



**Committee of the Whole Report
For the Meeting of September 26, 2024**

To: Committee of the Whole **Date:** September 13, 2024
From: Thomas Soulliere, Deputy City Manager
Susanne Thompson, Deputy City Manager / Chief Financial Officer
Subject: Endorsement of funding applications to support capital projects

RECOMMENDATION

That Council:

1. Direct staff to prepare funding applications in support of projects under the following programs:
 - a. Up to \$5M from the UBCM Community Emergency Preparedness Fund: Disaster Risk Reduction – Climate Adaptation Program for the *Centennial Square Revitalization Project*;
 - b. Up to \$1M from the Province of B.C. Active Transportation Infrastructure Grant Program for the *Cook Street North* and *Blanshard Street North projects*;
 - c. Up to \$2.5M from the Federation of Canadian Municipalities' Growing Canada's Community Canopies Program for *Tree City Program*; and
 - d. Up to \$25M from the Government of Canada's Green & Inclusive Community Buildings Program for the *Crystal Pool and Wellness Centre Replacement Project*.
2. Direct staff to prepare up to three applications under the Province of BC's Disaster Reduction Innovation Fund:
 - a. Up to \$2M to support risk reduction from seismic activity with the use of *Innovative Chiller Technologies at the City's arena*;
 - b. Up to \$500,000 to support risk reduction through climate adaptation features in the *Cook Street North and Blanshard Street North projects*; and/or
 - c. Up to \$500,000 to support risk reduction by installing climate adaptation features as part of the *Underground Infrastructure Replacement Program*.
3. Forward these motions to the September 26, 2024 daytime Council meeting for consideration.

EXECUTIVE SUMMARY

The City of Victoria delivers a diverse range of projects and initiatives which fulfill asset renewal priorities, support accessibility and inclusion objectives, and address climate resiliency and disaster risk reduction. Several funding programs at the provincial and national level have been

announced which directly align with capital projects planned over the next five years. External grants can help strengthen the City's financial capacity to deliver priority programs and services.

PURPOSE

The purpose of this report is to seek endorsement on funding applications that support capital project delivery and further advance Council's strategic priorities.

BACKGROUND

In November 2023, the City established a leadership position within the Deputy City Manager's Office to spearhead major corporate initiatives; provide strategic risk management and project delivery advice; and support the ongoing development of policies, tools and centralized resources to assist staff with service delivery. As part of this portfolio, a Corporate Grant Support Framework was introduced in August 2024 to assist departments with the identification, coordination, and application process for major funding opportunities that align with the Financial Plan and strategic priorities.

While the Delegation Bylaw (NO. 24-045) provides the City Manager and Department Directors with the authority to sign funding agreements to receive grants from a public body or other entity, some granting agencies require formal motions of support from Council with applications.

ISSUES & ANALYSIS

Several funding programs have been announced which align with approved projects in the Corporate Plan and policy directions in the Official Community Plan. Staff have identified a suite of capital projects, described below, which match program eligibility, goals and desired outcomes.

Title: Centennial Square Revitalization Project

Funding Agency: Union of BC Municipalities

Funding Program: The Community Emergency Preparedness Fund (CEPF) is intended to enhance the resilience of local governments. The Disaster Risk Reduction-Climate Adaptation (DRR-CA) stream aims to support municipalities with small-scale structural projects that help reduce risks from future disasters due to natural hazards and climate change.

Description: The Centennial Square revitalization project will enhance the daily experience for residents and visitors and support economic activity through upgraded spaces designed to facilitate a wide range of festivals and events. Several permanent and seasonal features of the approved concept design (interactive water feature, trees and landscaping, stormwater management, and shade umbrellas) also contribute to disaster risk reduction and improved urban resiliency to extreme weather conditions.

Amount: Up to \$5M

Title: Cook Street North and Blanshard Street North Multi-Modal Transportation Projects

Funding Agency: Province of B.C

Funding Program: The BC Active Transportation Infrastructure Grants Program provides cost-sharing for communities to make it easier and safer for people to walk, ride, or roll using active transportation which contribute to mode shift, affordability and resilient communities.

Description: These projects will introduce road safety and active transportation improvements on two corridors: Cook Street (Tolmie to Haultain) and Blanshard Street (Kings to Caledonia). Features include upgraded intersections and traffic signals, new or enhanced pedestrian

crossings, road paving, and protected bike lanes.

Amount: Up to \$500,000 for each project

Title: Tree City Program

Funding Agency: Federation of Canadian Municipalities

Funding Program: The Green Municipal Fund's (GMF) Growing Canada's Community Canopies (GCCC) is a \$291M initiative that supports planting trees across the country, contributing to climate action. GCCC aims to plant at least 1.2 million new trees by 2031. The initiative is a part of GMF's broader approach to nature-based climate solutions, which will achieve significant carbon sequestration and increase forest and community resilience to climate change.

Description: This project is intended to support targeted planting in several sites across the city, including expansion of natural areas, on boulevards and in the downtown core on Government Street (Pandora to Yates).

Amount: Up to \$2.5M¹

Title: Crystal Pool and Wellness Centre Replacement Project

Funding Agency: Government of Canada

Funding Program: The Green and Inclusive Community Buildings (GICB) program is a national merit-based program to improve the availability and condition of buildings in communities experiencing higher needs. The "new build" stream focuses on construction of new, publicly accessible community spaces which foster inclusion in society, combat systemic inequities, reduce carbon emissions, and demonstrate best practices in building design for climate change resilience.

Description: This project will, pending outcomes of the referenda process, provide a high-quality health and wellness facility that is climate resilient and universally accessible. In addition to the extensive aquatic facilities, the project includes a large fitness studio, multi-purpose rooms, and community gathering spaces.

Amount: Up to \$25M

The City has also submitted three expressions of interest (EOI) to the Province of B.C. for funding under the recently released Disaster Risk Innovation Fund program. These are infrastructure projects designed to improve community resilience to natural (including seismic events) and climate driven disasters. This is a new program and is expected to have significant interest among municipalities and First Nations. If the City is not selected for the September 2024 intake, the EOIs will remain in place for the next round of funding in April 2025. The projects are described below:

Title: Arena Innovative Chiller Replacement Project

Description: This project supports disaster risk reduction associated with seismic activity by replacing the conventional ammonia ice plant at the City's arena with an ammonia-free halocarbon chiller.

Amount: Up to \$2M

Title: Cook Street North and Blanshard Street North Adaptation Features

Description: This project supports improving climate resiliency and reducing impacts of extreme heat and precipitation by introducing new trees and green stormwater management features into planned road safety and active transportation projects.

¹ There is a lifetime maximum contribution under the GCCC program of \$10 million for tree planting, inclusive of a maximum contribution of \$1 million for infrastructure activity costs. If this grant is approved, this project will be counted towards that limit.

Amount: Up to \$500,000

Title: Resilient Stormwater Outflows

Description: This project focuses on reducing risks presented by sea level rise, storm surge and extreme precipitation by installing climate adaptation features on two stormwater outfalls in Ross Bay and Rock Bay, as part of a broader underground infrastructure replacement program to help prevent flooding.

Amount: Up to \$500,000

OPTIONS & IMPACTS

Option 1: That Council direct staff to prepare funding applications described in this report in support of project delivery. (RECOMMENDED)

Under this option, staff will prepare grant applications as described in this report. If applications are successful, the City will proceed with securing funding agreements and delivering projects.

Option 2: That Council provide specific direction on which external grants staff should prepare applications for.

Under this option, Council may provide specific direction or remove any of the proposed projects from the list identified in this report.

Accessibility Impact Statement

The Centennial Square Revitalization Project, the Cook Street North and Blanshard Street North Multi-Modal Transportation Projects, and the Crystal Pool and Wellness Centre Project contribute to the City's on-going commitment to identifying, removing and preventing barriers across services, programs and infrastructure.

2023 – 2026 Strategic Plan

The projects identified in this report align with several Council priorities including:

- Climate Action and Environmental Stewardship
- Transportation
- Parks, Recreation and Gathering Spaces
- Community Well-Being and Safety
- Economic Health and Community Vitality

Impacts to Financial Plan

The initiatives described in this report align with the approved 2024 – 2028 Financial Plan. External grants from senior levels of government, foundations and other philanthropic agencies can contribute to the City's financial position by providing additional funding to support approved projects. Any funding secured through the programs described in this report will be used to offset or reduce planned City investments or borrowing.

The amounts indicated in this report are the maximum contributions that can be applied for

under each program. The final request will be determined based on the maximum eligible expenses that the City can apply for as determined by each detailed program offering.

Official Community Plan Consistency Statement

The projects proposed for funding applications support policy directions identified in Chapters 7 (Transportation & Mobility), 9 (Parks & Recreation), 10 (Environment), 11 (Infrastructure) and 12 (Climate Change & Energy) of the Official Community Plan.

CONCLUSIONS

The City continues to investigate external funding programs which can assist in delivering approved projects and initiatives that align with policies and strategic priorities. Council endorsement is required by the granting agencies for applications to the programs described in this report.

Respectfully submitted,

Sarah Webb
Assistant Director
Corporate Planning and Strategic Project Support

Thomas Soulliere
Deputy City Manager

Susanne Thompson
Deputy City Manager / Chief Financial Officer

Report accepted and recommended by the City Manager