
CITY OF KELOWNA

MEMORANDUM

Date: June 17, 2009
File No.: 1855-20
To: City Manager
From: Grants Manager
Subject: Community Adjustment Fund

RECOMMENDATION:

THAT Council approve the submission of four applications to Western Economic Diversification and the Community Adjustment Fund;

AND THAT Council approve the priority ranking of the four projects as set out in the report from the Grants Manager dated June 17th, 2009;

AND FURTHER THAT the Mayor be authorized to send a letter to the Province of B.C. reaffirming City Council's infrastructure priorities and applications that have been made.

BACKGROUND:

On May 27th staff attended the information workshop facilitated by the Federal department, Western Economic Diversification, where specific application details were given regarding the recently announced Community Adjustment Fund (CAF).

The Community Adjustment Fund will provide \$1 billion over two years to address the short-term economic needs of Canadian communities impacted by the global recession. The national fund will provide an economic stimulus by supporting projects that create jobs and maintain employment in and around communities that have experienced significant job losses and lack alternative employment opportunities. \$120 Million will be distributed to the Province of B.C. over the next two years.

Applications for the CAF program are now being accepted and the final deadline date is June 26th, 2009. Western Economic Diversification will review and respond to applications as quickly as possible.

Projects funded under CAF must:

- Be completed by March 31, 2011 with no requirement for continued support;
- Provide benefits to communities affected by the global economic recession;
- Create immediate, short-term employment;
- Be able to start quickly; and,
- Be incremental (funds should be in addition to existing resources and not replace funding available elsewhere).



In addition, priority will be given to projects in and around eligible communities that:

- Are located in rural, single-industry communities;
- Create jobs and maintain employment;
- Leverage funds from provinces, territories and other funding partners;
- Build on partnership arrangements already in place (e.g. federal-provincial/territorial agreements) and existing programs; and,
- Provide a legacy of longer-term economic benefits.

The Community Adjustment fund is targeted to communities with fewer than 250,000 population. Applicants can request 100% funding from CAF however partnered funding is preferable.

According to figures released June 5th, 2009 by Statistics Canada, the local unemployment rate in Kelowna went up 1.8 per cent between April and May, to 11.5 per cent last month, up from 9.7 per cent the month before. According to Statistics Canada, 11,600 people were actively seeking work here in May, 2,000 more than in April.

Four projects, in order of priority, have been identified by City staff as potential applications to the Community Adjustment Fund. The recommended order of priority came from stakeholder staff who considered the size of the financial requests and the relative community benefits of these projects. They are as follows:

1) Okanagan Lake Bridge Pontoon Adaptive Reuse Project

Description: This project will take 37,000 tons of old bridge infrastructure and reuse it to create a public pier, public moorage and breakwater for safe harbor. When completed the structure will be ½ kilometer in length and 15 meters wide, which will enhance local tourism and our Okanagan Lake amenities.

Total Project Cost:	\$ 6 Million
City Contribution:	\$ 0.5 Million
Partnership Contribution – SNC Lavalin:	\$ 1 Million
Community Adjustment Fund Contribution:	\$ 4.5 Million

2) Community Parks and Open Space Network

Description: The Community Parks and Open Space Network project is a proposal to develop parks in different areas of the City to enhance the amount of green space in the community and provide recreation and leisure amenities to existing and newly developed neighbourhoods that are park deficient. While the City allocates sufficient capital to fund the development of two of these types of parks per year, the recent development boom in Kelowna has caused the backlog of undeveloped parks to grow to 20. The Community Parks and Open Space Network project, funded in part with a Community Adjustment Fund grant, will result in the development of 7 new parks, significantly reducing the city's park and open space backlog and providing 25 person years of employment for consultants and contractors at a time when all forms of design and development work have experienced a sharp decline. The Community Parks and Open Space Network project is made up of the following park development projects:

Birkdale Park
Wilden Parks
Powerline Park

Mugford Park
Gertsmar Park

Maintenance: Included in this application is the estimated \$51,000 required to maintain these new parks and open spaces to the end of the grant period.

Total Project Cost:	\$3,341,000.00 (GST not included)
Partnership Contribution:	200,000.00
City Contribution:	\$1,570,500.00
Community Adjustment Fund Contribution:	\$1,570,500.00

3) Neighbour woods

The Urban Forestry Division is creating a project that partners the City of Kelowna with local tree nurseries and residents. This project will encourage tree planting in neighbourhood backyards through a city subsidized program whereby residents will be charged a nominal fee for the trees. Support through the Community Adjustment Fund will allow the City to ensure that trees are planted to grow properly while providing local employment. In partnership with the local nurseries, the Neighbour woods program will mitigate the loss of trees in Kelowna's urban forest from the pine beetle and the Okanagan Mountain Fire and help build neighbourhoods. Budget has been approved by Council for a portion of this program however increased support through CAF would allow for an expansion of the project. Our goal is to plant 1,000 trees in Fall 2009 and an additional 1,000 by Spring 2010.

Total Project Cost:	\$380,000.00
City Contribution:	\$ 80,000.00
Community Adjustment Fund Contribution:	\$300,000.00

4) Green Team

As the population in Kelowna grows, use of our natural areas has increased and there is a need to build new trails and decommission those that are undesirable. Decommissioned trails may include those that are located near sensitive vegetation areas or where a trail may not lead anywhere, and has been created by wildlife and is now used by people. This situation has occurred on Knox and Dilworth Mountains. Additional trail work would be undertaken in other natural areas to build appropriate trails coupled with noxious weed removal as needed. This program, if funded, would provide employment for youth through September to November 2009 as well as in March, April and May 2010. If successful Parks Operations will seek city funding to augment this program in 2010.

Total Project Cost:	\$520,000.00
City Contribution:	20,000.00 Administration costs
Community Adjustment Fund Contribution:	\$500,000.00

INTERNAL CIRCULATION TO: Andrew Gibbs – Manager, Parks & Public Space Projects, Terry Barton – Manager, Parks Planning, Ian Wilson – Manager, Parks Services, Keith Grayston – Director, Financial Services, Lorna Rowland – Landscape Technician, Parks Services, Randy Cleveland – Director, Infrastructure Planning, Mark Watt – Manager, Strategic Projects.

FINANCIAL/BUDGETARY CONSIDERATIONS: Funding for the Pontoon Adaptive Reuse Project will be from the Parkland Reserve. Funding for the Community Parks and Open Space Network will be from the Major Facilities Reserve and be repaid to the reserve from the 2010 and 2011 parks development capital program. There is already approved funding in place for the City’s contribution to the Neighbour Woods and Green Team projects. An amendment to the 2009 Financial Plan will be required if the Community Adjustment Funding is approved.

Considerations that were not applicable to this report:

- EXTERNAL AGENCY/PUBLIC COMMENTS:**
- COMMUNICATIONS CONSIDERATIONS:**
- LEGAL/STATUTORY AUTHORITY:**
- LEGAL/STATUTORY PROCEDURAL REQUIREMENTS:**
- EXISTING POLICY:**
- ALTERNATE RECOMMENDATION:**
- PERSONNEL IMPLICATIONS:**
- TECHNICAL REQUIREMENTS:**



Submitted by:

L. Gunn

Approved for Inclusion:

David Graham, Director of Strategic Initiatives

- Cc:
- Jim Paterson – General Manager, Community Sustainability
 - John Vos – General Manager, Community Services
 - Paul Macklem – General Manager, Corporate Sustainability
 - Joe Creron – Director, Civic Operations
 - Bill Berry – Director – Design & Construction Services
 - David Graham – Director – Strategic Initiatives