

February 5, 2025

Re: Item No. 7

**HALIFAX**

# **2025/26 Multi-Year Capital Plan**

Budget Committee

# Overview

1. Capital Program
2. Funding
3. Managing Growth vs. Renewal

2025/26

## Draft Capital Plan



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2025/26 Multi-Year Capital Plan

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# Multi-Year Capital Plan

## Capital Plan

Multi-year scheduling of capital projects estimating required maintenance and replacement of assets.

Years 1 **Ready**

Years 2-4 **Planning**

Years 5-10 **Conceptual**

## Capital Budget

The projects that have been allocated funding to proceed with implementation.

Year #1 **Authority to spend**

Yrs #2-4 **Approved in-principle to facilitate project preparation**

# Municipal Assets

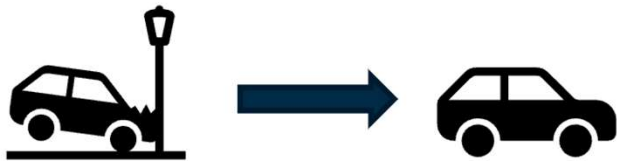


Buildings & Facilities 359  
Parks 931  
Playgrounds 411  
Sport Courts / Fields 711  
Bridges 255  
Paved Roads 4,177 lane km  
Sidewalks 1,004 km  
Trails 226 km  
Busses 416  
Corporate Fleet 1,100  
Ferries 6

3

## Asset Renewal

Investment to restore its optimal operating condition and extend its serviceable life.



## Service Growth

Investment to significantly add to or enhance existing asset operations to improve quality, functionality or capacity.



Value of HRM  
Infrastructure  
**\$4.6 Billion**

- ❖ **Minimizing Total Cost of Ownership**
- ❖ **Maintaining Quality Service Delivery**

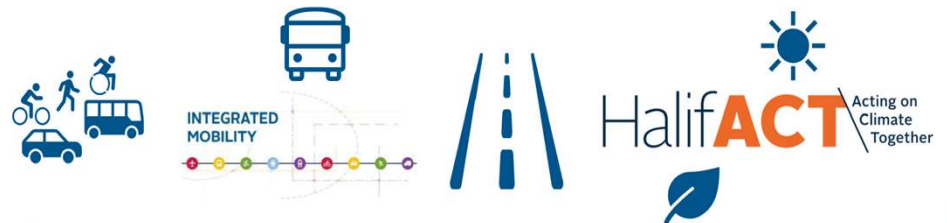
# Capital Program Delivery

## Base Plan

Reflects the rehabilitation and replacement asset activities required to continue municipal services being delivered as they exist today.

## Strategic Initiatives

Reflects multiple, large and complex projects integrating significant redesign or growth in assets required to achieve the goals of a key strategic plan.





# Capital Program Funding

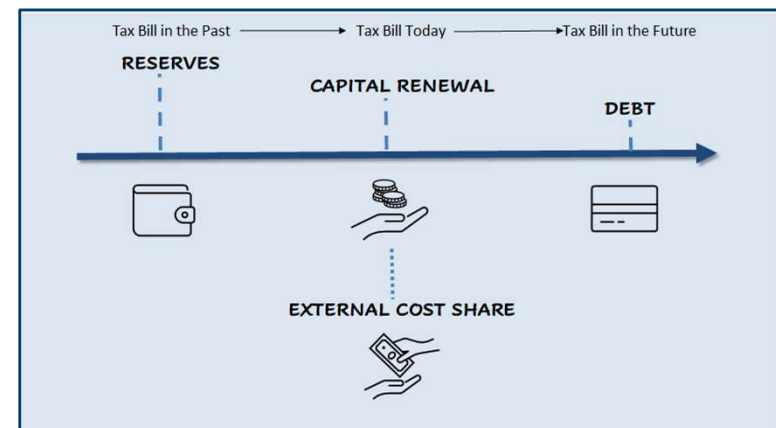
## Match tax impacts with benefit of infrastructure

### Routine ongoing program work

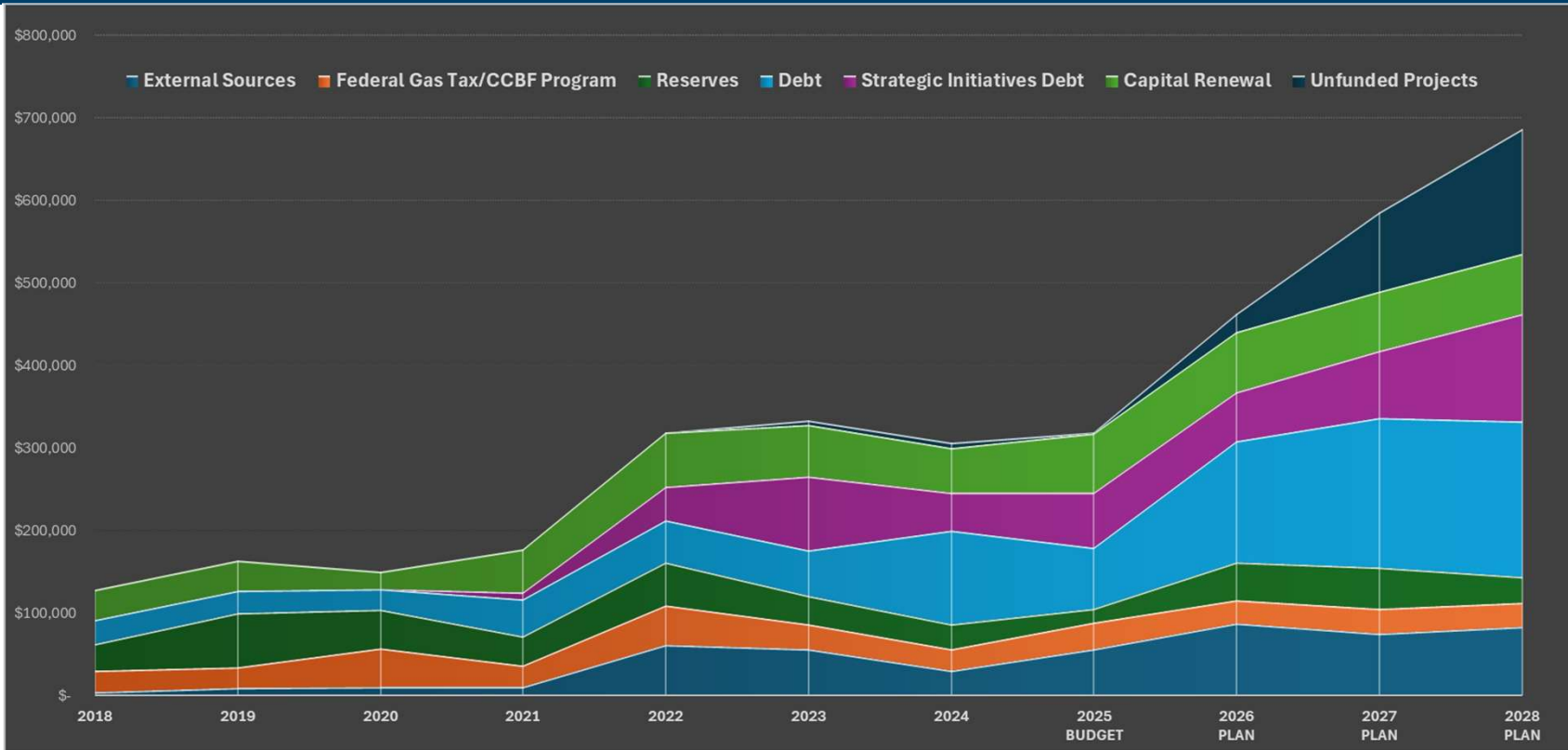
- Stable and reliable sources (Taxes, CCBF, Debt, Reserves)

### Large and complex projects

- One-time sources (External cost sharing, Debt, SI Reserve)
- Alternative financial strategies (Climate Action Tax)



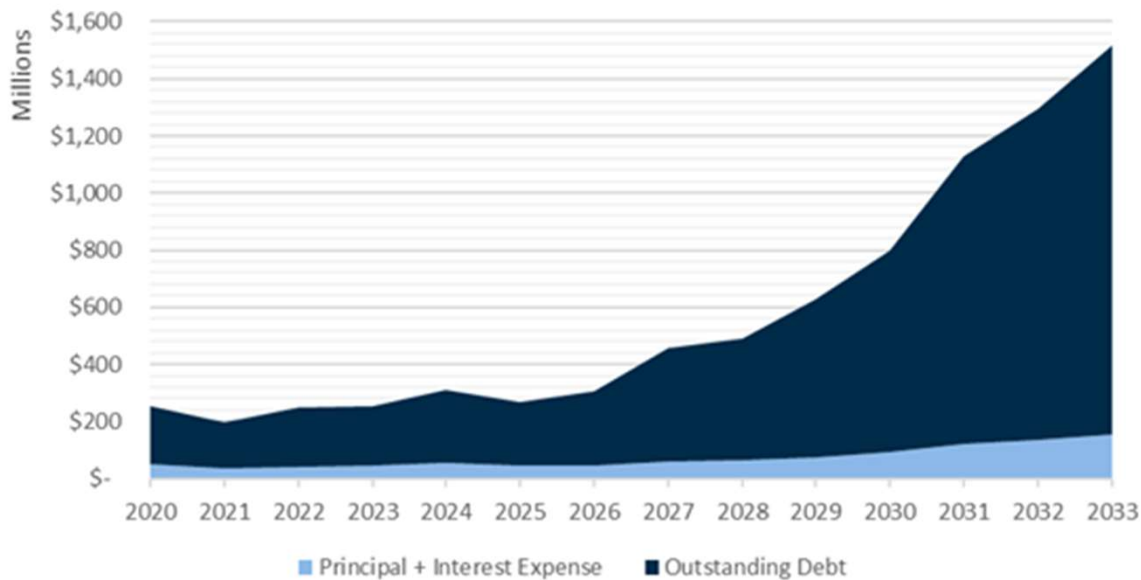
# Capital Program Funding





# Debt Funding Long-Term Impact

## Outstanding Debt and Debt Service Cost



### 4Yr Capital Program Impact on Future Taxes

#### Current o/s debentures:

Principal	\$	252,000,000
Interest		37,900,000

#### Projects in-progress to debenture next 2 years:

Principal		334,471,515
Est. Interest		16,089,450

#### Projects in 4Yr Capital Plan to Debenture:

Principal		590,835,119
Est. Interest		28,490,117

**To be paid by General Rate** \$ 1,259,786,201

#### Strategic Initiatives in 4Yr Capital Plan to Debenture:

Principal **		468,619,125
Est. Interest		22,596,852

**To be paid by Q666 SI Reserve** \$ 491,215,977

**Total Estimated Future Debt Repayment** \$ 1,751,002,178

\*\* Total does not include land acquisition costs for Strategic Mobility Corridors

# Multi-Year Capital Plan

Asset Category	24/25 CFwd	2025/26	2026/27	2027/28	2028/29	4-Yr Total
Buildings / Facilities	\$ 40,165	\$ 62,685	\$ 66,855	\$ 61,640	\$ 57,520	\$ 248,700
Business Systems	16,254	14,455	12,023	5,448	5,325	37,251
District Capital Funds	816	1,504	1,504	1,504	1,504	6,016
Outdoor Recreation	14,192	14,175	15,100	14,800	14,400	58,475
Roads, Active Transportation & Bridges	10,789	80,362	107,687	122,920	144,200	455,169
Traffic & Streetlights	39,417	5,575	6,775	7,004	7,017	26,371
Vehicles, Vessels & Equipment	2,324	41,143	59,825	82,313	79,977	263,257
Other Assets	20,226	14,772	42,115	49,050	31,300	137,237
<b>Total Base Capital Plan</b>	<b>\$ 144,182</b>	<b>\$ 234,671</b>	<b>\$ 311,884</b>	<b>\$ 344,679</b>	<b>\$ 341,243</b>	<b>\$ 1,232,476</b>

Asset Category	24/25 CFwd	2025/26	2026/27	2027/28	2028/29	4-Yr Total
Buildings / Facilities	\$ 22,138	\$ 1,200	\$ 4,200	\$ 49,700	\$ 119,000	\$ 174,100
Other Assets	38,761	10,675	65,060	84,560	93,560	253,855
Roads, Active Transportation & Bridges	29,721	72,300	66,850	58,220	68,370	265,740
Vehicles, Vessels & Equipment	16,100	-	14,900	48,307	64,821	128,028
<b>Total Strategic Initiatives Plan</b>	<b>\$ 106,720</b>	<b>\$ 84,175</b>	<b>\$ 151,010</b>	<b>\$ 240,787</b>	<b>\$ 345,751</b>	<b>\$ 821,723</b>

Base Capital & Strategic Initiatives	24/25 CFwd	2025/26	2026/27	2027/28	2028/29	4-Yr Total
<b>TOTAL CAPITAL PLAN</b>	<b>\$ 250,902</b>	<b>\$ 318,846</b>	<b>\$ 462,894</b>	<b>\$ 585,466</b>	<b>\$ 686,994</b>	<b>\$ 2,054,199</b>

9

# Multi-Year Capital Plan

In-Progress Beyond Planning Phase	Est. CFwd	2025/26	2026/27	2027/28	2028/29	Total
Buildings / Facilities	16,600,000	5,000,000	7,100,000	-	-	\$ 28,700,000
Business Systems	10,943,000	5,708,000	2,625,000	325,000	-	\$ 19,601,000
Roads, Active Transportation & Bridges	14,416,000	10,617,000	5,500,000	1,000,000	22,400,000	\$ 53,933,000
Vehicles, Vessels & Equipment	2,300,000	-	-	-	-	\$ 2,300,000
<b>Grand Total</b>	<b>44,259,000</b>	<b>21,325,000</b>	<b>15,225,000</b>	<b>1,325,000</b>	<b>22,400,000</b>	<b>\$ 104,534,000</b>

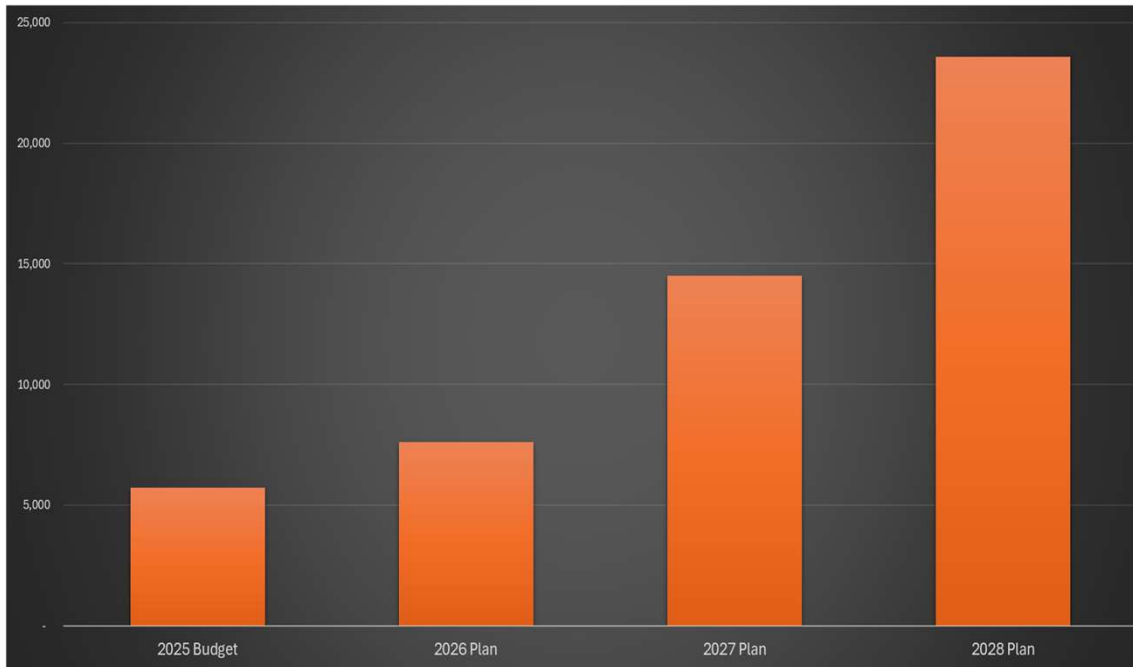
Contractual/Secured Cost Share	Est. CFwd	2025/26	2026/27	2027/28	2028/29	Total
Buildings / Facilities	2,246,000	23,720,000	20,775,000	16,590,000	8,370,000	\$ 71,701,000
Other Assets	16,230,000	4,825,000	41,190,000	50,560,000	60,585,000	\$ 173,390,000
Outdoor Recreation	2,225,000	4,200,000	300,000	-	-	\$ 6,725,000
Roads, Active Transportation & Bridges	6,193,000	42,550,000	47,400,000	45,000,000	32,135,000	\$ 173,278,000
Vehicles, Vessels & Equipment	-	348,000	15,250,000	48,507,000	65,071,000	\$ 129,176,000
<b>Grand Total</b>	<b>26,894,000</b>	<b>75,643,000</b>	<b>124,915,000</b>	<b>160,657,000</b>	<b>166,161,000</b>	<b>\$ 554,270,000</b>

# Multi-Year Capital Plan

On-Going Programs	Est. CFwd	2025/26	2026/27	2027/28	2028/29	Total
Buildings / Facilities	15,975,500	17,655,000	21,730,000	19,500,000	19,400,000	\$ 94,260,500
Business Systems	1,847,000	2,204,000	2,325,000	2,325,000	2,825,000	\$ 11,526,000
Other Assets	34,298,700	22,126,000	54,489,000	61,554,000	55,079,000	\$ 227,546,700
Outdoor Recreation	8,444,000	9,975,000	13,800,000	14,800,000	14,400,000	\$ 61,419,000
Roads, Active Transportation & Bridges	42,595,000	97,295,000	100,645,000	111,250,000	125,950,000	\$ 477,735,000
Traffic & Streetlights	2,324,000	5,575,000	6,275,000	7,004,000	7,017,000	\$ 28,195,000
Vehicles, Vessels & Equipment	34,418,000	38,085,000	39,155,000	57,912,700	54,626,600	\$ 224,197,300
<b>Grand Total</b>	<b>139,902,200</b>	<b>192,915,000</b>	<b>238,419,000</b>	<b>274,345,700</b>	<b>279,297,600</b>	<b>\$ 1,124,879,500</b>

Not Started/Still in Planning Phase	Est. CFwd	2025/26	2026/27	2027/28	2028/29	Total
Buildings / Facilities	27,481,000	17,510,000	21,450,000	75,250,000	148,750,000	\$ 290,441,000
Business Systems	3,464,000	6,543,000	7,073,000	2,798,000	2,500,000	\$ 22,378,000
Other Assets	2,422,000	-	13,000,000	23,000,000	10,700,000	\$ 49,122,000
Outdoor Recreation	120,000	-	1,000,000	-	-	\$ 1,120,000
Roads, Active Transportation & Bridges	5,934,000	2,200,000	20,992,000	23,890,000	32,085,000	\$ 85,101,000
Traffic & Streetlights	-	-	500,000	-	-	\$ 500,000
Vehicles, Vessels & Equipment	375,900	2,710,000	20,320,000	24,200,000	25,100,000	\$ 72,705,900
<b>Grand Total</b>	<b>39,796,900</b>	<b>28,963,000</b>	<b>84,335,000</b>	<b>149,138,000</b>	<b>219,135,000</b>	<b>\$ 521,367,900</b>

# New Infrastructure Impacts



Cumulative additional permanent costs to operate new infrastructure in 4Yr Plan

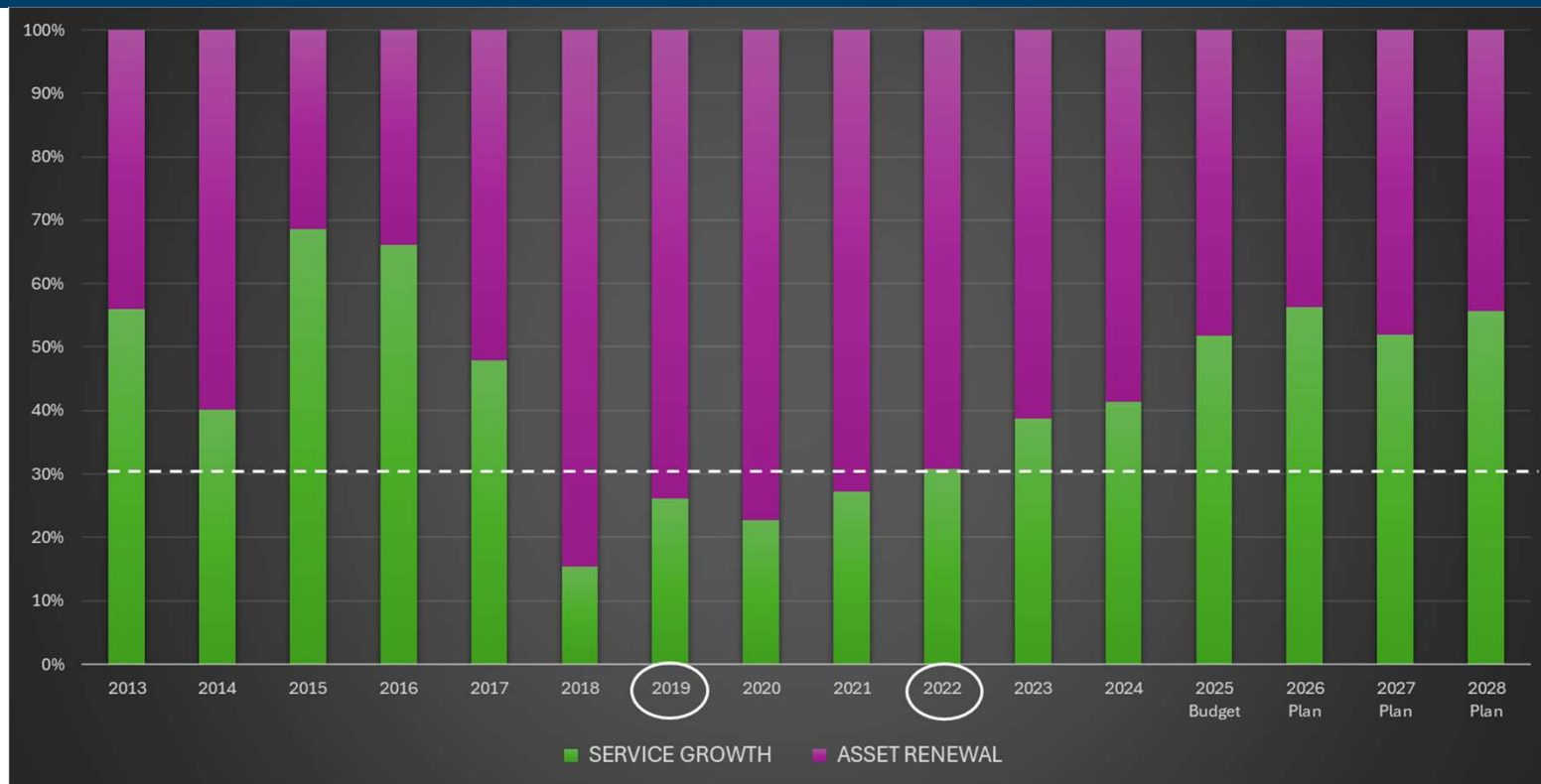
~3% Estimated Increase to Operating Budget (+\$90 per avg bill)

# Strategic Initiatives Progress

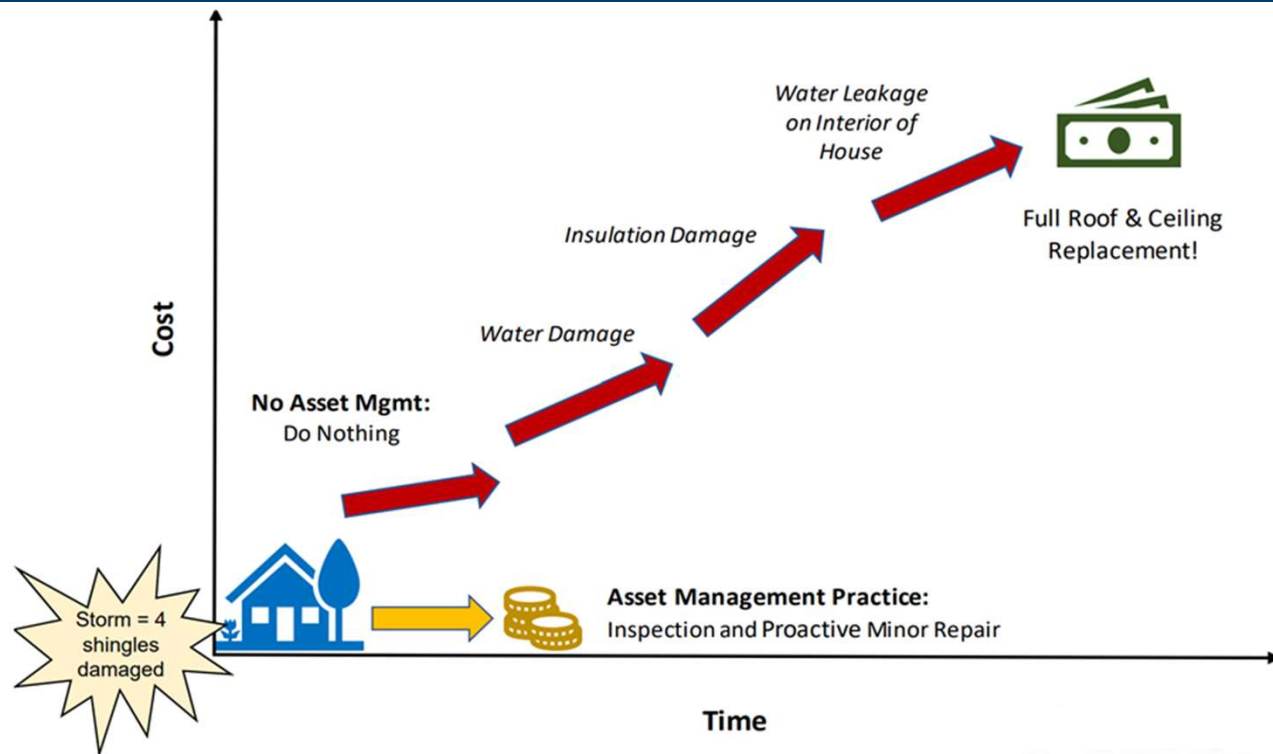
Strategic Initiatives (in thousands)	Total # Projects	Total 10Yr Cost 2022/23 Capital Plan	Completion Year	Total Spent as of 2024/25 (projected)	Total Remaining Cost 2025/26 Capital Plan	# Projects Not Yet Under Construction	Updated Completion Year	Total Currently Unfunded
<b>2014 Strategic Projects</b>	5	\$ 184,192	2027/28	\$ 114,487	\$ 362,348	4	beyond 2035	\$ 44,000
<b>HalifACT Climate Change Action Plan</b>	9	\$ 402,450	2030/31	\$ 122,305	\$ 335,831	-	beyond 2035	\$ -
<b>Integrated Mobility Plan (IMP)</b>	21	\$ 852,139	2031/32	\$ 35,825	\$ 1,850,094	17	beyond 2035	\$ 1,037,464
<b>Total Strategic Initiatives Capital Program</b>	<b>30</b>	<b>\$ 1,438,781</b>		<b>\$ 272,617</b>	<b>\$ 2,548,273</b>	<b>21</b>		<b>\$ 1,081,464</b>
					<b>\$ 2,820,890</b>			



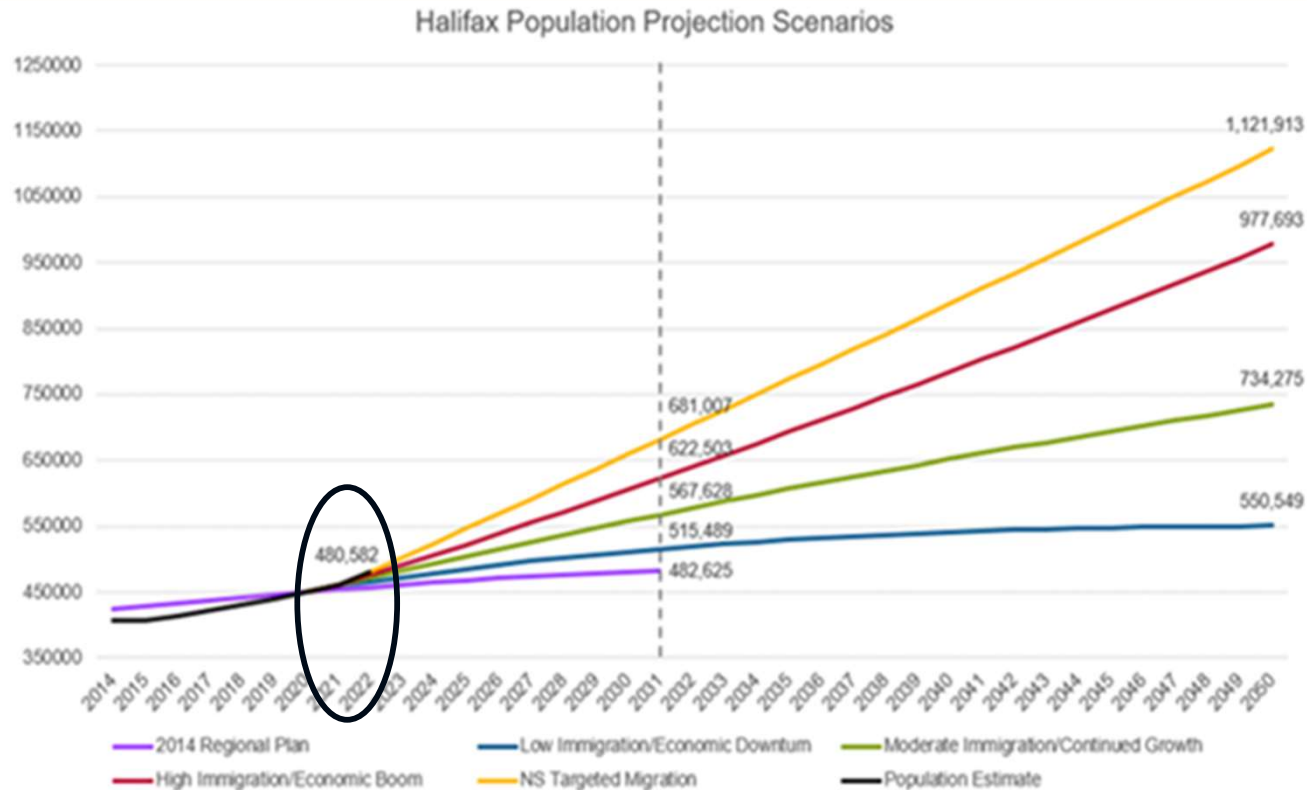
# Managing Growth vs Renewal



# Managing Growth vs Renewal



# Managing Growth vs Renewal



# Constraints and Trade-offs

- Industry labour force is shrinking
- Saturation of construction stressful to residents
- Expanding too many priorities at once is limiting progress
- Potential to pause some strategic plans; focus on basic service goals
- Potential to consider more economical project scopes and design



# Recommendation

1. **Capital Budget Year 1**

2. **Capital Plan Years 2-4 Approval In-Principle**

2. **Capital Reserve Withdrawals**

*Halifax Charter requires Regional Council to approve all withdrawals from Reserve accounts.*

3. **Capital Multi-Year Projects**

*Transparency to Regional Council on select projects which capital budget approval in the first year signals the intention to commit all years of the project's annual budget requests, due to the nature of the infrastructure activity.*

18