

Funding Community Requests from Capital - CKUA

Recommendation:

That the November 25, 2011, Financial Services report 2011CF3617 be received for information.

Report Summary

This report identifies alternatives and issues to consider regarding funding the CKUA project with Capital funding sources, specifically 'Pay-As-You-Go' or referring the decision to the Operating budget deliberations.

Previous Council/Committee Action

During the November 9, 2011, City Council meeting, City Council discussed whether the CKUA request should be dealt with as part of the Capital Budget or the Operating Budget. No decision was made to allow for flexibility in considering this item first under the Capital Budget and then if required under the Operating Budget.

Report

Pay-As-You-Go Funding:

Pay-As-You-Go is a relatively scarce capital financing source. Pay-As-You-Go is used to fund 'ineligible' portions of grant-funded projects. For example, information technology initiatives (e.g. Workspace Edmonton, business applications, IT infrastructure) are considered ineligible for Municipal Sustainability Initiative funding and must be fully funded with Pay-As-You-Go.

Municipal Sustainability Initiative also mandates a \$1 million minimum threshold on individual projects. As a result, many smaller City projects (e.g. park renewal, roof repairs, equipment purchases) must also be fully funded with Pay-As-You-Go. Collectively, these items represent a significant portion of the proposed 2012-2014 Capital Budget and use up much of the available Pay-As-You-Go funds.

Even for grant-eligible projects, some Pay-As-You-Go funding is also required to accommodate 'ineligible' portions. Generally, the minimum Pay-As-You-Go required to cover these ineligible costs is 5% of the project.

Leveraging:

In order to utilize every available 2012-2014 dollar of Municipal Sustainability Initiative, Fuel, and other grants, as well as finance critical ineligible projects, Pay-As-You-Go has been fast-tracked for 2012-2014. Subsequent re-allocation of Pay-As-You-Go funds, to fund the CKUA project, may result in an overall decrease to the Proposed Capital Budget. Attachment 1 shows the projects recommended for approval in the Capital Budget that are funded solely by Pay-As-You-Go and the projects recommended for approval that have a portion of the total funding from Pay-As-You-Go.

Corporate Outcomes

This report concentrates on the Corporate Goal of Ensuring Edmonton's Financial Sustainability by contributing to the following Corporate Outcomes:

- The City has well managed and sustainable assets and services
- The City has a resilient financial position

- The City has balanced revenue streams that are sustainable.

Budget/Financial Implications

To fund the CKUA project within the Capital Budget would require the reallocation of Pay-As-You-Go from a project or projects recommended for approval.

In the event that City Council decides to refer this request to the Operating Budget, this would be discussed in conjunction with all other unfunded service packages as summarized on page 50 to 52 in the Operating Budget binder.

Attachments

1. CKUA Capital Project (Profile #12-21-7663)
2. Capital projects recommended for approval that have Pay-As-You-Go as a funding source

Others Reviewing this Report

- L. Cochrane, General Manager, Community Services

CKUA Capital Project (Profile #12-21-7663)

Community Services (thousands of dollars)										(Unfunded)
PROGRAM: Community Strategies					LEAD DEPT:					
PROJECT NAME: CKUA Expansion										12-21-7663
Group-Criteria: F-110 Projects Specifically Directed By			Program Mgr: McRae H.		Project Mgr:					
Goal: Improve Edmonton's Livability (LIVE)			Outcome: Services/programs that provide enjoyment & healthy							
BUDGET		Prior Years	2012	2013	2014	2015	2016	Total		
Budget as Approved		-	-	-	-	-	-	-		
Change		-	-	-	-	-	-	-		
Revised Budget		-	-	-	-	-	-	-		
PLANNED AMOUNT NOT APPROVED FOR SPENDING										
Existing Plan Expenditures		-	-	-	-	-	-	-		
Change		-	1,000	1,500	2,500	-	-	5,000		
Revised Expenditures		-	1,000	1,500	2,500	-	-	5,000		
TOTAL CAPITAL EXPENDITURE PLAN		-	1,000	1,500	2,500	-	-	5,000		
	Budget Request	Prior Years	2012	2013	2014	2015	2016	Total		
Financing										
General Financing (non-TCA)		-	1,000	1,500	2,500	-	-	5,000		
Total Financing		-	1,000	1,500	2,500	-	-	5,000		
Description										
CKUA is in the process of expanding their operational base in order to broaden their mandate of supporting Alberta artists and the arts community. In early 2012, they intend to move to the former Alberta Hotel, which is slated to be reconstructed and erected west of Canada Place (9700 Jasper Avenue) on Jasper Avenue. Through the new facility, CKUA intends to better connect with the community in meaningful ways, including providing below-market leasing space for arts, cultural and multi-cultural non-profit groups and developing a world-class music library and performance spaces open to the general public. They also intend to develop a sustainable, environmentally sensitive facility.										
Justification										
CKUA relocation and expansion offers the City of Edmonton an opportunity to support an innovative and sustainable investment in the cultural sector, as well as maintain and preserve a historic resource in downtown Edmonton. Because CKUA would offer below-market leasing space to other non-profit organizations, the facility can serve as a multi-tenant community arts hub, promoting the downtown core as a site of the arts industry and support objectives as identified in the Art of Living Implementation plan. The site would also be adjacent to the Quarters Downtown and could significantly supports its development.										
Percent for Art		Amount:		Percent of Total Project:		0%				
Last Updated:		18-OCT-2011						Project Cost Breakdown		
								Grant Contribution : \$ 5,000		
								\$ 5,000		

Pay-as-You Go Projects with No Grant Impacts

Program	Project	Name	2012	2013	2014	12-14 Total
BLS	07-75-3511	Century Place Infrastructure	1,804	0	0	1,804
BLS	12-75-5000	Fire Alarm Reporting System Upgrades	1,250	1,250	1,000	3,500
CFS	09-21-5830	Varscona Theatre - Major Fac Redev Upgr	1,000	0	0	1,000
CFS	12-21-5601	Equipment Conservation	991	828	861	2,680
CFS	12-21-5771	Recreation Facility Safety and Security	799	819	846	2,464
CFS	12-21-9783	Enviromental Sustainability Composite	100	105	110	315
CFS	13-21-8843	Edmonton Valley Zoo Utilities Replacemen	0	500	500	1,000
Fire	12-70-0012	Emergency Communications System Hardware	175	175	175	525
Fire	12-70-0013	Fire Rescue Emerg Equip Replace	860	860	870	2,590
Fleet	12-25-3005	Fleet Replace Tools/Equipment	807	730	945	2,482
Fleet	12-25-3003	Fleet Hoist Replacement	300	1,500	901	2,701
Fleet	12-25-3004	Fleet Underground Oil Tanks Replacement	0	250	1,000	1,250
Fleet	12-25-3013	Fleet Hoist Replacement Westwood Muni	2,700	0	1,800	4,500
IT	09-18-0700	Human Resources Information Systems	1,400	1,400	0	2,800
IT	11-18-0750	Workspace Edmonton	4,294	1,718	0	6,012
IT	12-18-0500	Business Unit Applications	3,445	3,045	3,045	9,535
IT	12-18-0406	Enterprise Business Applications	3,579	3,579	3,578	10,736
IT	12-18-0001	Information Management Infrastructure	4,224	4,224	4,224	12,672
IT	12-18-0014	Enterprise Infrastructure Applications	800	873	873	2,546
Library	07-20-0027	Jasper Place Branch Renewal & Expansion	24	0	0	24
Library	12-20-0050	IT Infrastructure Renewal	1,311	1,634	1,374	4,319
Parks	12-28-2001	Tree Planting & Naturalization	1,000	1,000	1,000	3,000
Parks	12-28-8515	Sports Fields Renewal	585	599	614	1,798
Parks	12-28-8520	Playground Conservation	376	386	396	1,158
Police	12-60-1433	Police IT Systems Infrastructure-Renewal	1,164	980	861	3,005
Police	12-60-1460	Police IT Systems - Applications-Renewal	1,300	950	912	3,162
Police	12-60-1419	Telecom Life Cycle	1,869	0	0	1,869
Police	12-60-1425	Radio Life Cycle	9,190	445	550	10,185
Roads	12-66-1210	Traffic Control Rehabilitation	150	150	150	450
Roads	12-66-1466	Walterdale Bridge	500	3,000	4,500	8,000
Roads	12-66-1860	Snow Storage Facilities Rehabilitation	200	200	280	680
Roads	12-66-1950	Geo-Environmental Rehabilitation	100	100	100	300
Roads	14-66-1041	102 Ave (over Groat Road)	0	0	650	650
Roads	15-66-1021	Jasper Av:109 St - 116 St	0	0	0	0
Transit	12-66-1240	Transit Safety & Security Improvements	223	90	90	403
Transit	12-66-1270	LRT Fleet, Facilities & Equipment Rehab	218	200	234	652
Transit	12-66-1271	Central Station Rehabilitation	708	4,074	0	4,782
Transit	12-66-1281	Bus Fleet Replacement	2,543	455	351	3,349
Transit	12-66-1291	ETS Radio System Replacement	114	0	0	114
Transit	12-66-1296	Replace LRT Signal System	475	427	450	1,352
Transit	12-66-1410	Bus Facilities Renewal	505	380	602	1,487
UPE	08-17-0402	Boyle Renaissance Community Hub Funding	1,000	0	0	1,000
UPE	12-17-0002	Parks Land Aquisition - Funded	2,000	2,000	2,000	6,000
Total PAYG with No Grant Impacts			54,083	38,926	35,842	128,851

Pay-as-You Go Projects with Grant Impacts

Program	Project	Name	2012	2013	2014	12-14 Total
BLS	12-75-0100	Building and Facility Rehabilitation	14,738	8,182	3,206	26,126
BLS	12-75-0103	Roof Rehabilitation and Replacement	3,750	5,625	5,676	15,051
BLS	12-75-1006	Shaw Conference Centre Escalators	120	540	570	1,230
BLS	09-41-2010	Library Parkade Rehabilitation	653	0	0	653
CFS	07-21-5730	Multi-Sport Tournament & Rec Site (MTRS)	500	0	0	500
CFS	11-21-1004	Mill Woods Sr Centre & Multiculture Fac.	500	500	0	1,000
CFS	11-21-7321	Abbottsfeld Recreation Centre	600	500	0	1,100
CFS	12-21-5820	Replace South Central/Bonnie Doon Arenas	500	2,500	0	3,000
CFS	12-21-6973	Fort Edmonton Park Utility Replacement	1,076	500	250	1,826
Fire	09-70-0022	Fire Stations Master Plan Phase I	224	0	0	224
Fire	12-70-0201	Fire Rescue Training Tower	260	350	0	610
Fleet	12-25-3001	Fleet Facil Replace, Maint, Renovations	360	1,380	420	2,160
Fleet	12-25-3002	Fleet Fuel Site (Tanks) Replacement	945	0	500	1,445
Library	03-20-0019	Mill Woods Branch Relocation & Expansion	917	0	0	917
Parks	12-28-1001	Park Renewal	370	150	155	675
Parks	12-28-3001	Utilities & Access Renewal	1,460	1,460	1,460	4,380
Parks	12-28-6050	River Valley - Renewal	120	290	240	650
Parks	12-28-7055	Neigh Parks & Outdoor Aquatic Amen-RENEW	4,100	4,100	4,100	12,300
Parks	12-28-7070	Dist&City Parks & Outd Aquat Amen RENEW	60	50	50	160
Parks	12-28-8510	Parks Conservation	1,523	1,636	1,670	4,829
Police	07-60-1356	South West Division Station	1,660	0	0	1,660
Roads	09-66-1960	Horse Hills Snow Storage Facilities	800	1,200	0	2,000
Roads	12-66-1020	Arterial/Primry/Hghwy/Renewl	2,250	2,250	2,020	6,520
Roads	12-66-1040	Bridge Rehabilitation	500	108	165	773
Roads	12-66-1042	82 Ave (over Argyll Rd Connector)	300	0	0	300
Roads	12-66-1043	25 (30) Ave SW Blackmud Creek	341	200	0	541
Roads	12-66-1070	Operating Yards and Facilities	300	340	330	970
Roads	12-66-1260	Street Lighting Rehabilitation	302	302	306	910
Roads	13-66-1071	Central District Rehabilitation	0	500	0	500
Transit	05-66-1665	Transit Priority Corridors	713	592	0	1,305
Transit	07-66-1280	LRV Retrofit Package	740	0	0	740
Transit	11-66-1412	Westwood Transit Garage Upgrades	514	325	0	839
Total PAYG with Grant Impacts			41,196	33,580	21,118	95,894
Total of all Pay-As-You-Go Funding			95,279	72,506	56,960	224,745