



# HAMILTON REGION DECARBONIZATION HUB INFORMATION UPDATE

May 3, 2023

General Issues Committee

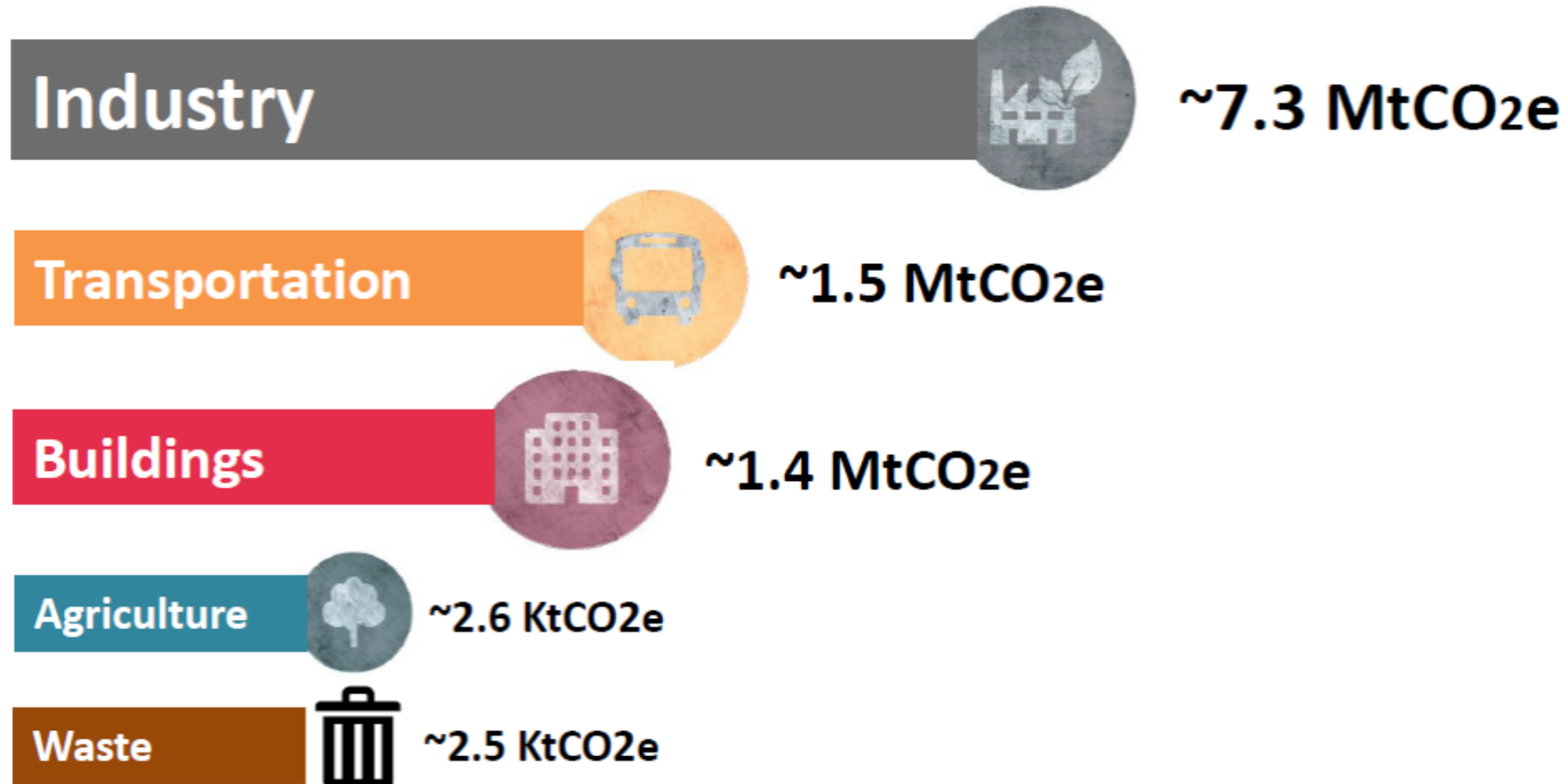
**Hamilton Region Decarbonization Hub**

Climate Change Initiatives Office / Digital & Innovation / Economic Development  
City Manager's Office / Planning & Economic Development

# Council Direction & Update

- In 2022, Council conditionally approved a 4-year funding contribution to Hamilton Region Decarbonization Hub (the “Hub”) to a maximum of \$240,000 (\$60,000/per year)
- Funding to be split equally between the Economic Development Investment Reserve, Climate Change Reserve Account and Smart City Capital Project Account (\$80,000 each)
- Since August 2022, work has focused on securing funding commitments for a total \$3.13 Million, 4-year proposed operating budget
- City’s contribution would be approximately 7.6% of total funding (not including in-kind support )
- City is a funding partner with operational logistics for the Hub supported via the Transition Accelerator (a not-for-profit pan-Canadian organization that works to identify and advance viable pathways to Canada's 2050 climate targets)

# GHG Emissions – Hamilton Context (2020)



# Alignment to Key City Strategies

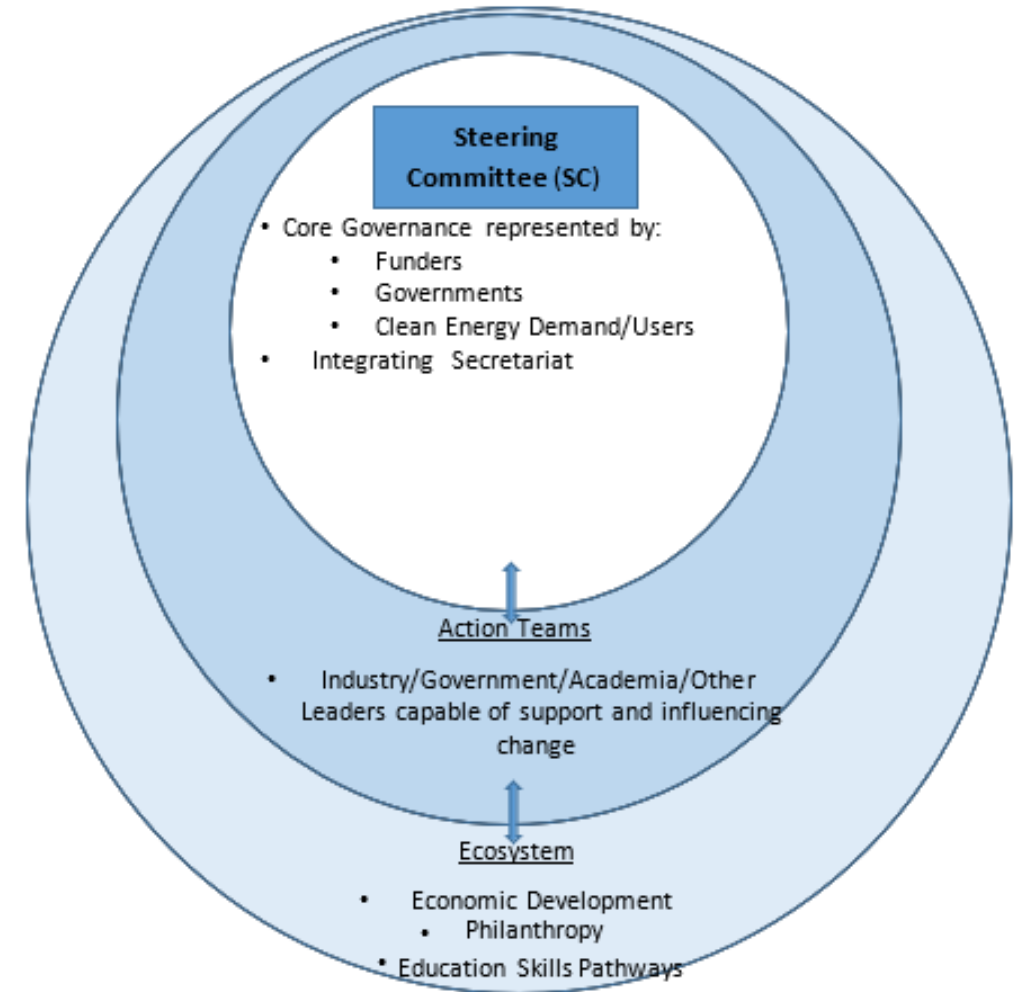
- The Hub aligns with the City of Hamilton's mission to reach net-zero carbon emissions by 2050, which was borne out of the City Council's approved motion declaring a climate change emergency in 2019.
- 2021-2025 Economic Development Action Plan (PED21001)
- Advanced Manufacturing Strategy (PED23005)
- Foreign Direct Investment (FDI) Attraction Strategy (PED23033)
- Bayfront Industrial Area Strategy – Phase 2 (PED14117(d))
- Community Energy & Emissions Plan (CEEP) and the Climate Change Impact Adaptation Plan (CCIAP) (CM22016/PED22058(a)/HSC22030(a))
- 2023 Priority Focus Areas for the Office of Climate Change Initiatives (PED23064)
- Smart City/Intelligent Community focus areas

# Hub Overview

- Hubs are coordinated, synergistic, regional initiatives for economic development to create an economically viable value chain based on moving sectors to a net-zero end state
- The objective of a Hub is to link low-cost energy supply with a very low or zero carbon footprint with new, reliable markets for associated energy sources in the advanced manufacturing, transportation, and building sectors
- All funding will be for net-new dedicated staffing solely supporting the Hamilton Region Decarbonization Hub activities with position advertising locally and via City of Hamilton Website.

# Hub Overview

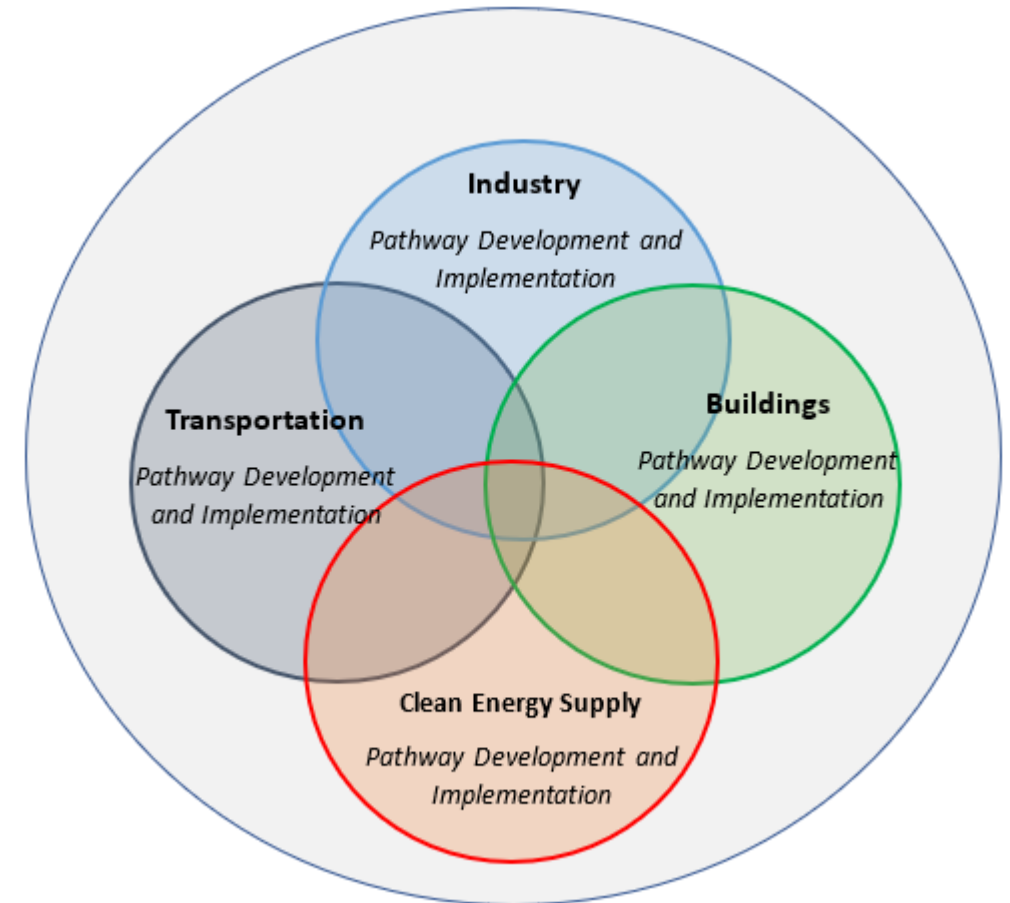
- Hub is not a legal structure but a high-communication, high-trust, high-collaboration model,
- The proposed Hub Model includes a Steering Committee, Integrating Secretariat that would manage day-to-day activities, and sector-specific Action Teams



# Hub Overview

## Action Teams:

- Responsible for detailed planning, project funding identification, and identify synergies and areas of shared interest
- Ensure open communication and information sharing across partners and with other Action Teams as required



# Engagement

Outreach efforts included:

- ArcelorMittal Dofasco (AMD)
- Bay Area Climate Change Council (BACC)
- Canadian Steel Producers Association (CSPA)
- Centre for Integrated Transportation and Mobility (CITM)
- Energy suppliers: Alectra, Air Liquide, Atura, Enbridge, Mitsui & Suncor
- Federal Economic Development Agency for Southern Ontario (FedDev Ontario)
- Hamilton Anchor Institutions Leadership (HAIL)
- Hamilton Chamber of Commerce
- Hamilton Industrial Environmental Association (HIEA)
- Hamilton International Airport / Vantage Airport Group
- Hamilton Oshawa Port Authority (HOPA)
- Hamilton Utilities Corporation & Hamilton Community Enterprise (HUC/HCE)
- Innovation Factory
- Ontario Ministry of Energy (MOE)
- Ontario Ministry of Economic Development, Job Creation and Trade (MEDJCT)
- Ontario Ministry of the Environment, Conservation and Parks (MECP)
- McMaster University
- Mohawk College
- Natural Resources Canada (NRCAN)
- Stelco Inc.



# Targeted Outcomes

- Coordinating and building low/zero carbon energy demand to support sector development
- Demonstrating leadership (environmental, social, economic) to attract investment and a broad range of economic development
- Improving relations and knowledge across industries, public organizations, and the community at large
- Facilitate the industrial sector's ability to realize net zero carbon emissions by or before 2050

# Next Steps

- Finalize funding agreements with contributors (Q3 2023)
- Begin recruitment process for Hub Director/Lead (Q3 2023)
- Establish Steering Committee Membership (Q3 2023)
- Develop Steering Committee Terms of Reference (Q3/Q4 2023)
- Develop a broader Hub governance model (Q3/Q4 2023)
- Hire Hub Staff (Q3/Q4 2023)
- Launch Action Teams (Q4 2023)



Hamilton

THANK YOU

# Appendix – Proposed Funding Breakdown

## Proposed Hamilton Region Decarbonization Hub Funding Breakdown

	2023-24	2024-25	2025-26	2026-27	TOTAL	%	Status
<b>Funding Sources/Revenues:</b>							
Federal Economic Development Agency for Southern Ontario (FedDev ON)	400,000	400,000	400,000	400,000	<b>1,600,000</b>	51.1	Application Pending
Municipal (City of Hamilton)	60,000	60,000	60,000	60,000	<b>240,000</b>	7.7	Committed
Transition Accelerator	200,000	200,000	200,000	200,000	<b>800,000</b>	25.6	Committed
Ivey Foundation	100,000	100,000	100,000	100,000	<b>400,000</b>	12.8	Committed
Hamilton Community Enterprises	10,000	10,000	10,000	10,000	<b>40,000</b>	1.3	Committed
Hamilton Industrial Environmental Association	10,000	10,000	10,000	10,000	<b>40,000</b>	1.3	Committed
Hamilton Chamber of Commerce	2,500	2,500	2,500	2,500	<b>10,000</b>	0.3	Committed
<b>Total</b>	<b>\$782,500</b>	<b>\$782,500</b>	<b>\$782,500</b>	<b>\$782,500</b>	<b>\$3,130,000</b>	100.0%	
<b>Expenses: *</b>							
HRDH Executive Director/Lead	130,000	133,250	136,581	139,996	<b>539,827</b>	17.2	
Analyst/Engineer (Quantity 3)	270,000	276,750	283,669	290,760	<b>1,121,179</b>	35.8	
Communications & Marketing	120,000	123,000	126,075	129,227	<b>498,302</b>	15.9	
Project Coordinator/Engagement (Quantity 2)	160,000	164,000	168,100	172,303	<b>664,403</b>	21.2	
Administration/Conferences/Travel/Technology	72,500	74,313	76,170	78,075	<b>301,057</b>	9.6	
<b>Total</b>	<b>\$752,500</b>	<b>\$771,313</b>	<b>\$790,595</b>	<b>\$810,360</b>	<b>\$3,124,768</b>	99.8%	
<b>In-Kind:</b>							
Steering Committee (2x per month/60 mins/8-10 people/\$50/hr)	12,000	24,000	24,000	24,000	<b>84,000</b>		
Action Teams (2x per month/60 min/6-7 people/\$50/hr)	8,400	16,800	16,800	16,800	<b>58,800</b>		
<b>Total</b>	<b>\$20,400</b>	<b>\$40,800</b>	<b>\$40,800</b>	<b>\$40,800</b>	<b>\$142,800</b>		

\*Assumes a 2.5% annual increase in expenses