



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

TO:	Mayor and Members General Issues Committee
COMMITTEE DATE:	June 16, 2021
SUBJECT/REPORT NO:	Green and Inclusive Community Buildings Program (FCS21055) (City Wide)
WARD(S) AFFECTED:	City Wide
PREPARED BY:	John Savoia (905) 546-2424 Ext. 7298
SUBMITTED BY:	Brian McMullen Director, Financial Planning, Administration and Policy Corporate Services Department
SIGNATURE:	

RECOMMENDATIONS

- (a) That the projects listed in Appendix "A" to Report FCS21055, be approved as the City of Hamilton's submission for consideration to Infrastructure Canada for the requested funding amount of \$1,240,000 for projects with a total project cost of \$1,550,000 in accordance with the terms and conditions associated with the Green and Inclusive Community Buildings Program;
- (b) That the Mayor and City Clerk be authorized to execute all necessary documentation, including Funding Agreements to receive funding under the Green and inclusive Community Buildings Program with content satisfactory to the General Manager of Corporate Services and in a form satisfactory to the City Solicitor;
- (c) That the City Solicitor be authorized and directed to prepare any necessary by-laws for Council approval, for the purpose of giving effect to the City's acceptance of funding from the Green and Inclusive Community Buildings Program;
- (d) That, should a project submission for the Green and Inclusive Community Buildings Program, be approved, the City's contribution be funded from the City's Energy Reserve (Account 112272);
- (e) That copies of Report FCS21055 be forwarded to local Members of Parliament.

EXECUTIVE SUMMARY

On April 14, 2021, the Government of Canada announced the launch of a program across Canada to support green and inclusive community buildings through retrofits, repairs, upgrades and new builds. The Green and Inclusive Community Buildings program (GICB) will deliver \$1.5 B in funding over the next five years to projects that retrofit or build new publicly-accessible buildings while saving energy and cutting pollution. GICB will invest in projects that meet a minimum threshold for energy efficiency improvements and that increase social inclusion in under-served and high-needs communities across Canada.

GICB funding will be dispersed through two streams:

1. Small and Medium Retrofits – Budgets ranging from \$100 K to \$3 M. Applications are accepted on a rolling intake on a first-come, first-served basis until funding is depleted.
2. Large Retrofits and New Buildings – Budgets ranging from \$3 M to \$25 M. Applications are accepted on a competitive intake basis, currently open until July 6, 2021. Funding approval is not guaranteed.

The largest share of the funding (up to \$860 M) will be directed to retrofits in the categories of small (\$100 K to \$250 K), medium (\$250 K to \$3 M) and large (\$3 to \$25 M) projects. There is no ceiling to the amount of funding available to an eligible applicant.

To qualify, projects must meet a prescribed threshold for energy performance (25% improvement over baseline energy use is expected). Retrofit projects must be completed during the period between April 1, 2021 and March 31, 2026.

Refer to the Analysis and Rationale for Recommendation(s) section of Report FCS21055 for more details on the assessment criteria.

There are no limits to the number of applications that can be submitted by an eligible applicant. Eligible applicants may submit a separate application for each project they wish to have considered for funding. In the case of multiple applications from a single applicant, applicants are asked to provide ranking information regarding the priority of each project.

A number of projects were evaluated based upon staff's interpretation of the project approval assessment criteria as specified within the application process and the GICB Program Guidelines. The proposed projects as noted in Appendix "A" of Report FCS21055 reflect the list of projects requesting GICB funding of \$1.24 M.

Alternatives for Consideration – N/A

FINANCIAL – STAFFING – LEGAL IMPLICATIONS

Financial: The funding source for the City's share of any projects approved under the GICB Program will be the Energy Reserve #112272. Funding from the Energy Reserve is paid back with interest based on realized energy savings.

Staffing: N/A

Legal: It is anticipated that the City will be required to enter into a funding agreement to receive GICB grants and may need to enter into other ancillary agreements or pass by-laws to receive funding.

HISTORICAL BACKGROUND

The Green and Inclusive Community Buildings (GICB) program is a five-year program that will support green and accessible retrofits, repairs and upgrades for public community buildings and the construction of new publicly accessible community buildings that serve high-needs and underserved communities across Canada.

The program aims to build more community buildings and improve existing ones, particularly in areas with populations experiencing higher needs while making the buildings more energy efficient, lower carbon, more resilient and higher performing.

The GICB grants being offered are split into two different funding streams depending on the type of project:

1. Small and Medium Retrofits – Budgets ranging from \$100 K to \$3 M. Applications are accepted on a rolling intake on a first-come, first-served basis until funding is depleted.
2. Large Retrofits and New Buildings – Budgets ranging from \$3 M to \$25 M. Applications are accepted on a competitive intake basis, currently open until July 6, 2021. Funding approval is not guaranteed.

Eligible applicants include:

- Municipal, regional, provincial or territorial governments and local service districts;
- Municipally and provincially owned corporations;
- Federally or provincially incorporated not-for-profit organizations; and
- Indigenous governing bodies, not for profits and development corporations.

\$150 M of the program has been set aside specifically for these applicants.

For-profit applicants, individuals and co-operatives are NOT eligible.

Funding will be provided as a non-repayable contribution as follows:

- Up to 80% of retrofit costs for projects with budgets of \$9,999,999 or less.
- Up to 60% of retrofit costs for projects with budgets of \$10 M or more.
- Up to 60% of the first \$9,999,999 in costs for a new build.
- Up to 50% of all costs above \$10 M in costs for a new build.
- Indigenous and territorial projects can receive up to 100% funding.

There is no ceiling to the amount of funding available to an eligible applicant.

There are no limits to the number of applications that can be submitted by an eligible applicant. Eligible applicants may submit a separate application for each project they wish to have considered for funding. In the case of multiple applications from a single applicant, applicants are asked to provide ranking information regarding the priority of each project.

POLICY IMPLICATIONS AND LEGISLATED REQUIREMENTS

N/A

RELEVANT CONSULTATION

Healthy and Safe Communities Department - Recreation Division has provided project proposals for submission consideration under the GICB Intake

Public Works Department – Facilities and Energy Initiatives Divisions provided project proposals for submission consideration under the GICB Intake.

ANALYSIS AND RATIONALE FOR RECOMMENDATIONS

Eligible projects for the GICB program can be for either building retrofits or new builds:

Retrofits: \$860 M of the program is available for retrofits, repairs and upgrades to existing community buildings. Retrofits are changes to an existing building / asset that seek to renovate, upgrade, or repair aspects of the building / asset in a manner that improves environmental outcomes.

Eligible buildings in this stream include:

- community centres;
- public sports and recreation facilities;
- cultural buildings;
- child and youth centres;
- adult learning centres;

- seniors' activity centres;
- mobile health clinics;
- mobile libraries;
- mobile youth service facilities;
- community health centres;
- addiction and mental health centres;
- rehabilitation centres;
- seniors' centres; and
- community food hubs / banks and greenhouses.

New Construction: \$430 M is available for new builds, which must be of a building / asset that is open and accessible to the public, will provide non-commercial services to the community and be Net-Zero-Carbon ready.

Eligible buildings in this stream include:

- community centres;
- public sports and recreation facilities;
- cultural buildings;
- child and youth centres;
- adult learning centres;
- seniors' centres;
- mobile health clinics;
- mobile libraries; and
- mobile youth service facilities.

Funds cannot be used to build new administrative buildings, hospitals, emergency services (police, fire, paramedic) stations, day-care centres, shelters for non-Indigenous patrons, multi-family housing, hospices or educational facilities.

Selection of projects for funding will be based on eligibility criteria and the achievement of a minimum merit threshold.

The following minimum requirements are required for projects of all types, sizes and streams:

- The building / asset must be a non-commercial community-oriented structure or space that provides open, available and publicly-accessible community services.
- The building / asset must be in an area with underserved populations experiencing higher needs and be the site of the publicly-accessible programming and / or activities that demonstrably serve these populations.

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- The building / asset must be an eligible asset type.
- The applicant must have authority over the building / asset either as the owner or have secured an agreement with the asset owner to carry out the project.
- The project must be implemented no earlier than April 1, 2021, and no later than March 31, 2026.
- The applicant must submit their buildings structural information, energy profile and GHG emissions using the RETScreen® Expert software.
- The project must not lead to an increase in the building's operational GHG emissions (retrofits only).
- Impacts of climate change have been assessed and considered for the project.
- The applicant must commit to securing the necessary capital to proceed if approved for federal funding.
- The applicant must attest to the manner in which the project will meet relevant building and construction laws and regulations, including completion (or planned completion) of environmental assessment and consultation as may be required by federal and provincial / territorial governments.
- The applicant must attest to the manner in which the project will align to the building standards and codes that apply to the jurisdiction of the existing building.
- Retrofit projects that intend to improve accessibility, as well as, all new builds must meet or exceed the highest published accessibility standard as defined by the requirements in application provincial or territorial building codes, and relevant municipal by-laws.

Retrofit Projects

Projects must include green retrofit measures and will be evaluated on the following criteria:

Construction Start Date: Projects that begin sooner will receive a higher score.

High-Need Communities: Projects that provide greater benefits to high need communities will receive a higher score.

Increased Accessibility: Where applicable, projects that demonstrate an intention to exceed (rather than meet) the highest standards for accessibility will receive a higher score.

GHG Reductions: Projects that demonstrate the ability to achieve greater GHG emission reductions relative to the buildings baseline will receive a higher score.

Energy Savings: Projects that will achieve at least 25% in energy efficiency improvements compared to the building's baseline energy consumption will receive a higher score and are more likely to be selected for funding.

Climate Resiliency and Best Practices Adoption: Projects that demonstrate strong climate resiliency considerations and measures will receive a higher score. Projects that provide reasonable and accurate detail as to why climate resiliency is not relevant to their project will not be subject to this criterion and will be assessed relative to other project merits.

Confidence in Delivery / Risk: Projects that demonstrate a strong risk assessment and mitigation measures will receive a higher score.

New Build Projects

The construction of new community buildings is eligible under the GICB program in cases where construction will fill a missing or distinct gap in a service requirement of high-needs communities where critical community infrastructure is lacking.

All new build projects will be evaluated on a competitive basis, with projects being scored and ranked against one another.

New building projects will be evaluated on the following criteria:

Construction Start Date: Projects that begin sooner will be scored higher.

High-Need Communities: Projects that provide greater benefits to high-need communities will receive a higher score.

Increased Accessibility: Where applicable, projects that demonstrate an intention to exceed (rather than meet) the highest standards for accessibility will receive a higher score.

Net-Zero Performance Standard: Projects that demonstrate the ability to meet net-zero carbon performance will be scored higher.

Climate Resiliency and Best Practices Adoption: Projects that demonstrate strong climate resiliency considerations and measures will be scored higher. Projects that provide reasonable and accurate detail as to why climate resiliency is not relevant to their project will not be subject to this criterion and will be assessed relative to other project merits.

Confidence in Delivery / Risk: Projects that demonstrate a strong risk assessment and mitigation measures will be scored higher.

Staff carefully assessed projects for the best alignment with the GICB Program's funding selection criteria to develop the recommended list of projects to be submitted for consideration by Infrastructure Canada. The proposed projects as noted in Appendix "A" to Report FCS21055 reflect the list of projects requesting GICB funding of \$1.24 M.

ALTERNATIVES FOR CONSIDERATION

N/A

ALIGNMENT TO THE 2016 – 2025 STRATEGIC PLAN

Healthy and Safe Communities

Hamilton is a safe and supportive City where people are active, healthy, and have a high quality of life.

Clean and Green

Hamilton is environmentally sustainable with a healthy balance of natural and urban spaces.

Built Environment and Infrastructure

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

Culture and Diversity

Hamilton is a thriving, vibrant place for arts, culture, and heritage where diversity and inclusivity are embraced and celebrated.

APPENDICES AND SCHEDULES ATTACHED

Appendix "A" to Report FCS21055 - Green and Inclusive Community Buildings Program
Project Submissions

JS/dt