

Backgrounder:

Public Works Facility and the Real Estate and Facilities Master Plans

The District of Squamish has been analyzing its real estate and facilities needs at length since 2016. The development of a [Real Estate and Facilities Strategy](#) (REFS) and subsequent [Real Estate and Facilities Master Plan](#) (REFMP) provides financial context and a plan to achieve the significant hurdle of upgrading many end-of-life or insufficient facilities. The development of the REFS and REFMP spanned two Councils and the documents were adopted to guide decision-making on the prioritization, timing and funding of investments into facilities and lands required to service the community.

Public Works is prioritized as a critical facility

Public Works is identified as one of three critical facilities to upgrade in the REFMP within the immediate term (0-3 years). This is due to its essential role in the day-to-day operations of the community including delivery of safe drinking water, wastewater management, roadway safety, diking and drainage maintenance and snow plowing. Additionally, it is a key component in supporting community emergency responses (e.g., flood response), and the condition of the current buildings which are inadequate and at end of life. The two fire halls are the other two critical facilities identified and both are underway. The Valleycliffe Fire Hall is nearing construction completion and the Tantalus Road Fire Hall has confirmed funding and is set to begin once Valleycliffe is complete.

Limited available funds to upgrade many facilities

In 2018 the District endorsed the REFS to:

- Replace a large number of existing facilities assessed at end of life, inferior for seismic performance, or providing unsafe work conditions;
- Construct new facilities required to meet the growth of the community; and
- Deliver these facilities in a fiscally responsible manner.

While developing this strategy it became clear that the District did not have the financial capacity to complete the estimated \$150M+ (in 2020 dollars) in facility investments required in a reasonable time frame. **External funding** sources would be required such as grant funding, sponsorships, developer contributions, and leasing where possible.

It also became clear that operational facilities such as the fire halls and the Public Works facility were not likely to attract external funding, whereas recreational/cultural facilities such as recreation centre projects (e.g. pool, ice rink, wellness centre) and a library expansion could. Municipal Hall was identified as the one facility that could be leased to preserve capital (raised through dispositions of District surplus land) and borrowing capacity for other projects. The subsequent REFMP in 2019 identified that that the funding gap was even bigger than originally contemplated than in the REFS. Taking into account cost inflation, this gap is estimated to be \$200M +/- in 2022 dollars.

Over...

Borrowing to fund Public Works facility

Both the REFS and REFMP recommend long-term borrowing to fund the Public Works facility construction.

- Utilizing the District's annual borrowing capacity for Public Works ensures that the critical facility upgrades are completed in an immediate timeframe to meet the safety needs of the community.
- Core facilities which are driven by growth rather than end of life conditions (e.g. Brennan Park Recreation Centre, Library), and can attract external funding such as grants are recommended to follow the critical facilities when external funding is available.
- Borrowing is a valuable and effective financial tool that is taken on annually to spread the cost of large capital projects over the life of a project, allowing a project to be paid for by current and future taxpayers. Borrowing is used in addition to grants, cash from reserves, Development Cost Charges and property taxes.
- The District has access to low-cost financing options through the BC Municipal Finance Authority which pools the borrowings of BC municipalities to provide low costs.
- Borrowing has a significantly lower impact on taxpayers than funding the Public Works facility upgrade directly from property taxes.

Additional resources

View additional information on the project page(s) found at [Squamish.ca/facilities/](https://squamish.ca/facilities/).

[View a Q&A](#) about the recent Alternative Approval Process for the Public Works loan authorization bylaw.

Read [How We Got Here backgrounder](#).