

# City of Mississauga

# Corporate Report



<p>Date: July 27, 2022</p> <p>To: Mayor and Members of Council</p> <p>From: Shari Lichterman, CPA, CMA, Commissioner of Corporate Services and Chief Financial Officer</p>	<p>Originator's files:</p> <hr/> <p>Meeting date: August 10, 2022</p>
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## Subject

### Grant Programs

## Recommendation

That staff be directed to prepare and submit applications as outlined in Appendix 1 to the report dated July 27, 2022, entitled "Grant Programs" from the Commissioner of Corporate Services and Chief Financial Officer for the following grant programs:

- a) Investing in Canada Infrastructure Program (ICIP) – Public Transit Stream,
- b) Natural Infrastructure Fund (NIF)
- c) Incentives for Medium- Heavy-duty Zero-Emission Vehicles Program (IMHDZEV),
- d) Zero Emission Vehicle Infrastructure Program (ZEVIP), and
- e) Zero Emission Vehicle Awareness Initiative (ZEVAI)

## Executive Summary

- On July 22, 2019 the Government of Ontario launched the Investing in Canada Infrastructure Program (ICIP) Public Transit funding stream for inside the GTHA. A maximum federal allocation of \$338,998,745 and a maximum provincial allocation of \$282,470,703 is available to the City through the Public Transit stream. After the 2019 intake, the remaining ICIP allocation for the Public Transit Stream for the City is \$5,508,745 for federal allocation and \$4,590,162 for provincial allocation. The municipal cost-share portion is \$3,672,956.
- On July 11, 2022 the Government of Ontario announced changes to ICIP. The deadline to submit final applications to utilize remaining ICIP funding has been accelerated from March 28, 2024 to November 30, 2022. The Government of Canada has extended the allowable construction end date from October 2027 to October 2033 for new and existing projects for all project types.
- On July 14, 2022 the Government of Canada launched Natural Infrastructure Fund (NIF). Projects may be funded through Grant Agreements if the total eligible costs are between \$30,000 and up to and including \$250,000. Projects may be funded through Contribution Agreements if total eligible costs are over \$250,000 and up to and including \$3 million.

- The Government of Canada launched the Incentives for Medium- Heavy-duty Zero-Emission Vehicles Program (IMHDZEV), an incentive program for Canadian organizations and businesses who buy or lease an eligible medium and heavy-duty zero emission vehicle. Municipal governments operating fleets are eligible for up to 10 incentives (or up to a maximum up to \$1 million) under this program in a calendar year.
- The Government of Canada launched the Zero Emission Vehicle Infrastructure Program (ZEVIP), a program to address the lack of charging and refuelling stations in Canada. ZEVIP may provide up to \$1 million in funding depending on type of electric vehicle charger installed.
- The Government of Canada launched the Zero Emission Vehicle Awareness Initiative (ZEVAI) to support projects that aim to increase awareness of ZEV and public charging and refueling infrastructure. ZEVAI may provide up to a maximum of \$300,000 contribution.

## Background

Municipalities have been asking the federal and provincial governments for predictable and sustainable funding to help us plan for our infrastructure needs. The City appreciates the support from the federal and provincial governments as a result of the programs mentioned above.

### ICIP Public Transit Stream

The cost-share of the ICIP Public Transit Stream is 40.00% Federal, 33.33% Province and 26.67% Municipal. The remaining ICIP allocation for Mississauga is \$5,508,745 for Federal allocation, \$4,590,162 for Provincial allocation. The Municipal cost-share is \$3,672,956 for a total of \$13,771,863 for eligible projects.

The City of Mississauga's total funding is outlined in the table below:

Funder	Maximum Funding	Funding Approved (as of July 2022)	Pending Approval*	Cost-Share Maximum	Remaining Balance of Allocation
Federal	\$338,998,745	\$333,248,000	\$242,000	40.00%	\$5,508,745
Provincial	\$282,470,703	\$277,498,896	\$201,647	33.33%	\$4,590,162
Municipal	\$226,027,413	\$221,873,104	\$161,353	26.67%	\$3,672,956
<b>Total</b>	<b>\$847,496,861</b>	<b>\$832,620,000</b>	<b>\$605,000</b>	<b>100%</b>	<b>\$13,771,863</b>

\*ICIP-MIS-08 – Cycle Tracks Project is pending approval from the funder.

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### **Natural Infrastructure Fund (NIF)**

The NIF will provide \$200 million to communities across Canada to support building community awareness of the value of natural infrastructure. NIF may provide up to a maximum of 80% federal cost-share for eligible expenditures. Projects may be funded through Grant Agreements if the total eligible costs are between \$30,000 and up to and including \$250,000. Projects funded through grants will receive a maximum contribution of \$250,000. Projects may be funded through Contribution Agreements if total eligible costs are over \$250,000 and up to and including \$3 million. Projects funded through contributions will receive a maximum contribution of \$1 million. The deadline to submit the application is September 27, 2022.

### **The Incentives for Medium- Heavy-duty Zero-Emission Vehicles Program (IMHDZEV)**

The IMHDZEV will provide up to 10 incentives or up to a maximum of \$1 million under this program in a calendar year. The vehicle's full description (the year, make, model and trim) must appear on the list of eligible vehicles provided by IMHDZEV to be eligible. This program excludes vehicles intended for public transit and school transportation. The deadline to submit incentive requests are expected to be available Fall of 2022. Further application details have not been announced at this time.

### **Zero Emission Vehicle Infrastructure Program (ZEVIP)**

The Government of Canada has set a mandatory target for all new light-duty cars and passenger trucks to be zero-emission by 2035, accelerating Canada's previous goal of 100% sales by 2040. The ZEVIP is a \$680 million initiative ending in 2027. The objective of this program is to address the lack of charging and refueling stations in Canada. The program will pay up to 50% of total project costs up to a maximum of \$1 million. The deadline to submit the request for proposals is August 11, 2022.

### **Zero Emission Vehicle Awareness Initiative (ZEVAI)**

The ZEVAI will provide funding to new and innovative projects that aim to address awareness and knowledge gaps among Canadians on light-duty ZEVs and ZEV technologies. The funding will be delivered through cost-shared, non-repayable contributions for eligible projects via contribution agreements with successful applicants. ZEVAI will fund up to 75% of total project costs, up to a maximum of \$300,000. The deadline to submit the application is August 18, 2022.

## **Comments**

City staff have completed a review of the City's Capital Program to determine the best approach to utilize remaining allocation for ICIP Public Transit Stream. MiWay was successful in applying for and receiving ICIP funding for the purchase of replacement hybrid buses during the first round of intake in 2019. During the first intake in 2019, two project applications were not selected to receive ICIP funding. This resulted to a balance of \$5,508,745 for federal allocation and \$4,590,162 for provincial allocation remaining of the maximum federal allocation of \$338,998,745 and maximum provincial allocation of \$282,470,703 for the City of Mississauga.

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City staff have reviewed and identified projects listed in Appendix 1 and will continue to refine the applications to ensure that these projects meet the eligibility criteria, project cost limitations and substantial completion date requirements under the above mentioned funding opportunities for ICIP, NIF, IMHDZEV, ZEVIP and ZEVAL.

## Financial Impact

Should all the project applications be approved, the impact on the capital budget is approximately \$7.2 million for the City. The City's practice has been to update the budget as projects are approved.

Existing practice has been for Council to approve budget adjustments or inclusion of annual budgets as approved with municipal share funded through the capital fund. Council will be updated at the appropriate time.

## Conclusion

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 deadlines for each respective funding opportunity. The funding programs allow the City to leverage funding to advance its capital plan.

## Attachments

Appendix 1: Grant Programs Project List



(Raj Sheth, P.Eng., Acting Commissioner)

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Shari Lichterman, CPA, CMA, Commissioner of Corporate Services and Chief Financial Officer

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