



Canada's Tournament Capital

COMMUNITY REQUEST

Name of Proposed Business Case: 500 Block Victoria Street Streetscape Project

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Department Responsible for the Business Case: Development, Engineering & Sustainability

Alignment with Council Strategic Plan: Environmental Leadership, Livability

Estimated Capital Costs: \$3,100,000

Spend Year(s): 2026

What is the Request?

Streetscape improvements along the 500 block of Victoria Street have been designated as a City project for the past 10 years and have been highly anticipated by the Downtown business community. To align with community expectations to complete streetscaping on the 500 block of Victoria Street in 2026, additional funds are required based on recent cost escalation.

Summary

The Downtown streetscape improvement budget is part of the Community Development Capital Program and was first introduced into the Five-Year Financial Plan in 2008. This budget has contributed to significant streetscape improvements throughout Downtown including:

- the Lorne Street Project (2012)
- First Avenue between Lansdowne Street and Seymour Street (2014)
- the south side of Lansdowne Street between 3rd Avenue and 4th Avenue (2018)
- the Lansdowne Parkade Beautification Project (2019)
- Victoria Street West Improvement Project (2020)

In recent years, reprioritization of projects and funding has delayed the next streetscape project, which is to update and modernize the 500 block of Victoria Street to continue the features of Victoria Street beginning at First Avenue.

Victoria Street is the City's pre-eminent street front retail corridor and serves as a key commercial, business, and cultural district for the community. It also serves as a vibrant hosting space for various community events throughout the year such as parades, car shows, farmers' markets, and on-street sports tournaments.



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The downtown business community has been requesting updates from the City on the construction timing for this next phase of streetscape improvement.

The 500 block of Victoria Street is approximately 160 meters long and would include converting additional travel lanes into wider pedestrian friendly zones, attractive street furniture, and landscaping to provide a more inviting public realm along this block.

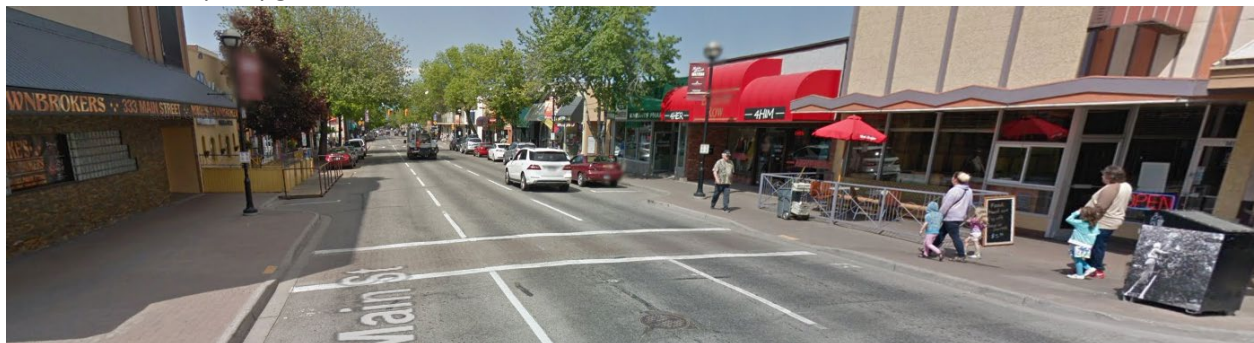
As shown in recent budget presentations, the price impact on construction materials has far outpaced the consumer price index, such as asphalt increasing 40% from 2019 to 2022 and concrete increasing 14% in the same period.

A Class "B" engineering cost estimate including 15% contingency shows that streetscaping upgrades along 500 block Victoria Street would be \$3,100,000.

Description	2024	2025	2026	2027	2028
Project Costs – 500 Block Victoria St.			\$3,100,000		

Examples of similar work performed in Penticton:

Before Streetscape Upgrades





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After - Streetscaping and Utility Upgrades 2018



Completed by the Corporate Services Department

Proposed Funding Options

The City has been setting aside \$500,000 annually for the Downtown streetscape improvement budget. This program was introduced in 2008 and continues to allocate funding with specific streetscape deliverables in mind.

As of 2023 year-end, \$825,000 has been reserved with an additional \$1,500,000 in planned contributions from 2024-2026, for a total of \$2,325,000 by end of 2026. With an anticipated construction budget of \$3,100,000, there will be a project funding shortfall of \$775,000. This remaining \$775,000 can be funded from short term debt allowing for the completion of the project in 2026.

	2024	2025	2026	2027	2028
Available Funding:					
Reserved:	\$825,000				
Contribution -Gaming	\$500,000	\$500,000	\$500,000		
Available Funding	\$1,325,000	\$500,000	\$500,000		
Construction			(\$3,100,000)		
Short-Fall			\$775,000		
Proposed Funding: Short-term debt			(\$775,000)		