



## Report to Council

**To:** Mayor and Council File No:1855-20  
**Date:** September 2, 2025  
**From:** Mark Dowhaniuk P.Eng., Manager, Infrastructure  
**Subject:** Strategic Priorities Fund Grant Applications

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**Purpose:** The purpose of this report is to seek Council authorization for Administration to submit two grant applications to the Union of BC Municipalities (UBCM) under the Strategic Priorities Fund (SPF): one through the Capacity Building Stream for the development of a Facility Strategic Plan, and another under the Capital Infrastructure Stream for the Kalamalka Lake Road project.

### **Recommendation:**

THAT Administration submit a grant application to the Union of BC Municipalities under the Strategic Priorities Fund – Capacity Building Stream for funding to support the development of a Facility Strategic Plan;

AND FURTHER, that Administration submit a grant application to the Union of BC Municipalities under the Strategic Priorities Fund – Capital Infrastructure Stream for funding to support the Kalamalka Lake Road – 14<sup>th</sup> Avenue to Highway 6 and Multiuse Path to East Hill project;

AND FURTHER, that Administration manage the grants, execute any related agreements, provide resources to administer the projects and amend the 2026 budget contained in the 2026–2030 Financial Plan to reflect the expenditure if the grant is successful;

AND FURTHER, that Council confirms that they will support any cost overruns incurred by either project if required;

AND FURTHER, that should project overruns occur, Administration will manage scope and/or implement phasing to ensure budget management.

### **Background:**

a. Rationale:

**Grant Overview** (from the [program guide](#))

The Strategic Priorities Fund (SPF) is one of three funding streams delivered through the Canada Community Building Fund (CCBF) in British Columbia, formerly known as the Gas Tax Fund.

The current CCBF Agreement provides a ten-year commitment of federal funding for investments in local government infrastructure and capacity building projects.

Municipalities are permitted to make two (2) SPF applications, one (1) capital infrastructure application and one (1) capacity building application. The SPF program can contribute a maximum of 100% of the cost of eligible activities to a maximum combined total of \$7M.

The grant deadline is September 12, 2025 and requires a Council resolution indicating support for the proposed activities and willingness to provide overall grant management and support any cost overruns.

### **SPF-Capital Infrastructure - Kalamalka Lake Road Project**

The SPF–Capital Infrastructure Stream provides grant funding for local government infrastructure projects that are large in scale, regional in impact, or innovative in nature. Projects must support national objectives such as productivity and economic growth, a clean environment, and strong cities and communities.

The Kalamalka Lake Road – 14th Avenue to Highway 6 and Multiuse Path to East Hill project was included in the Rolling 5-Year Infrastructure Program (2025–2029) as a 2026 project (Project 2026-05). It meets the eligibility criteria for the grant and aligns with Council's Strategic Plan, the City's Climate Action Plan, and the Transportation Plan.

The project team is currently updating and finalizing the budget and scope in preparation for the grant submission deadline. The grant application amount will be adjusted based on ongoing discussions and communications with the UBCM grant administrator.

Funding for this project is currently planned to come from Road Development Cost Charges (DCCs), Sewer Reserves, and the Infrastructure Levy. For reference, the estimated project cost in 2024 was \$5,877,000.

### **SPF-Capacity Building - Facility Strategic Plan**

The SPF-Capacity Building Stream provides grant funding for local government capacity building projects, including asset management, long term infrastructure planning and integrated community sustainability planning that support the national objectives and are large, regional in impact or innovative.

The City has completed a comprehensive Facility Condition Assessment and is currently undertaking a GHG Reduction Pathway Feasibility Study through FCM funding. These efforts provide essential data on the physical and environmental performance of civic facilities. The proposed Facility Strategic Plan will bring these findings together into a

unified framework, adding targeted analysis of facility performance and capacity to support long-term investment in facilities, service planning and service delivery across civic facilities.

Building on the completed condition assessment and incorporating the results of the GHG study once finalized, the initiative will focus on:

- **Capacity:** Evaluate whether existing City facilities meet current and projected service demands, including population growth, program and staff projections, and emergency preparedness.
- **Performance:** Evaluate how well facilities support their intended functions, with a focus on:
  - **Functionality:** Assess how effectively facilities meet service needs, adapt to changing demands, and support efficient operations.
  - **Environmental Sustainability:** Integrate findings from the City's GHG Reduction Pathway Feasibility Study to guide facility planning toward net-zero goals. This includes identifying priority sites for energy upgrades and retrofits, aligning capital planning with emissions reduction targets, and incorporating climate resilience strategies.
  - **Inclusion, Diversity, Equity & Accessibility (IDEA):** Ensure that civic facilities are welcoming, accessible, and inclusive for all residents by applying universal design principles and engaging equity-deserving groups in the planning process.

The project team will be finalizing the project budget and scope leading up to the grant submittal deadline.

b. Relevant Policy/Bylaw/Resolutions/Legislative Authority:

- Climate Action Plan: Supports emissions reduction and sustainable infrastructure.
- Asset Management Policy: Encourages long-term planning and integration of facility data.
- Council Strategic Plan (2023–2026): Prioritizes infrastructure renewal, climate leadership, and service excellence.

c. Council's Strategic Plan Alignment:

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| <input checked="" type="checkbox"/> Governance & Organizational Excellence | <input checked="" type="checkbox"/> Livability |
| <input type="checkbox"/> Recreation, Parks & Natural Areas                 | <input type="checkbox"/> Vibrancy              |
| <input checked="" type="checkbox"/> Environmental Leadership               | <input type="checkbox"/> Not Applicable        |

d. Committee Recommendations:

None

**Financial Implications:**

The Kalamalka Lake Road – 14<sup>th</sup> Avenue to Highway 6 and Multiuse Path to East Hill project was included as part of the Rolling 5 Year Infrastructure Program – 2025-2029 as a 2026 project. City project support resources (procurement, transportation, infrastructure, finance, communications) have been committed to this project. The operational increases related to additional infrastructure from the project will be included as part of the 2026 financial plan. Should the grant not be successful for the Capital Infrastructure Stream, the portion of the work on Highway 6 and Pottery Road may need to be phased and deferred to 2027.

Should the grant not be successful for the Capacity Building Stream, the Facility Strategic Plan would be deferred to 2027.

**Alternatives & Implications:**

See Financial Implications.

**Communication:**

Administration will communicate to Council the status of the grant applications.

**Attachments:**

N/A

Reviewed by: Geoff Mulligan, Manager, Infrastructure Systems  
Reviewed by: James Rice, Director, Operations  
Reviewed by: Elma Hamming, Director, Financial Services  
Reviewed by: Kevin Poole, Director, Corporate Administration  
Approved by: Peter Weeber, Chief Administrative Officer