

Recreation & Culture Capital Plan

Background

The first ten-year Recreation & Culture Plan was presented to Council as part of the 2021 budget. Administration is now sharing the updated plan, which contains an additional year, the 2031 year. Funding for this plan is used to address priorities identified in the Recreation Master Plan and the Regina Cultural Plan.

a) Recreation Master Plan

In January 2019, the Recreation Master Plan (RMP) was approved by Council. The RMP is intended to provide strategic guidance to City Administration and Council related to public investment in grassroots recreation opportunities for the next ten years.

b) The Cultural Plan

The Cultural Plan articulates a vision for cultural development and artistic excellence for all of Regina. Progress on the Cultural Plan is achieved through City policy and programs as well as the efforts of many local organizations, individual artists, cultural workers and volunteers, who work towards Cultural Plan goals: Embrace Cultural Diversity, Strengthen the Artistic and Cultural Community, and Commemorate and Celebrate the City's Cultural Heritage.

Discussion

In 2020, Council approved \$3 million in ongoing funding (Recreation/Culture Capital Program) as well as a 0.5% dedicated mill rate (Recreational Infrastructure Program) increase for five years, to assist with the implementation of the Recreation Master Plan and the Cultural Plan. Administration has considered the recommendations and priorities in these areas, in alignment with the Facilities Master Plan and has developed an updated ten-year project list and funding plan (Recreation & Culture Capital Plan, Appendix D-1) to guide investments in the coming years.

It is recognized that it will be a challenge for the City to implement the recommendations in the Recreation & Culture Capital Plan through taxpayer funding alone. The plan presented considers the City solely funding all projects, aside from the indoor aquatic facility, which has been shown based on an assumption that there would be a 1/3 funding split between all three levels of government. Some projects are also eligible for funding from Servicing Agreements Fees (SAF); in these cases, the SAF funding is factored into the plan.

While not presented in the plan, naming and sponsorship opportunities will be considered on a case-by-case basis. In addition, Administration is also requesting Council approval to authorize the Executive Director, Financial

Strategy and Sustainability to apply for grant/funding programs available to the City, in excess of \$500,000 to implement the priority projects listed in the plan.

There are also special considerations and approvals required related to the following projects in the attached 10-year plan:

New Indoor Aquatics Facility

Currently the feasibility study for a proposed new indoor aquatics facility is underway and in 2022 a report will be presented to Council regarding the findings and requesting approval to move forward with the next steps in planning and design of the facility. In order to complete the remaining work related to the feasibility study and continue to move the project forward in an efficient manner Administration is recommending that Council authorize the Executive Director, Financial Strategy and Sustainability to negotiate and approve amendments to the City's existing consulting and professional engineering services agreement for the feasibility study of the new Indoor Aquatic Facility as it is anticipated that the expenditures under this agreement will exceed \$750,000.

To ensure other projects also move forward in an efficient manner from a planning and procurement perspective, multi-year funding approval is being requested for the following projects. All of these projects have funding allocated in 2022 for design and 2023 for construction:

- Douglas Park Pickleball Facility
Pickleball continues to be a growing sport. To manage the demand for pickleball, Administration has allocated funding through the ten-year plan for the construction of a multi-court, lit outdoor pickleball facility located at Douglas Park. In 2022 Administration will complete the design in conjunction with pickleball stakeholders and the Provincial Capital Commission. Once approved by the PCC Administration will then move forward with construction.
- Downtown Washroom
The need for washrooms in the downtown has been recognized and supported by Council through report CR 21-103. In addition, City Council recently approved the Winter City Strategy, which will encourage additional activity in the downtown during the winter months. This funding will be used to design and construct a year-round public washroom near Pat Fiacco Plaza.
- Community & Neighbourhood Centres
Regina Public Schools and Regina Catholic Schools are working in partnership to design a new joint school that will be located on the site of the current Imperial School. Attached to the current Imperial School is a community operated

neighbourhood centre that will be demolished as part of the new construction. This funding will be used to partner with the School Boards to construct community space as part of the new school build. As timing of the project is being driven by the School Boards, it is important to gain approval for multi-year funding so that the City does not hold up the project in any way. The final budget for the project and the type of community space constructed as part of the new school will be determined through the engagement, planning & design processes.

Financial Impact and Risks

The attached plan should be viewed as a financial projection based on information known to date. There is a risk that the plan will change over time, given future opportunities for partnerships, unplanned projects and funding availability. At this time the focus is on obtaining Council approval of the 2022 projects including preapproval of multi-year projects that require more than one year to complete and require preapproval beyond 2022. Plan updates are being shared annually through the budget process.

The most significant risk facing the Recreation & Culture Capital Plan is the uncertainty around funding for the Indoor Aquatics Centre. The plan assumes approximately two-third funding from the federal and provincial levels of government for a total of over \$70 million. Should this funding not come to fruition in the time frame that is required or at all, an evaluation will need to be completed to determine if this project should be deferred or if an alternative source of funding (ie. debt) would be suitable to fund the project should third party grant funding not be available.

The plan also proposes borrowing \$9.5 million to support the projects included in the plan. The use of debt requires careful consideration with respect to the City's debt capacity and should balance the needs for this plan with the needs of debt for other City projects. It is important to note, however, that the plan incorporates future debt payments to be funded through the existing funding sources (i.e. the Recreation Infrastructure Program). Debt payments will not be required to be supported through future mill rate increases.

The Asset Revitalization Reserve (ARR) has been included as a funding source for the Recreation & Cultural Capital Plan. Over the next five-years, Administration plans on borrowing \$11.7 million from the reserve, with the intention to pay these funds back as the Capital Plan's balance allows. The ARR balance is projected to be approximately \$14 million at the end of 2021. Borrowing \$11.7 million from the ARR to fund the Recreation & Culture Capital Plan will restrict use of this reserve in the next few years but will lessen the amount needed in debt.