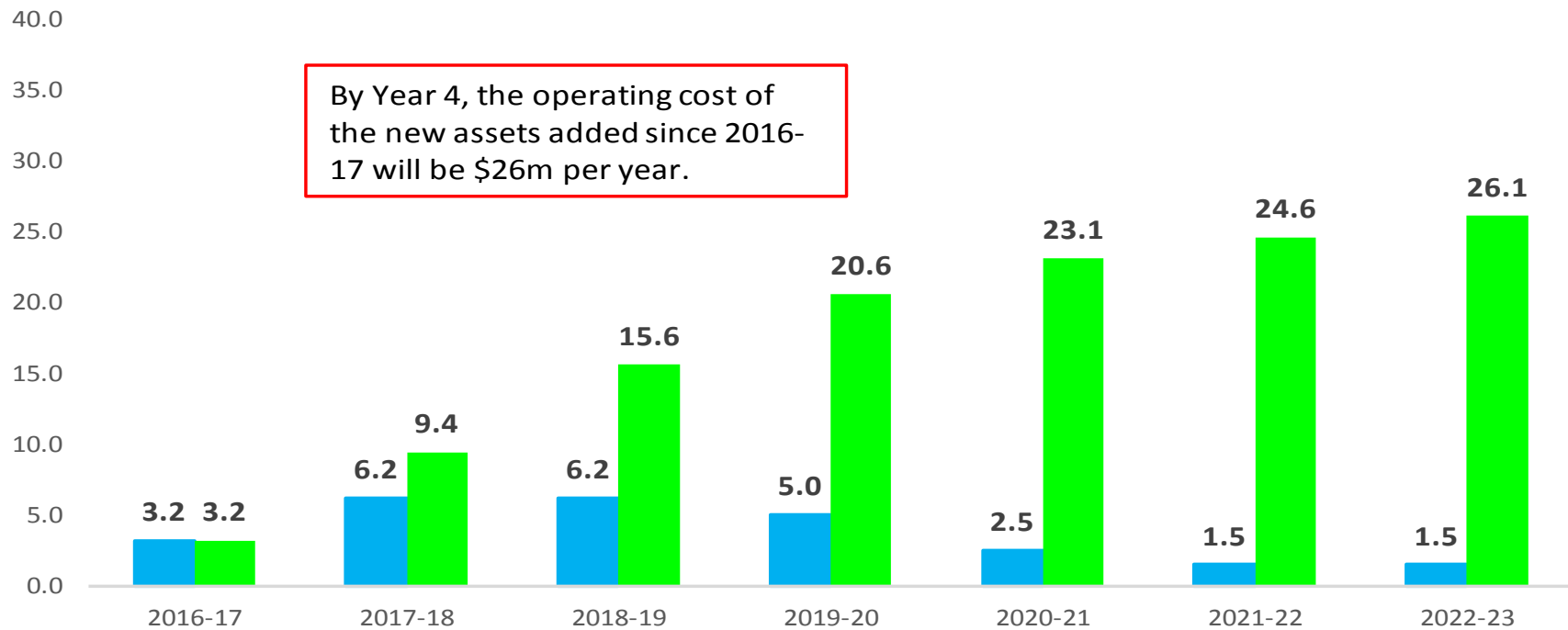
Signature Capital Projects

Project	Gross Cost Estimate (2014)	Revised Gross Estimate (2018)	CURRENTLY INCLUDED IN 10-YEAR CAPITAL PROGRAM			
			2019/20	2020/21	2021/22	2022/23 - 2028/29
Cogswell Street Interchange	-	61,750,000	660,000	23,500,000	15,200,000	3,640,000
Dartmouth Multi-Pad (RBC Centre)	43,000,000	43,700,000	-	-	-	-
Dartmouth Sportsplex Renewal	22,000,000	28,225,000	500,000	-	-	-
5-Year Downtown Investment*	16,666,667	17,100,000	-	-	-	31,000,000
Halifax Multi-Pad (Halifax Forum)	15,800,000	60,500,000	400,000	-	4,000,000	50,000,000
TOTAL PLANNED PROJECTS	97,466,667	211,275,000	1,560,000	23,500,000	19,200,000	84,640,000
Commuter Rail/Fast Ferry	31,000,000	49,500,000	-	-	-	-
Fire Station Training Facility	30,000,000	30,000,000	-	-	-	-
Library Facilities Plan**	60,000,000	54,500,000	-	250,000	1,250,000	42,350,000
Cultural Spaces Plan	60,000,000	60,000,000	-	-	-	5,000,000
Police Station Renewal/Lock-ups	60,000,000	80,000,000	-	-	1,000,000	79,000,000
Stadium	60,000,000	105,000,000	-	-	-	-
TOTAL POTENTIAL PROJECTS	301,000,000	379,000,000	-	250,000	2,250,000	126,350,000
TOTAL PROPOSED CAPITAL INVESTMENT	398,466,667	590,275,000	1,560,000	23,750,000	21,450,000	210,990,000

* Currently in Capital Program under CD000002 Downtown Streetscapes-Argrave/Grafton and CT190001 Downtown Streetscaping

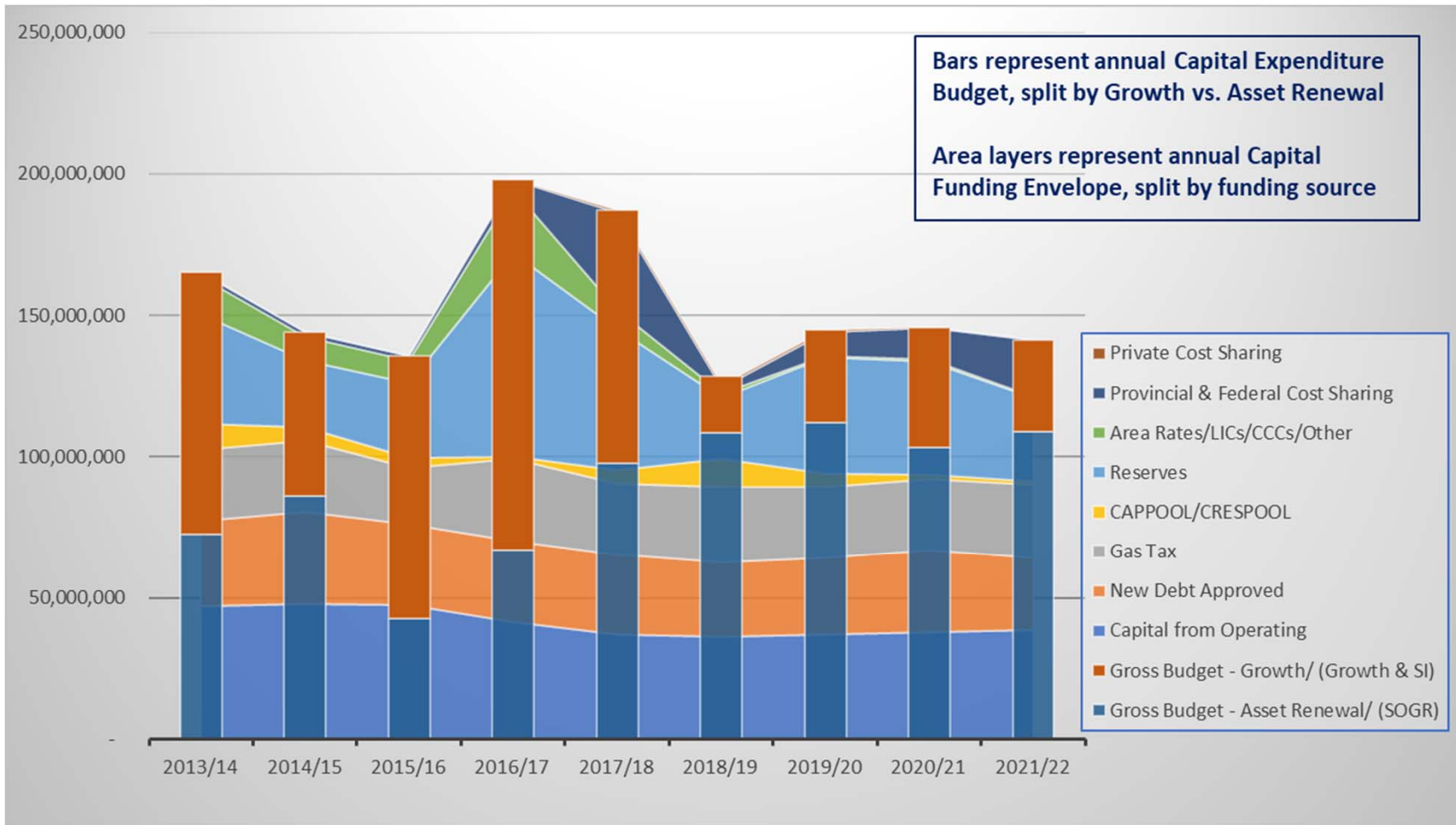
** Currently in Capital Program under CB190002 Bedford Library Replacement, CB190003 Halifax North Memorial Public Library Renovations, CB190004 Alderney Gate Library Renovations, CB190005 Captain William Spry Library Renovations, CBX01165 Regional Library Facility Upgrade and Build5 Keshen Goodman Library Renovations

Capital Growth Impact on Future Operating Budgets

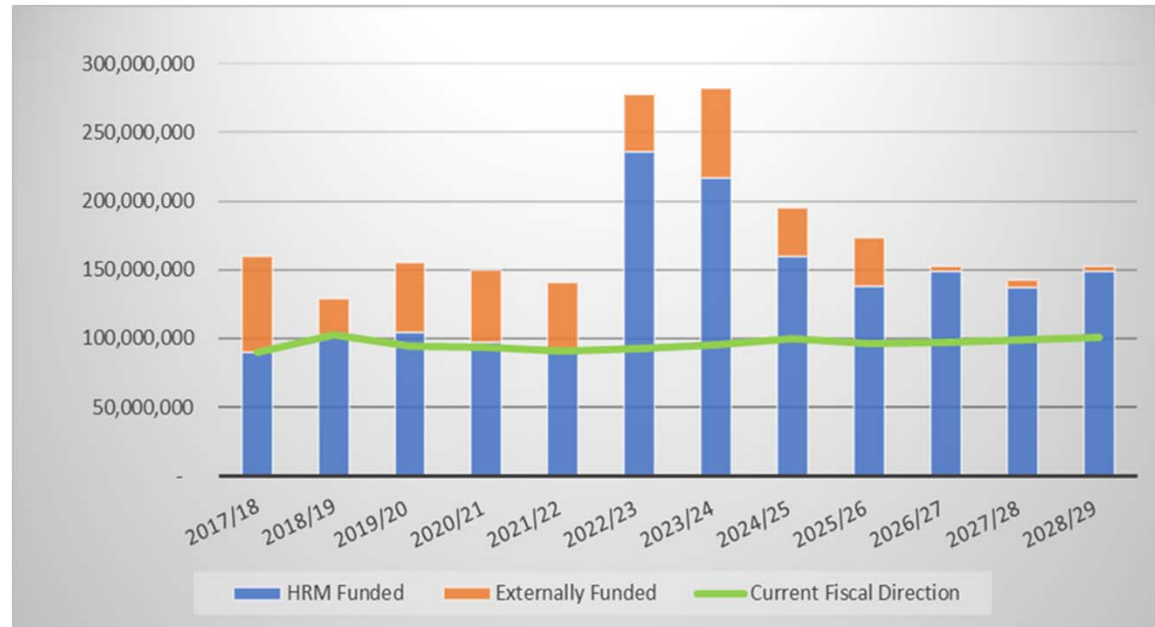


Sources: HRM

Capital Funding vs. Cost Trends



Recommendations for Consideration



1. Approve Year 1, with associated Reserve Withdrawals
2. Approve Years 2 & 3 In-Principle
3. Approve Advanced Tender Requests for 2019/20 Projects
4. Approve Multi-Year Projects

Alternative Recommendation for Consideration

Priority Projects Recommendation to Add to Budget Years 2019/20 - 2021/2022	Funded Within 3-Year Budget Recommendation	Additional Funding Request for 3-Year Budget
Active Transportation	10,000,000	30,348,000
Complete Streets	-	2,400,000
Dartmouth North Community Centre/Library	500,000	2,750,000
Downtown Dartmouth Infrastructure Renewal	200,000	3,500,000
Fire Station Replacements (#8, #9, Training)	5,000,000	11,000,000
Fleet Replacement Heavy Equipment	5,450,000	667,000
General Building Recapitalization	1,500,000	1,350,000
Halifax North Memorial Library Renos	-	6,000,000
Moving Forward Together	5,601,000	8,406,800
New Transit Technology (Fare Mgmt)	4,018,000	5,212,000
Off-Leash Dog Park	-	300,000
Park Recapitalization	4,870,000	4,650,000
Ragged Lake Transit Centre Expansion	-	5,700,000
Regional Park Washrooms (Penhorn)	-	1,200,000
Sidewalks	4,500,000	6,190,000
Sports Fields/Courts Renewal	6,000,000	7,000,000
Street Recapitalization	81,838,667	12,000,000
Transit Priority Measures Corridor (Bayers Rd)	-	8,500,000
Transit Priority Measures Corridor (Robie Street)	-	1,500,000
	\$ 129,477,667	\$ 118,673,800

Options for Additional Capital Funding:

- Issue Additional Debt
- Use Reserves
- Place excess Deed Transfer Tax into Capital Budget

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