



Council Report

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Date: February 11, 2025
To: Anthony Haddad, City Manager
From: Kristen Dixon, GM Infrastructure
Subject: Active Transportation Grant Funding Opportunity

Staff Recommendation

THAT staff prepare and submit applications to the Active Transportation Fund for the Duncan Avenue Corridor Rehabilitation Project (Atkinson Street to Government Street), for construction in 2026 and 2027.

Strategic priority objective

Safe & Resilient: The City of Penticton will enhance and protect the safety of all residents and visitors to Penticton.

Livable & Accessible: The City of Penticton will proactively plan for deliberate growth, focusing on creating an inclusive, healthy, and vibrant community.

Background

Active transportation has been included in various policy documents in the City for some time. With the adoption of the current Official Community Plan (OCP) in 2019, the City took bold steps in prioritizing active modes of transportation over vehicles. The City's Official Community Plan underscores the importance of planning and investing in active transportation modes and transit as it offers significant social, environmental, economic, and health benefits. The City has a vision to shift away from car dependency and towards more sustainable and inclusive transportation options. These include improving the ease of mobility for all residents, making efficient use of land, and providing safer, more enjoyable, and convenient options for walking, cycling, and taking transit. The intent is to prioritize design and investment within the hierarchy in mind.

In 2021, the City adopted an updated Master Transportation Plan (MTP) as part of the integrated infrastructure master plans. The MTP was drafted with the OCP's transportation hierarchy objectives as direction. The plan proposes to expand the City's network of active transportation infrastructure, and categorized projects into high, medium, and low priority projects. The plan includes roughly \$30 Million in high priority walking and cycling projects, which are listed in Attached A (from the MTP), and are shown on Attachment B (also directly from the MTP).

In June 2021, the Federal Government announced the creation of an Active Transportation Fund. The Active Transportation Fund “at a glance” states the following:

“Active transportation provides tangible benefits to communities, shortening commute times for families, creating good middle-class jobs, growing the economy, promoting healthier lifestyles, cutting air and noise pollution, and reducing greenhouse gas emissions. Active transportation will support the economic recovery from the COVID-19 pandemic and contribute to long-term sustainable, inclusive economic growth, while setting the foundation for achieving a more inclusive Canada and net-zero climate emissions by 2050.

The Active Transportation Fund will provide \$400 million over five years to support the expansion and enhancement of active transportation infrastructure and a modal shift away from cars and toward active transportation. The Fund will also support the goals of Canada’s Strengthened Climate Plan.”

In 2022 the City applied for the first intake of the grant and was successful in receiving \$840,000 in funding for Section 1 of the Lake-to-Lake bike route (South Main). That project is underway and will be completed this summer. This report explores options for this next intake, which closes on February 26, 2025, to further advance the City’s active transportation goals, and recommends the City apply for a section of the corridor reconstruction of Duncan Avenue, from Atkinson Street to Government Street. Additional sections of Duncan Avenue are projected for future years on the City’s “unfunded list,” but are outside the timeframe for this grant.

Financial implication

The estimated construction costs for the Duncan Avenue Corridor Rehabilitation project (from Atkinson Street to Government Street) are outlined in the following table. Up to 60% of the costs associated with the active transportation elements would be eligible for grant funding, and if successful, the City would need to fund the remaining 40%. Currently, \$95,000 has been included in the Financial Plan for design to be completed in 2025, while construction in subsequent years remains unfunded, largely due to the limitations of the General Fund. This barrier would largely be eliminated for the stretch between Atkinson Street and Government Street if the City were successful in its grant application. Note, the following estimated project costs are very preliminary as no detailed design work has been completed and therefore include a Class D contingency of 30%. The sole purpose of establishing the order of magnitude costs is for the grant application.

Project	Total Project Cost Over 2 years (Full Corridor Rehabilitation)	Potential Grant (60% of grant eligible costs)	City Contribution (40%)
General Fund	\$4.8M	\$2.9 M	\$1.9M
Water Fund	\$750k	\$0	\$750k
Sewer Fund	\$750k	\$0	\$750k
TOTAL	\$6.3M	\$2.9 M	\$3.4M

Climate Impact

As per Penticton's Community Climate Action Plan (CCAP), 54% of the City of Penticton's emissions are created by vehicles. This initiative supports one of the six pillars of the CCAPP: *shifting beyond the car* by encouraging active and accessible transportation and transit. The CCAP specifically sets a goal to reduce Vehicle Kilometers Travelled (VKT) by 13% by 2046. The plan envisions that 44% of this VKT reduction will be replaced with Active Transportation, 28% to Transit, and the remaining 28% to Land Use. This project will directly support these goals.

Analysis

Staff have reviewed the grant criteria and program outcomes to assess what types of projects would have the highest change of success. Staff then compared these to the list of high priority cycling and walking projects from the Master Transportation Plan.

As shown in Attachment A, there are approximately \$13.5M high priority trail and sidewalks. The first two trail projects listed are relatively small (financially) and will require additional consideration and coordination with creek restoration projects in the area. The third has already been budgeted for in 2025/2026 and is also relatively small (financially). The fourth will require property acquisition at the intersection of Fairview Road and Duncan Avenue. With this project only at concept stage, discussions with individual property owners have not occurred and will likely not meet the timelines required for the grant application. The remaining priority 1 and priority 2 projects are not individually listed (although they are shown on the map in Attachment B) and are spread throughout the City. While the City is making progress on completing key sidewalk connections, these sidewalk projects are more localized in their benefit (as opposed to infrastructure that has more broad community benefit), which is generally what the grant program seeks to achieve and therefore do not make great candidates.

With the completion of the Lake-to-Lake Bike Route, Duncan Ave, Green Avenue and Lakeshore Drive rank as the next highest priorities in building out the cycling network in Penticton. The Green Avenue corridor is also already under review as part of the Safe Routes to School program for Parkway Elementary/Skaha Elementary. Staff are working on a low cost "rapid implementation" solution to improve safety along this corridor and funding has been included in the Financial Plan for this year. It is likely there are further long term recommendations that will flow from this corridor review, which may be suitable for a future grant intake. Similarly, staff had previously recommended applying for Lakeshore Drive as part of the last intake of the Active Transportation Fund. However, the planning work for this corridor has not yet advanced to the point where it would be a suitable candidate for a grant application.

Given the above, combined with the fact that the Duncan Avenue corridor is also due for full reconstruction (including underground Utilities), staff believe Duncan Avenue is the best candidate for the current grant intake. Duncan Ave (Atkinson to Government) will provide a much-needed East-West spine to the cycling network in the center of the City, connecting the Lake-to-Lake Bike route to the proposed multi-use paths on Manitoba Street and the painted bike lanes on Government Street. This network expansion would allow cyclists to connect to key commercial areas, such as the Safeway Plaza, as well as provide a safe corridor for school-aged children to commute to and from school utilizing active transportation. Due to this, this project

also supports the Safe Routes to School program for Carmi Elementary (soon to be KVR Elementary), as well as Pen High.

As the Duncan Avenue project encompasses full corridor restoration due to end-of-life utility renewals, the opportunity to add in the Active Transportation infrastructure comes at a marginal (if any) cost. Surface restoration of the roadway would already have been required due to the utility renewals. Therefore, changing the roadway to include enhanced active transportation infrastructure is extremely cost effective. Further, it is worth noting that grant funding for active transportation facilities cannot be used for any other projects (ex. The Pier, Lakawanna Park, etc). Staff have not specified the type of separated infrastructure that would be proposed and would further assess that through the detailed design stage. However, the intention would be to create all ages and abilities protected infrastructure, and staff are cognizant of the Council resolution prohibiting the use of pre-cast concrete barriers. Staff would not be recommending that treatment on Duncan regardless, given the full corridor reconstruction, and would either consider grade separated infrastructure as is being proposed for Eckhardt Avenue or poured in place concrete separated lanes at-road grade.

The City's Community Climate Action Plan calls for a significant mode shift away from vehicles to active transportation to meet the City's (and the Province and Canada's) greenhouse gas emissions targets. The federal Active Transportation Fund is an excellent opportunity for the City to advance its goals and objectives in a cost-effective manner, and to potentially receive a contribution for a project which the City will otherwise incur the full cost of. In terms of timing, the project is proposed to be spread over two years (2026-2027) to assist with both project delivery and financial constraints.

Alternate recommendations

- THAT the City not pursue any applications for this intake
- THAT the City pursue another project for this grant intake

Attachments

Attachment A – High priority pedestrian and cycling projects from the Master Transportation Plan

Attachment B – Map of the project locations from the Master Transportation Plan

Respectfully submitted,

Kristen Dixon, P.Eng, MBA
GM of Infrastructure

Concurrence

Director of Finance and Administration AMC	City Manager AH
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