



**CITY OF HAMILTON**  
**CORPORATE SERVICES DEPARTMENT**  
*Financial Planning, Administration and Policy Division*

<b>TO:</b>	Mayor and Members General Issues Committee
<b>COMMITTEE DATE:</b>	March 1, 2017
<b>SUBJECT/REPORT NO:</b>	Canada 150 Community Infrastructure Program Intake Two Approved Project Financing (FCS15049(b)) (City Wide)
<b>WARD(S) AFFECTED:</b>	City Wide
<b>PREPARED BY:</b>	Marcel Cerminara (905) 546-2424 Ext. 4371 John Savoia (905) 546-2424 Ext. 7298
<b>SUBMITTED BY:</b>	Brian McMullen Director, Financial Planning, Administration and Policy Corporate Services Department
<b>SIGNATURE:</b>	

### RECOMMENDATIONS

- (a) That the Canada 150 Intake Two Project Financing Strategy as detailed in Appendix "A" to Report FCS15049(b) be approved;
- (b) That the municipal share of Glanbrook Arena be funded by the Facilities Capital block allocation in 2018 of \$400,000;
- (c) That the municipal share of Auchmar Garden Walls be funded by the Tourism and Culture Capital block allocation in 2018 of \$544,000.

### EXECUTIVE SUMMARY

In late December 2016, the Federal Economic Development Agency of Southern Ontario (FedDev Ontario) announced grant allocations under Intake Two of the Canada 150 Community Infrastructure Program (CIP150). The grants were selected from a Council approved list of 24 projects requesting \$4.85 M which had been submitted in June 2016 under Intake Two of CIP150. This national program is part of a co-ordinated federal approach to celebrate Canada's 150th anniversary.

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FedDev Ontario has provided a Contribution Agreement (CA) with respect to approved Intake Two funding reflecting approximately \$2 M directed to 11 City projects with a total gross cost of \$5.93 M with the City's share amounting to \$3.93 M.

Subsequent to the execution of the aforementioned CA, staff determined that there is insufficient time to complete the Corman Park Washroom Accessibility project by the CIP150 deadline of March 31, 2018. Staff had anticipated that CIP150 Intake Two funding announcements would have occurred within two months of the application deadline reflecting the assessment timeline experienced with the CIP150 Intake One funding announcements in 2015. However, the CIP150 Intake Two funding announcement occurred some six months following project submissions in June 2016. Given the federal funding would be forfeited due to the inability to complete the project by the completion deadline, FedDev Ontario has been advised that the City will not proceed with this project in 2017.

The revised CIP150 Intake Two funding provides up to approximately \$1.8 M in federal funding to 10 City projects with a total gross cost of \$5.4 M leaving a municipal funding share of \$3.6 M as outlined in Table 1 of Report FCS15049(b).

**TABLE 1**  
**Approved Canada150 Intake Two Community Infrastructure Program Projects**

<b>CIP150 Project ID</b>	<b>Capital Project Description</b>	<b>Total Project Cost</b>	<b>Canada 150 Approved Funding</b>
809621	Installation of Perth Park Playground Equipment	\$145,000	\$72,500
809648	Improvement of Gateways at Confederation Park	511,500	170,000
809626	Rehabilitation of Mountain Arena Elevator	330,000	110,000
809635	Installation of Elevator at Glanbrook Arena	600,000	200,000
809637	Replacement of Alexander Park Wading Pool	700,000	233,335
809647	Addition of Washroom Facility at Turner Park	500,000	166,667
809651	Renovations of Central Public Library Windows	1,200,000	400,000
809624	Renovation of Ancaster Old Town Hall	174,500	58,616
809639	Rehabilitation of Auchmar Estate Garden Walls	817,000	273,000
809645	Renovation of Dundurn National Historic Site	<u>455,000</u>	<u>151,970</u>
<b>Total</b>		<b><u>\$5,433,000</u></b>	<b><u>\$1,836,088</u></b>

The CIP150 Intake Two federal funding was not incorporated into the 2017 Capital Budget Financing Plan and as such, Report FCS15049(b) seeks Council's approval for the recommended financing plan to fund the City's share of the approved Intake Two projects. Transfers between Works In Progress (WIP) of \$669 K (net) is required in 2017. Additionally, commitments to utilize 2018 Capital Block funding of \$944K is required to fund the Glanbrook Arena and Auchmar Garden Walls projects. These commitments will not displace projects previously planned for 2018.

***Alternatives for Consideration – Not Applicable***

**FINANCIAL – STAFFING – LEGAL IMPLICATIONS**

**Financial:** As detailed in Appendix “A” to Report FCS15049(b), the CIP150 Intake Two and ONT150 programs have created funding capacity for some approved projects that are being recommended to be transferred to address funding shortfalls identified for other approved CIP150 projects. Transferring the funding surpluses results in a net funding shortfall of \$669 K that can be funded with 2018 Capital block allocations of Facilities and Culture with projects to be completed in March 2018.

**Staffing:** N/A

**Legal:** N/A

**HISTORICAL BACKGROUND**

In late December 2016, the Federal Economic Development Agency of Southern Ontario (FedDev Ontario) announced grant allocations under Intake Two of the Canada 150 Community Infrastructure Program (CIP150). This national program is part of a co-ordinated federal approach to celebrate Canada’s 150th anniversary. In June 2015, an initial intake of this funding program provided \$150 M nationally over two years to support the rehabilitation, renovation and expansion of existing community infrastructure. FedDev Ontario is delivering the program in southern Ontario with an original allocation of \$44.4 M for Intake One over two years. In July 2015, FedDev Ontario announced grant funding of \$1.78 M directed to eight City of Hamilton projects. The total gross cost of the capital projects approved for the City of Hamilton is \$5.47 M with the City’s share amounting to \$3.69 M.

On May 24, 2016, FedDev Ontario announced a CIP 150 Intake Two for Southern Ontario with an additional provision of \$44.4 M for a total allocation of up to \$88.8 M over two years, from April 1, 2016 to March 31, 2018. A Council approved list of 24 projects requesting \$4.85 M had been submitted in June 2016 under Intake Two of CIP150 (refer to Report FCS15049). This national program is part of a co-ordinated federal approach to celebrate Canada’s 150th anniversary.

FedDev Ontario has provided a Contribution Agreement with respect to approved Intake Two funding reflecting approximately \$2 M directed to 11 City projects with a total gross cost of \$5.93 M with the City’s share amounting to \$3.93 M.

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Subsequent to the execution of the aforementioned CA, staff determined that there is insufficient time to complete the Corman Park Washroom Accessibility project by the CIP150 deadline of March 31, 2018. Staff had anticipated that CIP150 Intake Two funding announcements would have occurred within two months of the application deadline reflecting the assessment timeline experienced with the CIP150 Intake One funding announcements in 2015. However, the CIP150 Intake Two funding announcement occurred some six months following project submissions in June 2016. Given the federal funding would be forfeited due to the inability to complete the project by the completion deadline, FedDev Ontario has been advised that the City will not proceed with this project in 2017.

The revised CIP150 Intake Two funding provides up to approximately \$1.8 M in federal funding to 10 City projects with a total gross cost of \$5.4 M leaving a municipal funding share of \$3.6 M as outlined in Table 1 of Report FCS15049(b).

In addition to CIP150, in September 2016 the City submitted an application to the Ontario150 Community Capital Program (Ont150). This program is a \$25 M fund to renovate, repair and retrofit existing community and cultural infrastructure to increase access, improve safety and maximize community use. Only one application per applicant was allowed with the submitted project being required to be "shovel-ready" so it could begin no earlier than January 1, 2017 and be completed with all supported costs incurred by March 31, 2018. Ont150 funds up to 50% of the total project costs to a maximum of \$500 K with applicants encouraged to pool funding sources in support of their project such as combining funds from various government sources (municipal, provincial, federal). The Ontario Trillium Foundation (OTF) was the chosen agency to administer Ont150.

In mid-December 2016, the OTF advised staff that the City had been successful with its submission to Ont150 with its application requesting funding of \$500 K for the Ancaster Aquatic Centre Renovation Project (refer to Report FCS16066). This project has a total budget of \$1.375 M with \$457,875 in Federal funding from the CIP150 Intake One with the balance funded from the City. With the Ontario150 grant award, \$500 K of contribution funding will be transferred to the Unallocated Capital Reserve.

The CIP150 Intake Two federal funding and Ont150 provincial funding was not incorporated into the 2017 Capital Budget Financing Plan and as such, Report FCS15049(b) seeks Council's approval for the recommended financing plan to fund the City's share of the approved CIP150 Intake Two projects.

## **POLICY IMPLICATIONS AND LEGISLATED REQUIREMENTS**

Capital Projects Budget Appropriation and Works In Progress Transfer Policy - Council approval is required to transfer budgets between capital projects for amounts greater than \$250 K.

## **RELEVANT CONSULTATION**

Planning and Economic Development Department – Tourism and Culture division was consulted to identify funding sources for CIP 150 Intake Two projects under their management.

Public Works Department – Facilities Management and Corporate Assets/Strategic Planning divisions were consulted to identify funding sources for CIP 150 Intake Two projects under their management.

## **ANALYSIS AND RATIONALE FOR RECOMMENDATION**

The CIP150 Intake Two federal funding and Ont150 provincial funding were not incorporated into the 2017 Capital Budget Financing Plan and as such, a financing strategy has been developed to fund the required City's share for the projects that have received approval under the aforesaid grant programs.

As detailed in Appendix "A" to Report FCS16049(b), funding sources to fund the municipal share of the approved projects have been identified by both the Tourism and Culture Division and Public Works Department with the following summary of the CIP Intake Two approved project funding requirements:

### Culture CIP150 Intake Two Project Financing

CIP150 funding for the Dundurn Coach House Roof Restoration project has created funding capacity that can be transferred for the shortfall in funding for the City's share of the Ancaster Old Town Hall Renovations project of \$116 K. The Auchmar Garden Walls Rehabilitation project municipal share requirement of \$544 K can be funded using the 2018 Tourism and Culture Capital block allocation as the project is to be completed by March 2018. This commitment will not displace projects previously planned for 2018.

### Public Works CIP150 Intake Two Project Financing

The Confederation Park Gateways, Perth Park Play Structure and Central Library Windows projects were included in the 2017 Capital Budget and as a result of the CIP150 grants. A funding capacity of \$282.5 K is realized with these three projects. Additionally, the Ont150 grant of \$500 K for the Ancaster Aquatic Centre has created total funding capacity of \$782.5 K which can be applied to address identified funding shortfalls with other CIP150 Public Works projects.

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The project municipal share funding shortfalls identified with the Mountain Arena Elevator Rehabilitation (\$220 K), Turner Park Washroom Facility Additions (\$333.3 K) and Alexander Park Splash Pad (\$229.2 K) can be funded with the aforementioned realized funding capacity amounting to \$782.5 K.

The Glanbrook Arena Elevator Rehabilitation municipal share requirement of \$400 K can be funded by the 2018 Facilities Capital block allocation as the project is to be completed by March 2018. This commitment will not displace projects previously planned for 2018.

**ALTERNATIVES FOR CONSIDERATION**

Not Applicable.

**ALIGNMENT TO THE 2016 – 2025 STRATEGIC PLAN**

**Economic Prosperity and Growth**

*Hamilton has a prosperous and diverse municipal economy where people have opportunities to grow and develop.*

**Built Environment and Infrastructure**

*Hamilton is supported by state of the art infrastructure, transportation options, buildings and public spaces that create a dynamic City.*

**Our People and Performance**

*Hamiltonians have a high level of trust and confidence in their City government.*

**APPENDICES AND SCHEDULES ATTACHED**

Appendix "A" - Canada 150 Community Infrastructure Program Intake Two Project Financing Strategy

MC:JS/dt

### Canada 150 Community Infrastructure Program Intake Two Project Financing Strategy

Project Title	Project Cost	CAN150 Funding	2017 Funding Surplus	2017 Funding Shortfall	Notes
<u>Culture</u>	\$	\$	\$	\$	
Renovation of Ancaster Old Town Hall <sup>1</sup>	174,500	58,616		115,884	WIP transfer from Dundurn Historic Site (115.884K)
Renovation of Dundurn National Historic Site	455,000	151,970	116,970		WIP transfer to Ancaster Old Town Hall
Rehabilitation of Auchmar Estate Garden Walls	817,000	273,000		544,000	Pre Fund From 2018 Block (544k)
<b><u>Open Space (Public Works)</u></b>					
Improvement of Gateways to Confederation Beach Park	511,500	170,000	170,000		WIP transfer to Alexander Park
Installation of Perth Park Playground Equipment	145,000	72,500	72,500		WIP transfer to Turner Park and Alexander Park
<b><u>Facilities (Public Works)</u></b>					
Rehabilitation of Mountain Arena Elevator	330,000	110,000		220,000	WIP transfer from Ancaster Aquatic (220K)
Improvement of Corman Park Washroom Accessibility <sup>2</sup>					Not Proceeding
Addition of Washroom Facility at Turner Park	500,000	166,667		333,333	WIP transfer from Ancaster Aquatic (280K) WIP transfer from Perth Park (53.333K)
Installation of Elevator at Glanbrook Arena	600,000	200,000		400,000	Pre Fund From 2018 Block (400K)
Replacement of Alexander Park Wading Pool <sup>3,4</sup>	573,384	189,217		229,167	WIP transfer from Perth Park (19.167K) WIP transfer from Central Library (40K) WIP transfer from Confederation Park (170K)
Renovation of Central Public Library Windows	1,200,000	400,000	40,000		WIP transfer to Alexander Park
<b>CIP150 Total</b>	<b>5,306,384</b>	<b>1,791,970</b>	<b>399,470</b>	<b>1,842,384</b>	
<b><u>Facilities (Public Works)</u></b>					
<b>Ancaster Aquatic Centre</b>	<b>1,375,000</b>	<b>500,000</b>	<b>500,000</b>		WIP transfer to Turner Park and Mountain Arena
<sup>1</sup> Project had a proposed budget of \$75K in 2018 which can now be used to offset Auchmar Garden Walls to be pre funded from 2018 Block <sup>2</sup> Project would not have been completed on time <sup>3</sup> Project amount was submitted to FedDev as \$700K, project cost estimate has since been lowered <sup>4</sup> Project had a budget of \$200K in 2018 which can be used to offset Glanbrook Arena to be pre funded from 2018 block					