




**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>	October 2, 2024
<b>SUBJECT/REPORT NO:</b>	Green and Inclusive Communities Building Program Intake 3 (FCS21055(b)) (City Wide)
<b>WARD(S) AFFECTED:</b>	City Wide
<b>PREPARED BY:</b>	Abdisalam Osman (905) 546-2424
<b>SUBMITTED BY:</b>	Kirk Weaver Acting Director, Financial Planning, Administration and Policy Corporate Services Department
<b>SIGNATURE:</b>	

**RECOMMENDATION(S)**

- (a) That the General Manager, Finance and Corporate Services, or delegate, and the General Manager, Public Works, or delegate, be authorized to submit all necessary documentation to support the City of Hamilton's application, attached as Appendix "A" to Report FCS21055(b), for the Green and Inclusive Community Buildings Program Intake 3;
- (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 Intake 3 with content satisfactory to the General Manager, Finance and 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 Intake 3;
- (d) That, should a project submission for the Green and Inclusive Community Buildings Program Intake 3 be approved, any unfunded municipal share be referred to the City's annual budget process; and

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OUR Vision: To be the best place to raise a child and age successfully.

OUR Mission: To provide high quality cost conscious public services that contribute to a healthy, safe and prosperous community, in a sustainable manner.

OUR Culture: Collective Ownership, Steadfast Integrity, Courageous Change, Sensational Service, Engaged Empowered Employees.

- (e) That copies of Report FCS21055(b) be forwarded to local Members of Parliament.

## **EXECUTIVE SUMMARY**

In July 2024, the Minister of Intergovernmental Affairs, Infrastructure and Communities, announced the dates for the third application intake of the Green and Inclusive Community Buildings (GICB) Program. This new intake extends the program to March 2029, with an additional \$500 M in funding.

GICB funding is dispersed through two streams:

- 1. Small and Medium Retrofits** – Budgets ranging from \$100,000 to \$2,999,999. The selection of projects for funding is based on eligibility criteria and achieving a minimum merit threshold, as well as funding availability. Applications are accepted from August 1, 2024, to October 16, 2024.
- 2. Large Retrofits and New Builds** – Budgets ranging from \$3,000,000 to \$25,000,000. The selection of projects for funding is based on eligibility criteria and the competitive evaluation of applications using merit criteria. Applications are accepted from September 4, 2024, to October 16, 2024.

Larger retrofits and new build projects (above \$25 M in total eligible costs) may also be considered if the federal investment can be effectively delivered by March 31, 2029, either to complete the project or advance it to the next phase of funding. To qualify, projects must meet an energy performance improvement of at least 25% over baseline energy use. Retrofit projects must be completed during the period between April 1, 2021, and March 31, 2029.

There are no limits on the number of applications an eligible applicant can submit. Applicants may provide ranking information if submitting multiple projects. The proposed projects, as noted in Appendix “A” of Report FCS21055(b), represent a total gross cost of \$26 M with a potential federal share of \$15 M and municipal share of \$11 M. The proposed projects and their associated municipal funding sources have already received Council approval. However, additional funding is needed for project 7102441001 – Ancaster Senior Expansion, which will require further approval from Council to proceed.

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

## **FINANCIAL – STAFFING – LEGAL IMPLICATIONS**

**Financial:** Without the GICB funds, the federal portion of the project funding would need to be covered entirely by City sources. The proposed application from the City is comprised of three projects, attached as Appendix “A” to Report FCS21055(b), that have been previously approved by Council. The funding sources for the City’s share of the projects, if approved under the GICB Program Intake 3, will be the Unallocated Capital Levy Reserve #108020, Library Reserves #106008 and #106013, Energy #112272, Development Charge Reserves #110320, #110321, #110322 and #110323 and additional Levy funding. A breakdown of municipal funding sources is provided in Appendix “A” to Report FCS21055(b).

**Staffing:** N/A

**Legal:** It is anticipated that the City will be required to enter into a funding agreement to receive GICB Intake 3 grants and may need to enter into other ancillary agreements or pass by-laws to receive funding.

## **HISTORICAL BACKGROUND**

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. 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.

As part of this initiative, the City of Hamilton submitted the Mt. Hope Library Renovation / Expansion project to Intake 2 of the GICB program. However, the project was not selected in that round and is now being resubmitted under Intake 3, along with two additional projects for consideration.

On April 16, 2024, the Government of Canada announced an extension and additional funding for the Green and Inclusive Community Buildings (GICB) Program through Budget 2024, which added a \$500 million top-up and extended the program until March 2029. This extension brings the total available funding to \$2 B.

## **POLICY IMPLICATIONS AND LEGISLATED REQUIREMENTS**

N/A

## **RELEVANT CONSULTATION**

All City departments were consulted in determining the list of projects that would meet the eligibility requirements of the GICB. Public Works Department, Facilities and Energy Initiatives Divisions, provided project proposals for submission consideration under the GICB Intake 3.

## **ANALYSIS AND RATIONALE FOR RECOMMENDATION(S)**

The Green and Inclusive Community Buildings (GICB) program provides targeted funding to Canadian municipal governments, non-profits and indigenous organizations to support the development, retrofit and renovation of community buildings. Eligible projects must focus on enhancing energy efficiency, reducing carbon emissions and increasing inclusivity. These efforts align with the City of Hamilton's strategic goals for sustainability, energy efficiency and community resilience. The GICB program's eligibility and funding categories are designed to encourage investments in green infrastructure and inclusive spaces, fostering a more sustainable and accessible future for communities.

### **Eligible Projects for GICB Funding**

Eligible projects under the GICB program are categorized to support the construction, renovation and retrofitting of community buildings with a focus on sustainability and inclusivity. Key categories include Small and Medium Retrofits, Large Retrofits and New Builds, each of which is aimed at achieving specific environmental and social outcomes that align with national climate goals and the City's long-term objectives.

- **Small and Medium Retrofits:** Projects with budgets ranging from \$100,000 to \$2,999,999 are eligible for funding to improve the energy efficiency and accessibility of existing community buildings. Eligible activities include energy efficiency upgrades, structural repairs and the installation of inclusive features such as ramps and accessible washrooms.
- **Large Retrofits and New Builds:** Projects with budgets ranging from \$3 M to \$25 M are eligible for funding under this category. Large-scale renovations and new construction projects are focused on achieving net-zero emissions, integrating renewable energy solutions and creating community spaces that are fully accessible and inclusive.
- **Environmental Sustainability and GHG Reductions:** All eligible projects must demonstrate a reduction in greenhouse gas emissions of at least 25% over baseline energy use. This includes implementing measures such as energy-efficient HVAC systems, building insulation and lighting upgrades to achieve significant energy savings.

### **Eligible Applicants for GICB Funding**

The GICB program is open to a broad range of applicants, with a focus on those who can demonstrate the ability to serve high-needs communities and improve accessibility. Eligible applicants include:

- **Municipal, regional and territorial governments:** These applicants may apply to retrofit or build community infrastructure that serves underrepresented and high-needs populations.
- **Indigenous governing bodies and organizations:** Indigenous communities can apply for funding either independently or in partnership with municipal governments for projects that enhance community spaces or infrastructure.
- **Federally or provincially incorporated not-for-profit organizations:** Non-profits are eligible to apply if their projects involve community-oriented infrastructure improvements that meet the program's inclusivity and sustainability goals.

### **Funding limits**

The Green and Inclusive Community Buildings (GICB) Program provides funding for eligible project costs up to specified limits based on project type and size. For retrofit projects up to \$9,999,999, the program will cover up to 80% of the total eligible costs, while for retrofits costing \$10,000,000 or more, funding is capped at 60%. For new builds, the program covers up to 60% of the first \$9,999,999 in costs and 50% for costs exceeding \$10,000,000.

<b>Total Eligible Project Cost</b>	<b>General Program (up to % max from Program)</b>
<b>Retrofits up to \$9,999,999</b>	80%
<b>Retrofits costs \$10,000,000 +</b>	60%
<b>New builds up to first \$9,999,999 of costs</b>	60%
<b>New build costs \$10,000,000 +</b>	50%

The maximum allowable funding from all Government of Canada sources combined is 100% of eligible project costs. The total funding from all levels of government combined, including municipal, provincial, and territorial sources, cannot exceed 100% of eligible costs.

### **Key Project Evaluation Criteria**

- **Energy Efficiency and Carbon Emissions Reductions:** All projects must achieve at least a 25% improvement in energy performance over baseline consumption. Retrofit projects are required to utilize RETScreen® Expert software to calculate and demonstrate these energy savings.
- **Inclusivity and Accessibility:** Projects must increase accessibility for all, especially for people with disabilities. Proposals that meet the highest accessibility standards, as outlined by the Canadian Standards Association (CSA), will receive higher evaluation scores.
- **Climate Resilience:** Projects must incorporate climate resilience measures by considering climate risk assessments and adopting mitigation strategies to safeguard the building's long-term sustainability.
- **Community Impact:** Higher priority will be given to projects that demonstrate the ability to serve high-needs and underserved communities, contributing to greater social inclusion and public benefit.

### **City of Hamilton Priorities for GICB Application**

The City of Hamilton conducted a review of Council approved capital works-in-progress and planned capital projects to identify those that align with the eligibility criteria of the Green and Inclusive Community Buildings (GICB) funding program. This review focused on projects that met the program's specific requirements and can be completed within the program's timelines.

As a result, the City identified three key projects for submission under Intake 3 of the GICB program:

- Mount Hope Library Renovation/Expansion (Retrofit)
- Ancaster Senior Expansion (New Build)
- Harry Howell Energy Retrofits (Retrofit)

The City prioritized projects that deliver significant energy efficiency improvements, enhance climate resilience and support social equity goals, while ensuring that selected projects do not introduce undue risks or constraints related to funding or scheduling. By targeting projects that align with both the GICB program's objectives and the City's long-term sustainability and inclusivity strategies, Hamilton aims to maximize the benefits of this funding opportunity while maintaining alignment with its broader infrastructure and community development goals.

**ALTERNATIVES FOR CONSIDERATION**

N/A

**APPENDICES AND SCHEDULES ATTACHED**

Appendix “A’ to Report FCS21055(b) – Green and Inclusive Community Buildings (GICB)  
Program Intake 3 Project Submission – Funding Summary

AO/dt