

## Report CCR-PCD-20-14

**To:** Chair Wright and Members of the Planning and Community Development Committee  
**From:** Sharon Vokes and Randy Scherzer  
**Meeting Date:** June 17, 2014  
**Subject:** **Five Year Capital Forecast Planning and Community Development Committee 2015 - 2019**  
**Status:** Recommendation adopted by Committee as presented per Resolution PCD69-14; Endorsed by County Council per Resolution CC90-14 July 8, 2014

### Recommendation(s)

**THAT Report CCR-PCD-20-14 regarding the 2015 - 2019 Five Year Capital Forecast be received;**

**AND THAT the Capital Forecast as presented/~~amended~~ be forwarded to the Director of Finance for inclusion in the corporate Capital Forecast 2015 - 2019.**

### Background

The five year capital forecast process is a great mid-range planning exercise. The capital forecast being presented includes both traditional capital projects and items which could be termed more as strategic initiatives (i.e. development of strategic planning type documents).

Ideally, although the period of time covered is five years, there needs to be an awareness of potential capital costs beyond the five year period. Staff has utilized tools such as building condition assessments to ensure that the future capital needs of buildings, etc. will have adequate funding to maintain the assets.

Staff have developed the Five Year Forecast based on goals within the Corporate Strategic Plan, studies on assets and the 2013 Grey Roots Business Plan. Staff have endeavoured to manage the projects in such a manner that there are not large variances in levy requirements from year to year. The Committee is encouraged to review the proposed plan and make

suggestions for additions or deletions.

The 2014 Five Year Capital Forecast being presented to the Committee requires a levy commitment of \$663,537, which is \$65,727 more than the approved 2014 capital budget.

### *Grey Roots*

A key item to note in the Grey Roots capital component is the elimination of the debenture debt at the end of 2014. After discussions with the Director of Finance and the CAO, it is being recommended that the space opened up from ending the debenture payments continue to be utilized by Grey Roots. A portion of the additional funding will be aimed at fulfilling the funding recommendations of the building condition assessments so that future capital maintenance of the main building and the period buildings will be adequately funded. The injection of this funding will also enable the completion of the buildings for the Moreston Heritage Village at a faster rate.

The specific projects to be accomplished in 2015 are the construction of the church and work related to enhancing Grey Roots' digital presence. This includes refreshing the website, and updating the video, Wish You Were Here. While there is funding in the 2014 budget to start construction of the church, the full amount is being brought forward in the capital forecast in the event work doesn't proceed in 2014. The work involved in correcting deficiencies in the saw mill's foundation is larger than anticipated which will take more time.

The forecast for 2015 includes funding to reserve to lay the groundwork for future structures in Moreston Heritage Village, such as a general store, railway and railway station. Also included is funding to create the plan to refreshing the main Grey County Gallery. This study will lay the groundwork for the redevelopment of this gallery.

Also included in future years of the forecast is construction of a print shop, shelving for both the artefacts and archival material, renovations of the area currently housing the print shop artefacts once they are relocated and funding for the development of a collections management plan.

Once again, the capital forecast includes the construction of the Orange Lodge which is to be fully funded by the community. This has been included in capital forecasts since 2011 and the estimate has not been updated as there is to be no cost to the County.

It should be noted that plans for future heritage buildings in Moreston beyond the construction of the print shop in 2016 may be altered dependent

upon community interest and support.

### *Tourism and Economic Development*

There are three main thrusts of capital initiatives for tourism and economic development and all are based on the premise of sustainability. For both tourism and economic development it is important to have guiding plans which focus resources, both human and financial, to achieve desired results.

An economic development action plan is scheduled for 2014 and the capital forecast provides for funding to reserve over the course of the next four years, with a new plan to be developed in the fifth year. This financial planning mechanism was put in place with last year's five year capital forecast and the 2014 budget. This minimizes levy impact and the need to draw on the one time funding reserve.

In 2015 an update to the tourism action plan is anticipated and the same type of stabilized funding is proposed through annual funding of \$8,000 per year so that the plan can be refreshed every five years with minimal levy or reserve impact.

Also new for 2015 is an allocation of \$50,000 for strategic initiatives and alliances for economic development. As the County becomes more known for its role in economic development so too does the demand for partnership funding. Another pressure on the County is the need to embrace and promote immigrant attraction. This will require dedicated funding. Currently, the County is very limited in the support it can offer in the field of economic development. It is anticipated that the 2014 economic development action plan will provide more clarity on the County's responsibilities in economic development and optimal utilization of scarce resources.

### *Planning*

A total of eight projects have been identified under the Planning capital budget which include; Natural Heritage Systems Study, Housing Study Update, Development Charges Update, Active Transportation Master Plan, Archaeological Master Plan, Growth Management Study Update, Multi-Function Plotter/Scanner (MFP), and Transportation Master Plan update.

Natural Heritage Systems Study - This project has been delayed due to competing priorities. County staff met recently with local municipalities and conservation authorities to determine the level of interest for this Study and the willingness of these organizations to partner with the County on this Study. Although there is strong interest in the Study, resources to assist both

internally as well as from external partners are limited. Therefore it has been decided that the best direction for this Study is to prepare an RFP and hire a consultant to complete the Study. An RFP will be prepared in the next few weeks. Staff anticipate that approximately half of the budgeted funds will be spent in 2014 and half to be carried over into 2015.

Housing Study Update - The current Housing Study was completed in November 2010. County staff have been developing strategies and proposed policies using the results of the Housing Study in order to assist with the housing needs in Grey. By updating the housing data, current housing needs would be identified and policies and strategies can be revised to address the changing needs. This would be a joint project between the Housing Department and the Planning Department. The Housing Study Update is anticipated to commence in 2015 (5 years from the current Housing Study completion date) and is estimated to cost \$40,000 with \$20,000 being funded from development charges and \$20,000 being funded from the levy.

Development Charges Update - The Development Charges By-law needs to be reviewed every five years in accordance with the Development Charges Act. The current Development Charges By-law is set to expire in January 2017 and therefore the Development Charges Update would commence in 2016. The total estimated cost for the 5 year update to the development charges background study is \$40,000 with \$36,000 being funded from development charges and \$4,000 being funded from the levy. The projected cost for the update has been increased slightly to account for inflation increases. This has resulted in a slight net levy increase.

Active Transportation Master Plan - The draft Transportation Master Plan will be presented to the TMP Steering Committee in June. The draft Transportation Master Plan will include an Implementation Strategy which will identify next steps for implementing the recommendations, including having further discussions with local municipalities on the recommendations. The Implementation Strategy will also include recommended timelines for completing the various action items, and the deliverables anticipated from the action items.

One of the proposed action items identified in the draft Implementation Strategy recommends that an Active Transportation Master Plan (ATMP) be completed in 2016. The purpose of the ATMP will be to further engage local municipalities, neighbouring municipalities/counties, RTO7 and active transportation stakeholders to explore active transportation network connections and opportunities for accessing trails/bike routes (e.g. parking

areas, rest stops, etc.). By not undertaking an ATMP, various active transportation networks will not be coordinated and therefore key active transportation network connections will not be identified resulting in an inefficient active transportation network. This could result in resources being spent inefficiently (e.g. installing paved shoulders on roads where it may not be necessary). It is estimated that the ATMP will cost \$75,000 with \$50,000 to be funded from development charges (reallocated from studies no longer required) and \$25,000 for planning reserves (legal reserves). In order to develop sufficient funds to update the ATMP in 5 years' time, it is recommended that \$4,000 be budgeted annually resulting in a proposed net levy increase.

Archaeological Master Plan - An Archaeological Master Plan is a document that provides an inventory and evaluation of known archaeological resources and identifies areas of archaeological resource potential. The County Official Plan indicates that the County may undertake an Archaeological Master Plan and that the County would consult with First Nations when developing the Terms of Reference for the study. It is recommended that this project commence in 2017. The total estimated cost for this project is \$150,000 with \$100,000 being funded from development charges and \$50,000 funded from the levy. It is proposed that funds be set aside in reserves each year to evenly distribute the costs for the project.

Growth Management Study Update - The growth management study includes permanent population projections, household projections and employment growth projections and allocates the projected growth to local municipalities. It is important to update this information using current census data and growth information to ensure that projection information is accurate and that projected growth is allocated appropriately. The Growth Management Study Update will be completed in 2014 and the consultant that has been hired is Hemson Consulting Ltd. It is anticipated that the next Growth Management Study Update would commence in 2019.

Multi-Function Plotter/Scanner (MFP) - The current colour plotter was originally purchased in 2010 and earlier this year a major part failed on the plotter and therefore needs to be replaced earlier than anticipated. The large format scanner also needs to be replaced as it will no longer be supported once the new operating system is installed. On May 6<sup>th</sup>, 2014 Council passed a motion to replace the existing scanner and plotter with an MFP combination unit which will be more efficient than the current set-up ([PDR-PCD-14-14 Plotter and Scanner Replacement](#)). The MFP is estimated to be less than \$20,000 which will include a 5 year warranty and service plan. Given that the warranty will be for 5 years, the capital budget for the plotter

has been adjusted anticipating that the MFP will need to be replaced in 5 years time. This has resulted in a net levy increase of \$3,000 per year compared to the 2014 Capital Budget.

Transportation Master Plan Update - It is recommended that a Transportation Master Plan (TMP) be reviewed every five years to reflect data updates and information, and to ensure that the recommendations and strategies reflect current conditions and future projections. The proposed capital budget includes funds to be transferred to planning study reserves to assist with the funding of a future update to the TMP. The future update to the Transportation Master Plan is expected to occur in 2020. The estimated cost for the TMP update is \$180,000 with \$138,000 to be funded from Development Charges and the remaining amount to be funded from the levy

### *Trails*

In 2011 an assessment of all the bridges and culverts was completed by AECOM. The initial assessment noted that there are ten culverts in need of repair or replacement, some immediate and some within the next five to ten years. There are also ten bridges in total along the trail which are in relatively good shape with one bridge in need of repair/replacement within the next five to seven years. The proposed capital budget recommends that Culvert 9 be replaced in 2015, Culvert 16 in 2016, Culvert 74 in 2017, Culvert 23 in 2018 and Bridge 63 in 2019.

With the assistance of the Finance Department, the information from the AECOM report has been used to create a long-term forecast to determine the funds required over the next 10 years to address the capital needs on the CP Rail Trail. In order to address future needs, it is recommended that federal gas tax funds be utilized each year to support the projects ranging from \$164,000 in gas tax funds in 2015 to \$175,000 in gas tax funds being utilized in 2016 to 2018. With the use of gas tax funding, the proposed capital budget identifies a transfer of levy funds to reserve of \$75,000 each year. The transfer of funds to the Trails Reserve will assist in offsetting some of the costs associated with the capital projects and will provide a consistent amount to fund from the levy each year. It is estimated that the replacement costs identified in the bridge/culvert assessment are conservative and therefore a 2% per year inflation cost was not applied.

The proposed capital budget includes funds (\$25,000 each year) to conduct pre-engineering for future capital projects. The intent will be to conduct pre-engineering for a project two years prior to the proposed project date. Pre-engineering will assist with verifying the estimated project costs and will allow staff to prepare tenders directly following budget approval. This year

the Planning Department and the Transportation Services Department are working together to develop the pre-engineering plans and design specifications for the culvert projects slated for this year as well as next year. Should this pilot project prove successful, it may not be necessary to budget the \$25,000 for pre-engineering for future years.

## Financial / Staffing / Legal / Information Technology Considerations

The levy for capital under the jurisdiction of the Committee in 2014 was \$597,810 and the draft forecast requires \$663,537 for 2015 which is an increase of \$65,727. This \$65,727 would reflect a 0.13% increase to the corporate net levy requirement for 2015.

## Link to Strategic Goals / Priorities

The Capital Forecast includes ongoing capital funding to preserve the buildings at Grey Roots as well as investing in the repairs/replacements of the culverts on the CP Rail Trail which supports Goal 1.6 of the Corporate Strategic Plan. This goal identifies the importance of accelerating Council's commitment to lifecycle planning for the long term investment of county owned capital assets.

The Capital Forecast also supports Council's Goal 1.2 to develop and support an economic action plan that encourages greater diversification within the employment base.

As well, Council's investment in Grey Roots supports Goal 3.3 which is to champion arts, culture and heritage initiatives that promote and enhance the County's rich creativity and history.

## Attachments

[Attachment to CCR-PCD-20-14 Planning and Community Development Committee Capital Summary 2015-2019 Five Year Capital Forecast](#)

[Attachment to CCR-PCD-20-14 Heritage 2015-2019 Five Year Capital Forecast](#)

[Attachment to CCR-PCD-20-14 Tourism & Economic Development 2015-2019 Five Year Capital Forecast](#)

[Attachment to CCR-PCD-20-14 Planning & Development 2015-2019 Five Year Capital Forecast](#)

[Attachment to CCR-PCD-20-14 Trails 2015-2019 Five Year Capital Forecast](#)

Respectfully submitted by,

Sharon Vokes  
Clerk/Director of Council Services

Randy Scherzer  
Director of Planning