

Date: May 17, 2021 To: Chair and Members of General Committee From: Shawn Slack, MBA, Acting Commissioner of Corporate Services and Chief Financial Officer	Originator's files:
	Meeting date: June 9, 2021

Subject

Infrastructure Canada - Green and Inclusive Community Buildings Program

Recommendation

1. That the report dated May 17, 2021 entitled "Infrastructure Canada – Green and Inclusive Community Buildings Program" from the Acting Commissioner of Corporate Services and Chief Financial Officer be received.
2. That staff be directed to prepare and submit applications to the Green and Inclusive Community Building Program scheduled intake for large retrofit projects as outlined in the Corporate Report.
3. That PN's be created where required for the project(s) upon funding approval.

Executive Summary

- The Green and Inclusive Community Building Program (GICB) through Infrastructure Canada is a five-year \$1.5 billion merit-based program to support retrofits, repairs, or upgrades of existing publicly accessible community buildings and the construction of new publicly accessible community buildings that serve underserved and high-needs communities across Canada.
- All projects must be planned to be completed between April 1, 2021 and March 31, 2026.
- Applications for large retrofit projects or new builds are due July 6, 2021.
- There are no limits to the number of applications that can be submitted by an eligible applicant. In the case of multiple applications from a single applicant, applicants are asked to provide ranking information regarding the priority of each project.
- City staff completed a review of the capital program, focusing on large retrofits or new build projects in order to maximize funding potential. Projects recommended have a total value of \$27.72M, and a funding request of \$20.48M.
- City staff will conduct a review of small and medium sized retrofit projects for the continuous intake application process after the submission of scheduled intake applications.

Background

On April 14, 2021 the Government of Canada, through Infrastructure Canada announced up to \$1.5 billion in federal funding over five years to establish the Green and Inclusive Community Buildings Program (GICB). This national merit-based program support retrofits, repairs or upgrades of existing publicly accessible community buildings and the construction of new publicly accessible community buildings that serve underserved and high-needs communities across Canada. Community buildings are non-commercial community-oriented structures and spaces that provide open, available, and accessible community services to the public.

With this program, the Government of Canada is making investments to improve the availability and condition of community buildings – in particular in areas with populations experiencing higher needs – while also making the buildings more energy efficient, lower carbon, resilient, and high performing. The GICB program is part of Canada's strengthened climate plan, which was introduced in December 2020 as the *Healthy Environment and a Healthy Economy*, and will advance the Government's climate priorities by improving energy efficiency, reducing GHG emissions, and enhancing the climate resilience of community buildings.

Eligible Projects

To be eligible for funding, projects must be in areas with underserved populations experiencing higher needs and be the site of programming and/or activities that demonstrably serve these populations. All projects must be planned to be completed between April 1, 2021 and March 31, 2026. Contracts cannot be signed, and work cannot begin prior to April 1, 2021.

The GICB program will fund two types of projects:

1. Retrofits, repairs and upgrades to existing community buildings
 - Retrofits are changes to an existing building that seek to renovate, upgrade, or repair aspects of the building in a manner that improves environmental outcomes.
 - Retrofits must be to a facility that is accessible to the public and that provides non-commercial services to the community, such as:
 - i. community centres,
 - ii. public sports and recreational facilities,
 - iii. child and youth centres,
 - iv. mobile libraries,
 - v. community health centres,
 - vi. structures that support community food security, and
 - vii. seniors' centres.
 - Eligible retrofits must include green retrofit measures, and where applicable must include measures that increase the overall accessibility and/or safety of the building.

- In order to be eligible for funding consideration, all retrofit projects are encouraged to achieve at least 25% in energy efficiency improvements compared to the building's baseline energy consumption. Projects with greater energy efficiency improvements will receive a higher score and are more likely to be selected for funding.
2. The construction of new community buildings
- New builds must be of a facility that is open and accessible to the public and that will provide non-commercial services to the community. Examples include:
 - i. community centres,
 - ii. public sports and recreational facilities,
 - iii. adult community learning centres,
 - iv. Indigenous centres, and
 - v. mobile health clinics.
 - One third of funding being directed to new builds required to be built to net-zero or net-zero ready specifications.
 - Must have conducted a climate risk assessment and identified measures mitigating the medium and high risks.
 - Must meet or exceed accessibility standards

Available Funding

Up to \$860 million is available for retrofit projects across Canada.

- Small retrofit projects - \$100,000 to \$250,000 in total eligible costs.
- Medium retrofit projects - \$250,000 to \$3,000,000 in total eligible costs.
- Large retrofit projects - \$3,000,000 to \$25,000,000 in total eligible costs.

More than \$430 million is available for the construction of new buildings across Canada.

- New build projects - \$3,000,000 to \$25,000,000 in total eligible costs.

There is no ceiling to the amount of funding available to an eligible applicant; however, there are funding limits depending on total eligible project costs:

Total Eligible Project Cost	Cost-Share Maximum
Retrofits up to \$9,999,999	80%
Retrofits costs \$10,000,000 +	60%
New builds up to \$9,999,999	60%
New build costs \$10,000,000 +	50%

The application of the cost-share maximum will be implemented on a marginal dollar value basis whereby the total eligible project costs up to the first \$9,999,999 will have the higher maximum percentage funding rate applied and for every dollar above \$10,000,000 the lower percentage rate applied.

While not all project costs can be covered by this program, the maximum amount permitted from all Government of Canada sources is 100% of eligible costs.

Application Process

The process is divided into two main types: a continuous, non-competitive intake, and scheduled, competitive intakes.

1. Continuous Intake, Non-competitive

- Applicants with small and medium retrofit projects will be accepted on a continuous basis and funded on a first-come, first-served basis.
- Applications will be accepted until total funding for this stream has been fully allocated.

2. Scheduled Intake, Competitive

- Applicants with large retrofit projects to existing community buildings or new community building projects will be accepted through a scheduled, competitive intake process.
- Applications for scheduled intake are due July 6, 2021 and will be accepted through Infrastructure Canada's online application portal.

There are no limits to the number of applications that can be submitted by an eligible applicant; however, a separate application form must be submitted for each project. In the case of multiple applications from a single applicant, applicants are asked to provide ranking information regarding the priority of each project.

Comments

City staff completed a review of the capital program, focusing on large retrofits or new build projects in order to maximize funding potential. Projects were reviewed against strict eligibility criteria including, eligible asset type and retrofit measure, energy efficiency improvements, project start date and substantial completion date requirements.

Recommended Project List

Projects have been ranked below in order of priority.

Project Recommendation	Description	Funding Request (M's)	City Cost-Share (M's)	Total Project Cost (M's)
Deep Retrofits at Clarkson Community Centre	Retrofits bundle to reduce GHG Emissions by 60% <ul style="list-style-type: none"> • Add R-40 insulation to all roofs • Convert interior lighting to 100% LED lighting • Fix/renew pool equipment • Replace rink plant equipment • Replace RTUs with DOAS system and WSHPs with heat recovery from new rink plant • Install maximum roof capacity solar PV array (350kW) 	\$13.09	\$5.39	\$18.48
Rooftop Solar PV at 4 Facilities	Rooftop Solar PV installation at: <ul style="list-style-type: none"> • Carmen Corbasson Community Centre • Erin Mills Twin Arena • Mississauga Valley Community Centre • Paramount Fine Foods Centre 	\$7.39M	\$1.85M	\$9.24

Additional projects reviewed did not meet the eligibility criteria to be considered a suitable candidate for project recommendation. These projects are located in appendix 3.

Given the continuous intake process for small and medium retrofit projects, City staff will conduct a review of projects that meet program eligibility criteria after the submission of the large retrofit, scheduled intake applications. Applications under continuous intake will be submitted as projects are identified.

Engagement and Consultation

Finance staff worked closely with Facilities and Property Management and Community Services' staff to develop the proposed project list, ensuring that projects selected could meet the eligibility requirements.

Financial Impact

Should the GIC applications be approved, the City would expect to receive \$20.48M from the Federal Government with a cost-share of \$7.24M. Funding from the government would be provided through a funding agreement directly between Infrastructure Canada and the City of Mississauga. Funding for these projects are being requested through the 2022 Capital Budget process. If these projects are approved for grant funding, the city's share will be re-allocated appropriately.

Conclusion

The GICB program offers the City an opportunity to complete large-scale retrofit projects with the financial support of the federal government, while contributing to increased energy efficiency in our buildings.

Based on the information and recommendations provided in this report, staff will complete funding applications for the projects endorsed by Council prior to the submission deadline. Upon notification of successful applications, staff will update Mayor and Council and if necessary, bring a report forward in order to enter into a Transfer Payment Agreement with the federal government.

Attachments

Appendix 1: Eligible Retrofit Buildings/Asset Types and Eligible and Ineligible Green Retrofit Measures

Appendix 2: Eligible New Community Buildings/Asset Types

Appendix 3: Project Review - Eligibility Checklist



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