



SUBJECT: Infrastructure Funding

TO: Committee of the Whole

FROM: City Manager's Office

Report Number: CM-22-19

Wards Affected: All

File Numbers: 155-03-01

Date to Committee: October 7, 2019

Date to Council: October 28, 2019

Recommendation:

Receive and file city manager's office report CM-22-19 regarding infrastructure funding.

Purpose:

The purpose of this report is to inform Committee about the candidate projects the City of Burlington is proposing be submitted for consideration by the Province of Ontario for potential funding through the Investing in Canada Infrastructure Program Transit and Community, Culture and Recreation Streams, as well as how the funding from the previously approved Main Street Revitalization Initiative will be redirected.

Background and Discussion:

The Investing in Canada Infrastructure Program (ICIP) is a national cost-shared infrastructure funding program between the federal government, provinces and territories, and municipalities and other recipients. This program will see up to \$30 billion in combined federal, provincial, municipal and other partner funding directed into four funding streams: Public Transit, Community, Culture and Recreation, Green and Rural and Northern. The Province has announced intakes for two of the programs the City is eligible for: Public Transit and the Community, Culture and Recreation. We expect the announcement for the Green stream intake to come sometime later in this fall.

The Public Transit stream supports the construction, expansion and improvement of public transit systems and networks across Ontario. To be considered for funding projects must be aligned with at least one of the following transit improvement outcomes:

- Improved capacity of public infrastructure
- Improved quality and/or safety of existing or future transit systems
- Improved access to a public transit system.

Funding can be directed to new construction, rehabilitation or replacement of eligible infrastructure projects. Eligible transit infrastructure projects include rolling stock assets (e.g. buses, subway cars, vehicles for transporting persons with disabilities), fixed assets (e.g. passenger stations), transit-exclusive infrastructure, and active transportation infrastructure that is directly connected to the public transit system.

Overhead costs, including salaries or costs associated with operating expenses are not eligible.

The current intake for the Public Transit stream is for applications from eligible municipalities within the Greater Toronto and Hamilton Area. Completed project applications must be submitted on October 24, 2019. Projects submitted for this intake must be substantially completed by March 31, 2027. There will be additional intakes throughout the length of this ten-year program. FCM is also advocating for a continuation of significant Federal/Provincial funding (\$35 billion) for transit beyond 2027.

For the Public Transit stream, municipalities receive an allocation based on their 2015 ridership numbers as reported to the Canadian Urban Transit Association (CUTA). The City of Burlington's allocation for the ten-year length of the program is \$18,086,987 from the Federal government, and \$15,070,982 from the Provincial government with cost matching from the City.

The Community, Culture and Recreation stream supports community infrastructure priorities across the province, that improve access to and / or quality of community, cultural, and recreation priority infrastructure projects. Projects submitted must be substantially complete by March 31, 2027. This stream is application based and completed applications must be submitted by November 12, 2019.

Projects will be assessed for funding based on their alignment with these objectives:

- Meets community and user needs or servicing gap
- Promotes good asset management planning
- Represents good value for money
- Fosters greater accessibility.

The intake includes two funding categories: multi-purpose category and rehabilitation and renovation category.

There are several eligibility criteria for each of the funding categories. The multi-purpose category focuses on integrated service delivery that addresses identified service gaps. Eligible projects consist of:

- New build/construction projects
- Larger scale renovations
- Expansion of existing facilities.

The rehabilitation and renovation category focuses on maximizing the funding impact of small-scale projects that would improve the condition of existing facilities. Eligible projects consist of:

- Renovation and rehabilitations to address functionality and use of existing facilities
- Small-scale improvements to address accessibility (e.g. hand rails, ramps, wayfinding and signage, etc.)
- Small new build/construction projects or recreation, cultural or community centre infrastructure (e.g. playing fields, community squares)

After projects are submitted in each of the streams they are reviewed by the Province and then nominated to the Federal government for their review and approval. We expect that announcements regarding approval of submitted candidate projects won't be made until February of 2020.

In May of 2018, the City received \$191,757.80 of funding through Ontario's Main Street Revitalization Initiative. This funding is intended to help municipalities throughout the province enhance and revitalize their downtowns and main streets. The funding must be spent by March 31, 2020 and was initially earmarked for the civic square revitalization, as the project has been deferred. The funding is purposed to be reallocated for:

- The resurfacing of the to the Brant/ Lakeshore intersection which will also make this a candidate for a rainbow crossing
- The refurbishment of decorative light poles and
- Street furnishings for downtown

Strategy/process

To identify suitable projects for the various funding programs working teams from Transit, Parks and Recreation, Capital Works, Finance and the City Manager's Office reviewed ICIP program guidelines, corporate priorities in the Vision to Focus four year workplan along with the City's capital budget and asset management plan.

Financial Matters:

The ICIP is a cost shared program between the three levels of government.

The following breakdown for contributions applies to both the Public Transit and Community, Culture and Recreation streams:

Federal Contribution	40.00%
Provincial Contribution	33.33%
Municipal Contribution	26.67%

ICIP-Transit Stream Projects

The total project costs for the ICIP-Transit stream is \$45 million with \$33.15 million funded from the senior levels of government and \$11.7 million funding from the municipal share. Provincial Gas Tax can be used for the city's funding share of the projects. However, Federal Gas Tax funding may not be used to fund the municipal contribution. Federal funding cannot be stacked. It would be considered part of the federal contribution.

Below is a listing of the candidate projects for the Transit stream. The projects will be submitted at different times through the various intakes. Projects with an asterisk will be submitted in the first intake.

- Burlington Transit Operations Centre & Downtown Terminal Renewal*
- Conventional Transit Vehicles - Vehicle Replacement*
- Specialized Transit Vehicles (Handi-Van) - Expansion*
- Conventional Transit Vehicles - Expansion*
- Transit Signal Priority - Technology on Buses*
- Presto Fare System*
- Alternate Service Delivery/On Demand Service*
- Transit 5 Year Business Plan Update
- Burlington Transit Operations Centre Expansion

ICIP- Community, Culture and Recreation Stream

As indicated there are two eligible project categories: a) Multi-Purpose and b) Rehabilitation and Renovation.

- a) The Multi-Purpose category has a project cap of \$50 million in total project costs for eligible projects.

In keeping with Council's direction, the project identified for this category is the new Skyway Community Recreation Complex which includes Skyway park redevelopment.

b) The rehabilitation and renovation category project is capped at \$5 million in total project cost.

The candidate project identified for this category is Downtown Streetscaping and Revitalization including Civic Square redesign and construction and Lower Brant Street Improvements streetscape improvement.

The eligible candidate projects will be included in the 2020 Proposed Capital Budget and Forecast and are identified as having external funding and noted as ICIP programs.

Connections:

The ICIP funding is a cost-shared infrastructure funding program between the three levels of government designed to build critical infrastructure in communities across the country.

Conclusion:

Funding from senior levels of government is important to the City's ability to provide new and improved infrastructure that contributes to the quality of life for residents in Burlington.

Respectfully submitted,

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Report Approval:

All reports are reviewed and/or approved by Department Director, Director of Finance and Director of Legal. Final approval is by the City Manager.