

Recreation & Culture Capital Plan

Background

A ten-year capital plan has been developed to address priorities identified in the Recreation Master Plan and the Regina Cultural Plan.

a) Recreation Master Plan

After extensive community engagement, 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 recreation opportunities for the next ten years.

The City acts as a major regional service centre and is also growing. With this responsibility, growth and changing demographics, comes pressure on existing facilities as well as expectations from the community for new facilities and programs. The most important indoor recreation need identified in the short term was enhancement of indoor pool capacity at the city-wide level. Other short-term priorities included a replacement for Wascana Pool (underway), additional pathway connections, additional off-leash dog parks, improved quality of athletic fields, ball diamonds and spray pads, and expansion of the numbers of fully accessible play structures.

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.

In 2019, Council approved a Civic Art and Cultural Collections Policy. Plans are now underway to expand on Regina's public art program through investments that contribute to the City's sense of place, local identity and vibrant cultural sector.

Discussion

In 2020, Council approved \$3 million in ongoing funding as well as a 0.5% dedicated mill rate increase for the next 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 a ten-year project list and financing plan (Recreation & Culture Capital Plan, Appendix D-1) to guide investments in the coming years.

The replacement of City recreation facilities alone, is estimated at over \$300 million and 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.

Financial Impact and Risks

The attached plan should be viewed as a financial projection based on information known to date. It is likely that it will change over time, given future opportunities for partnerships, unplanned projects and funding availability. At this time the focus is on approval of 2021 projects with plan updates 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 2/3 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 (i.e. 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 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 plan contemplates borrowing \$11.7 million from the ARR, which is the current balance of the ARR, Using the balance of this reserve to fund the Recreation & Culture Capital Plan will restrict use of this reserve in the future but will lessen the amount needed in debt.

Finally, unplanned projects pose a risk to this plan. The City is managing this risk by increasing funding to the Facilities Asset Management capital program. Maintaining assets in a good state of repair will decrease the risk of unplanned projects.