

## **Penticton Council to consider long-term infrastructure funding strategy**

(Penticton, BC – Friday, July 11, 2025) – Penticton City Council will consider a new strategy to strengthen infrastructure funding at its meeting on July 15, aiming to ensure long-term sustainability for the City's essential assets.

City staff are recommending a shift from a fixed annual infrastructure levy to a percentage-based model tied to property taxes. The proposed change would replace the current \$2.1-million levy with a contribution equal to 4.25 per cent of property taxes, with a planned annual increase of one percentage point to reach nine per cent by 2030.

"This strategy is about building a resilient future for Penticton," said Angela Campbell, Penticton's chief financial officer. "By tying the levy to property taxes and phasing in increases gradually, we can ensure our infrastructure investments keep pace with inflation and community growth – without placing a sudden burden on taxpayers."

The recommendation follows updated asset management data showing the city's infrastructure replacement needs have grown significantly. The general fund alone has an asset replacement value of \$598 million, with an annual lifecycle investment target of \$13.6 million. Currently, the city contributes about \$1.9 million annually, well below the sustainable funding level.

"We're focused on ensuring that Penticton's infrastructure can meet the needs of our growing community – not just today, but for decades to come," said Kristen Dixon, the City's general manager of infrastructure. "This funding strategy gives us the ability to plan and invest more sustainably in critical assets like roads, parks, and public facilities. By aligning contributions with property taxes, we can better keep pace with inflation and the increasing demands on our infrastructure network."

The proposed levy increase would be reviewed annually as part of the city's budget process, allowing Council to assess the broader financial landscape and adjust as needed. Staff have also provided alternative options, including a slower phase-in or maintaining the current contribution as a percentage of taxation to prevent erosion over time.

Residents are encouraged to follow the July 15 council meeting to learn more about the city's infrastructure planning and how it supports Penticton's vision of being a connected, resilient and livable waterfront city.

For more information, and to read the Council Report, visit our Council Agendas webpage at [penticton.ca/agendas](http://penticton.ca/agendas).

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