



Date: January 31, 2003

TO: Board Members - Parks and Recreation
FROM: General Manager - Parks and Recreation
SUBJECT: Capital Allocation 2003 - 2005 and Advance Approval for Expenditure on Current Capital Projects.

RECOMMENDATIONS

- (A) THAT the 2003 Capital budget of \$11,480,000 described in Appendix A to this Report be approved.**
- (B) THAT the Board accept and include in the 2003 Capital Budget the \$30,000 commitment from the Vancouver Meraloma Club towards half the cost of a fire protection system for the Connaught Park fieldhouse.**
- (C) THAT tentative allocation of capital funds for 2004 and 2005 as described in Appendix A be received for information, pending future review and confirmation**
- (D) THAT capital spending of \$2,168,500 on current projects, as described in Appendix B to this Report, be approved in advance of final Board and Council 2003 budget allocation.**

POLICY

The Board's annual Capital expenditure requires Council approval. Within the approved envelope the Board sets budget priorities, consistent with program objectives outlined in the Capital Plan plebiscite question and agreements with external agencies.

BACKGROUND

The 2003 - 2005 Park Board Capital Plan totals \$45,500,000, plus \$240,000 for debenture costs, derived from the following funding sources:

C	Electorate-approved borrowing authority (including debenture costs):	\$18,690,000
C	Capital from operating revenue:	\$7,500,000
C	City Wide Development Cost Levy for park acquisition and development:	\$9,200,000
C	SE False Creek Development for Mt. Pleasant Community Centre renewal:	\$2,000,000
C	HEI Lease 2003 - 2005 for Hastings Park restoration:	\$1,350,000
C	Waterworks Capital for QE Park Reservoir Roof Deck Plaza:	\$2,000,000

C	Bayshore Development funds for Stanley Park Seawall upgrading	\$2,000,000
C	Matching Funds for Sunset Community Centre renewal (contingent upon receipt of senior government funding):	\$3,000,000

This report outlines a proposed strategy for Capital Plan implementation over the three year cycle, and seeks Board endorsement of the 2003 capital budget, including advance approval where required to fund current projects.

DISCUSSION

Appendix 'A' outlines the proposed spending on Parks and Recreation capital projects and, within each specific Program area, (1) the capital development and major maintenance projects proposed for 2003 and (2) tentative allocations for 2004 and 2005. The Appendix does *not* reference projects approved in the 2000 - 2002 Capital Plan, some of which are still outstanding. Projects undertaken in the current year will therefore address a mix of previous and current Capital Plan objectives.

The proposed distribution of funds over the three year cycle has been guided by the following considerations:

- C Project urgency, in terms of cost containment or service demand;
- C Even distribution of funds over the three year period to minimize the extent and term of borrowing;
- C Matching project demands to staff resources;
- C Need to initiate large projects sooner to ensure their timely completion;
- C Advisability of delaying some projects to explore supplementary funding opportunities .

At this time, Board approval is sought only for the 2003 budget allocations. The allocations shown for 2004 and 2005 are included for information only, and are subject to Board and Council approval at the outset of each respective year.

Given Board approval of Recommendation B to this report, the proposed 2003 Capital Budget will be increased by \$30,000, representing a commitment of funds from the Vancouver Meraloma Club towards an estimated \$60,000 cost of installing a fire protection system for the Connaught Park Fieldhouse. The Vancouver Meraloma Club, founded in 1923, is an amateur athletic organization which has had a long standing tenancy in the Connaught Fieldhouse.

The Board is also asked to approve the advance capital expenditures outlined in the attached draft Council Report (Appendix 'B'). The reason for this request is that Council is not expected to deal with the 2003 Capital Budget until the Operating Budget is finalized, likely not until April of this year. Meanwhile, there is a need to cover the costs of cover projects which are now underway or are imminent, and these are itemized in the attachment.

SUMMARY

The Board is asked to approve the 2003 Capital budget, including advance approval for current

projects, as outlined in this Report and its Appendices.

Prepared by:

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PR:mv