



## **Governance and Priorities Committee Report**

### **For the Meeting of February 26, 2015**

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**To:** Governance and Priorities Committee  
**From:** Susanne Thompson, Director, Finance  
**Subject:** Federal Gas Tax Fund

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**Date:** February 13, 2015

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#### **Executive Summary**

On May 22, 2014, the Government of Canada, the Province of British Columbia and the Union of BC Municipalities signed the renewed Gas Tax Agreement. This ten year funding program runs from 2014 to 2024. The objective of this program is to provide funding support for the capital costs of local government infrastructure projects that are larger in scale, regional in impact, or innovative and support the national objectives of productivity and economic growth, a clean environment and strong cities and communities.

The Gas Tax funding is delivered through three program streams: the Community Works Fund, the Strategic Priorities Fund and the Greater Vancouver Regional Fund. The program streams available to the City of Victoria are the Community Works Fund and the Strategic Priorities Fund. The Community Works Fund provides annual allocated funding to the City and is scheduled to receive about \$17 million from 2014 to 2019. The Strategic Priorities Fund is an application-based funding program available to local governments outside the Greater Vancouver Regional District. This program pools approximately \$28 million of the \$253 million granted to British Columbia annually.

The Strategic Priorities Fund has two funding streams: Capital Infrastructure and Capacity Building. Each eligible Local Government may submit two applications under the Capital Infrastructure Projects stream and one application under the Capacity Building stream and must have Council approval. It is anticipated that there will be a least two intakes in the first five years.

Applications are due on April 15, 2015.

Staff reviewed the 20 Year Capital Plan and compiled a list of six potential projects for the Federal Gas Tax Fund Strategic Priorities Fund – Capital Infrastructure Projects stream first intake. Upon a detailed evaluation of each project against the selection criteria, staff recommend that Council approve the submission of the two applications for the Bicycle Master Plan Implementation and the Water Meter Replacement projects. For the Federal Gas Tax Fund – Capacity Building stream first intake, staff recommend that Council approve the submission of the one application for the Facilities Assessment project.

## Recommendations:

That Council:

1. Instruct staff to submit two grant applications for the Bicycle Master Plan Implementation and the Water Meter Replacement projects for the Federal Gas Tax Fund Strategic Priorities Fund – Capital Infrastructure Projects Stream first intake.
2. Instruct staff to submit one grant application for the Facilities Assessment project for the Federal Gas Tax Fund – Capacity Building Stream first intake.
3. Authorize the Mayor and the Corporate Administrator to execute any agreement related to a successful grant application.
4. That this report be forwarded to the February 26, 2015 Council Meeting agenda.

Respectfully submitted,


  
Jo-Ann O'Connor  
Manager, Financial Planning

  
Susanne Thompson  
Director, Finance

  
Dwayne Kalynchuk  
Director, Engineering

Report accepted and recommended by the City Manager:

Date:

  
Feb. 17, 2015

Attachment A: City of Victoria Gas Tax Allocation and Projects Funded (2006 – 2014)  
Attachment B: Program Guidelines for the Federal Gas Tax Fund Strategic Priorities Fund  
Attachment C: Selection Criteria – Federal Gas Tax Fund Strategic Fund – Capital Infrastructure Potential Projects



## **Purpose**

The purpose of this report is to provide an overview of the Federal Gas Tax Fund and to seek Council approval to apply for funding for the Gas Tax Fund Strategic Priorities Fund.

## **Background**

On May 22, 2014, the Government of Canada, the Province of British Columbia and the Union of BC Municipalities signed the renewed Gas Tax Agreement. This ten year funding program provides predictable, long-term and stable funding for public infrastructure in British Columbia while creating jobs and prosperity.

The Gas Tax funding is delivered through three program streams: the Community Works Fund, and the Strategic Priorities Fund which are applicable to the City of Victoria and the Greater Vancouver Regional Fund which apply only to municipalities within the Greater Vancouver Region.

The Community Works Fund provides direct allocated funding twice annually to all local governments in British Columbia. The allocated amounts are based on a funding formula that consist of a \$50,000 funding floor plus a per-capita amount for each local government. The City of Victoria's allocated funding for 2014 to 2019 is approximately \$17 million (\$3.26m in 2014/15, \$3.26m in 2015/16, \$3.42m in 2016/17, \$3.42m in 2017/18 and \$3.59m in 2018/19).

The Strategic Priorities Fund is available to all local governments outside the Greater Vancouver Regional District and replaces the General Strategic Priorities and Innovations Fund programs from the First Gas Tax Agreement. The Strategic Priorities Fund has two funding streams: Capital Infrastructure and Capacity Building. This fund is an application-based funding program, which will deliver approximately \$145 million over the first five years of the renewed agreement.

Since 2006, the City has received allocated funding of \$17.5 million from the Community Works Fund and has been awarded \$19.9 million for the application based funding. (Attachment A)

### Objective

The objective of the Strategic Priorities Fund is to provide funding for local government infrastructure projects and capacity building projects including asset management, long term infrastructure planning and sustainability planning that are larger in scale, regional in impact and or innovative. Additionally, the projects must align with the national goal of productivity and economic growth, a clean environment and strong cities and communities. (Attachment B)

### Applications

Each eligible Local Government may submit two applications under the Capital Infrastructure Stream and one application under the Capacity Building Stream and must have Council approval. The application deadline is April 15, 2015.

### Project Categories

Under the renewed Gas Tax Agreement the eligible project categories have expanded from the previous agreement.

The project categories under the Strategic Priorities Fund Capital Infrastructure are:

- Public Transit

- Local Roads, Bridges and Active Transportation
- Solid Waste
- Community Energy Infrastructure
- Drinking Water
- Wastewater
- Disaster Mitigation
- Recreation Infrastructure
- Tourism Infrastructure
- Brownfield Redevelopment
- Local and Regional Airports
- Short-sea Shipping
- Short-line Rail
- Highways
- Broadband Connectivity
- Cultural Infrastructure
- Sport Infrastructure

The project categories under the Strategic Priorities Fund Capacity Building are:

- Asset Management Planning
- Integrated Community Sustainability Planning
- Long-term Infrastructure Planning

#### Cost Sharing and Limits

This program offers funding up to a 100% of eligible costs of approved projects. There will be approximately \$145 million in the first five years allocated to the Strategic Priorities Fund; \$138 million and \$7 million for the Capital Infrastructure and the Capacity Building stream respectively. It is anticipated that there will be two intakes within the first five years; the second to be announced at a later date.

#### Eligible Projects

To be considered an eligible project the applicant must meet the following screening criteria:

- applications must be submitted by an eligible Local Government either individually or as a co-applicant with another Ultimate Recipient
- applications must be for a project that is an Eligible Projects as defined in the Gas Tax Agreement
- the project must not have started prior to the submission of the application
- the project must be larger in scale or regional in impact or innovative

#### Selection Process and Criteria

Applications will first be screened to ensure the applicant and project meet eligibility requirements. The eligible applications will then be reviewed and scored against the selection criteria. The criteria is as follows:

#### Selection and Scoring Criteria

- how much the project is expected to align with the objectives of productivity and the economic growth; a clean environment; and strong cities and communities
- the timing of the project and its outcomes



- the capacity of the community to undertake, evaluate and document the project, and to operate and maintain it
- the degree to which the project develops or supports strategic infrastructure investment decisions or links to sustainability or capital investment plans
- the degree to which asset management practices were considered
- the degree to which the project uses sustainability principles or leads to sustainable outcomes
- the degree the project benefits more than one community or is identified as regional in impact
- the size or scale of the project in relation to the size of the community
- the degree to which the project reflects inter-jurisdiction cooperation
- the degree to which the innovative plan, process, method or technology could be used in other jurisdictions
- the relative benefit of the innovative process, method or technology over existing processes, methods and technologies
- utilizes best technologies and practices

#### Award Date

Staff contacted the grant administrators and though a confirmed date could not be provided, it is anticipated that the funding decisions will be announced late 2015.

### **Issues & Analysis**

Under the Federal Gas Tax Fund Strategic Priorities Fund the City can submit two applications under the Capital Infrastructure Projects Stream and one application under the Capacity Building Stream as follows:

#### Capital Infrastructure Projects Stream

Staff reviewed the draft Capital Plan and identified six potential projects. These projects were carefully assessed based on the screening, selection and scoring criteria. (Attachment C)

Below are the potential six projects which meet all the criteria:

#### 1. Water Meter Replacement

This project is to replace end of life under-reading water meters with new advanced metering infrastructure. Water meters are an important part of the water distribution system as they measure the volume of water used by customers. The consumption volume is used to bill for water and sanitary sewer fees. Accurate water meters promote water conservation, provide accurate and timely billing, promote customer equity and provide valuable data for system operation, design and maintenance.

This project is estimated to cost \$5 million and is identified in the draft 20 Year Capital Plan to start in 2016 and to be complete in 2020.

#### 2. Brick Storm Drain Rehabilitation

The City's brick mains are approaching 100 years in age and are at end of life. Many of these mains are located within easements and under buildings. The project scope includes investigation, design and rehabilitation of approximately 1000 meters of storm drains phased over five years.



This project is estimated to cost approximately \$5.5 million and in the draft 20 Year Capital Plan is proposed to start in 2016 and to be complete in 2020.

### 3. Downtown Emergency Fire Fighting Water Supply

The City has recognized the need to provide a reliable post seismic fire protection system to protect its downtown core area. The current fire fighting water supply system does not meet current seismic design standards.

The scope of this project includes replacement of approximately 7 kilometers of water mains with seismically upgraded pipe phased over eleven years. The estimated cost of this project is approximately \$12 million and in the draft 20 Year Capital Plan is scheduled to commence in 2015 and to be completed in 2025. Should this project be awarded it would accelerate the completion date by three years to 2022 in order to meet the funding criteria.

### 4. Bicycle Master Plan Implementation

With extensive community input, the City's Bicycle Master Plan cycling network was updated in 2014. The updated network map identified priority cycling routes that will be the focus of cycling improvements over the next twenty five years to provide better connections to and within downtown, public schools, community and senior centers and with existing or proposed cycling routes in other municipalities, ensure that urban villages and town centers are all on, or within one block of a cycling route and to construct "All Ages and Abilities" routes, offering a low-stress, high quality cycling experience that will include traffic calming measures, physical separation and safer intersections and crossings.

The total estimated cost for implementing the top six priority projects identified in the Bicycle Master Plan update is approximately \$5 million. In the draft Capital Plan, these priority projects are proposed to be phased over the next five years from 2015 to 2019.

### 5. LED Street Light Replacement

The LED Street Light Replacement project would replace HPS street lights with lower maintenance and lower environmental impact LED lights. This new technology is estimated to realize significant energy consumption savings directly reducing electricity costs. Currently, this project would be eligible for BC Hydro's rebate program that contributes to offset the cost of the capital outlay.

In the draft Capital Plan, this project is proposed to commence in 2015 and span over three years for a completion date in 2017. The estimated costs of this project is \$2.2 million which have taken into account the BC Hydro incentives.

### 6. David Foster Harbour Pathway

The David Foster Harbour Pathway will be five kilometers in length extending from Rock Bay to Ogden Point and will be one of the longest continuous pedestrian and cycling harbour pathways in North America. In 2014, the Trans Canada Trail through the City of Victoria was realigned to follow the David Foster Harbour Pathway route from Johnson Street Bridge to Ogden Point.

The draft Capital Plan has proposed this project to start in 2015; however this is one phase of the full anticipated five year project. This phase will deliver the Heron Cove and Raymur Point Bridges, the design connection from the Johnston St. Bridge to Janion, the Reeson Park connection and the wayfinding plan for permanent signage.

The full cost of this phase is estimated at about \$3.7 million, however the City has received grant funding of \$1.4 million from the Trans Canada Trail and donations received by Van City

and David Foster in the amount of \$100,000 and \$50,000 respectively. For this phase the net cost to the City will be approximately \$2.1 million.

Based on staff analysis of the selection criteria as outlined in Attachment C and discussions with grant administrators, the Bicycle Master Plan Implementation and the Water Meter Replacement projects have the highest likelihood of success. Though the Downtown Emergency Fire Fighting Water Supply project scored the second highest, it is not being proposed as the project cost is relatively large in relation to the total funding available. The Water Meter Replacement project is recommended over the LED Street Light Replacement and David Foster Harbour Pathway as the estimated project cost is larger.

### Capacity Building Stream

Upon review of the draft Capital Plan, staff have identified the Facilities Assessment project as meeting the screening and selection criteria for the Capacity Building Stream.

The Facilities Assessment project will inventory all City owned buildings and their condition to guide future capital investment and prioritization and a long-term strategy for the City's facilities.

In the draft Financial Plan this project will commence and be completed in 2015 and is estimated to cost \$300,000.

### **Options & Impacts**

There are two options available to Council.

1. Instruct staff to submit two applications for the Bicycle Master Plan Implementation and the Water Meter Replacement projects for the Federal Gas Tax Fund Strategic Priorities Fund – Capital Infrastructure Projects Stream first intake and to instruct staff to submit one grant application for the Facilities Assessment project for the Federal Gas Tax Fund – Capacity Building Stream first intake. (Recommended)

This option authorizes staff to complete and submit three applications for the first intake. Submitting these applications for the three project provides the greatest likelihood to receive funding.

2. That Council receive this report for information.

This option would result in applications not being submitted to the first intake. It is expected that a second intake will be announced; however that date is not known

### **Recommendations**

That Council:

1. Instruct staff to submit two grant applications for the Bicycle Master Plan Implementation and the Water Meter Replacement projects for the Federal Gas Tax Fund Strategic Priorities Fund – Capital Infrastructure Projects Stream first intake.
2. Instruct staff to submit one grant application for the Facilities Assessment project for the Federal Gas Tax Fund Strategic Priorities Fund – Capacity Building Stream first intake.



3. Authorize the Mayor and the Corporate Administrator to execute any agreement related to a successful grant application.
4. That this report be forwarded to the February 26, 2015 Council Meeting agenda.



## Attachment A

### **City of Victoria** **Gas Tax Allocation and Projects Funded (2006 - 2014)**

#### **Direct Allocated Funding**

<b>Community Works Fund (including interest)</b>	<b>\$</b>	<b>17,536,709</b>
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#### **Projects**

Rehabilitation of View/Vancouver	2,844,995
Storm Drain Brick Main Assessment and Rehabilitation	4,182,200
Greenways - Harbour Pathway	702,527
Storm Drain Main Rehabilitation (2010)	170,091
Integrated Stormwater Management Plan	145,869
James Bay Storm Drain Bypass - Phase 2	659,179
Ross Bay Cemetery Storm Drain Main Replacement	55,138
Gonzales Storm Drain Main Replacement	64,483
Bay at Government Storm Drain System Upgrades	19,127
Storm Drain Lateral Replacement (2010)	37,612
Storm Drain Lining Rehabilitation (2012)	215,719
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	<b>9,096,942</b>

<b>Preliminary Balance December 31, 2014</b>	<b>\$</b>	<b>8,439,767</b>
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#### **Application Based Grant Approvals**

##### **Innovations Fund**

Sustainability Framework	\$	200,000
James Bay Inflow & Infiltration Pilot Project	\$	3,000,000

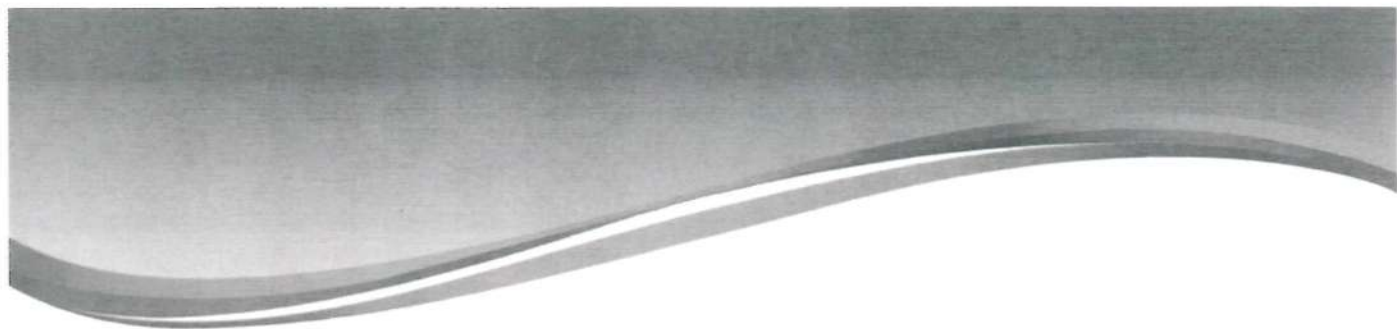
##### **General Strategic Priorities Fund**

Johnson Street Bridge	\$	16,500,000
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##### **Regionally Significant Projects Fund**

Craigflower Road/Skinner Street Bike Lanes	\$	260,000
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<b>Total</b>	<b>\$</b>	<b>19,960,000</b>
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STRATEGIC PRIORITIES FUND APPLICATION

# **Program Guidelines for the Federal Gas Tax Fund Strategic Priorities Fund**

## **Capital Infrastructure Projects Stream and Capacity Building Stream**

**December 2014**



### Quick Facts

Strategic Priorities Fund	
Program Purpose	Provides funding for strategic investments that are large in scale, regional in impact or innovative.
Eligible Applicants	All local governments outside the Greater Vancouver Regional District.
Eligible Projects: Capital Infrastructure Projects Stream	Public Transit; Local Roads and Bridges; Community Energy Systems; Drinking Water; Solid Waste; Wastewater; Highways and Major Roads; Local and Regional Airports; Short-Line Rail; Short-Sea Shipping; Broadband Connectivity; Brownfield Redevelopment; Disaster Mitigation; and Cultural, Tourism, Sport and Recreation Infrastructure.
Eligible Projects: Capacity Building Stream	Capacity Building including Asset Management, Long-Term Infrastructure Planning, and ICSP.
Application Limit	Two (2) capital infrastructure projects stream applications One (1) capacity building stream application.
Available Funding	Up to 100% of net eligible costs of approved projects.

#### Contact UBCM Gas Tax Program Services:

For further questions on Strategic Priorities Fund, please contact us via e-mail at [gastax@ubcm.ca](mailto:gastax@ubcm.ca) or by phone at 250-356-5134.

Gas Tax Program Services  
525 Government Street  
Victoria, BC V8V 0A8

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## 1. Program Overview

In May 2014, Canada, BC and UBCM signed the renewed Gas Tax Agreement (GTA) which provides a ten-year commitment of federal funding for investments in Local Government infrastructure and capacity building projects in British Columbia.

One of the key funding programs established through the GTA is the Gas Tax Strategic Priorities Fund (SPF). The SPF is an application-based funding program, which pools approximately \$28 million of the \$253 million annual federal Gas Tax Fund for strategic investments that are considered larger in scale, regional in impact, or innovative.

The SPF replaces the General Strategic Priorities Fund and Innovations Fund programs from the First Gas Tax Agreement and is available for Local Governments outside of the Greater Vancouver region<sup>1</sup>.

## 2. Goals and Objectives

The SPF program provides grant funding specifically targeted for the capital costs of local government infrastructure projects that are larger in scale, regional in impact, or innovative and support the national objectives of productivity and economic growth, a clean environment and strong cities and communities. The SPF program also provides grant funding for Local Government capacity building projects, including asset management, long term infrastructure planning and sustainability planning that support the national objectives and are large, regional or innovative.

## 3. Application Deadline

The deadline for submitting your SPF application is **April 15, 2015**.

## 4. Eligible Applicants

The SPF program is open to all Local Governments in British Columbia outside of the Greater Vancouver Regional District.

Local Governments may choose to apply either as an individual applicant, or as a co-applicant with another ultimate recipient. Ultimate Recipients are defined as: a local government; a non-municipal entity, including for-profit, non-governmental and not-for-profit organizations; and BC Transit.

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<sup>1</sup> The SPF pools 25% of Local Government Gas Tax per capita allocation outside of the GVRD. Local Governments within the GVRD pool their per capita allocation towards the Greater Vancouver Regional Fund program.

## 5. Application Limits

Each eligible Local Government may submit two (2) applications under the SPF-Capital Infrastructure Projects Stream and one (1) application under the SPF-Capacity Building Stream for a total of three (3) applications.

If a Local Government has submitted an application under the New Building Canada Fund-Small Communities Fund and would like the application considered under the SPF it will constitute one of its two Capital Infrastructure Projects stream applications.

## 6. Project Categories

### SPF Capital Infrastructure Projects Stream

Public Transit	Brownfield Redevelopment
Local Roads, Bridges and Active Transportation	Local and Regional Airports
Solid Waste	Short-sea Shipping
Community Energy Infrastructure	Short-line Rail
Drinking Water	Highways
Wastewater	Broadband Connectivity
Disaster Mitigation	Culture Infrastructure
Recreational Infrastructure	Sport Infrastructure
Tourism Infrastructure	

### SPF Capacity Building Stream

Asset Management Planning*	Long-term Infrastructure Planning
Integrated Community Sustainability Planning	

*Examples eligible projects under each category can be found in Annex A of this program guide.*

\*A requirement of a Local Government Gas Tax Community Works Fund agreement is to engage in asset management planning practices over the term of the agreement. The Gas Tax Partnership Committee has developed an Asset Management Framework to assist local governments in meeting this commitment. This framework will be found on the UBCM website ([www.ubcm.ca](http://www.ubcm.ca)) as well as Asset Management BC website (<http://www.assetmanagementbc.ca>).



UBCM will also be launching the Asset Management Planning Grant (AMP) program in December. For details on how to apply for an AMP grant, please visit the Local Government Management Services section of the UBCM website.

## 7. Eligible and Ineligible Costs

### Eligible Costs for SPF Capital Infrastructure Projects Stream

Eligible Costs are the expenditures associated with acquiring, planning, designing, constructing or renovating a tangible capital asset, as defined by Generally Accepted Accounting Principles (GAAP), and any related debt financing charges specifically identified with that asset.

In addition, eligible costs also include expenditures directly related to the joint communication activities and with federal project signage for GTF funded projects.

The application will ask you to include the class of cost estimate for the project. For examples of classes of cost estimate, see the CCA Joint Federal Panel document (page 9) found online at:

[http://www.cca-acc.com/pdfs/en/CCA/Guide to Cost Predictability.pdf](http://www.cca-acc.com/pdfs/en/CCA/Guide%20to%20Cost%20Predictability.pdf)

### Eligible Costs for SPF Capacity Building Stream

Expenditures related to strengthening the ability of Local Governments to improve local and regional planning including capital investment plans, integrated community sustainability plans, life-cycle costs assessments, and Asset Management Plans.

Expenditures could include developing and implementing:

- i. Studies, strategies, or systems related to asset management, which may include software acquisition and implementation
- ii. Training directly related to asset management planning
- iii. Long-term infrastructure plans

### Ineligible Costs for Capital Infrastructure and Capacity Building Projects

Ineligible Costs include:

- Leasing costs
- Overhead costs, including salaries and other employment benefits of any employees of the Ultimate Recipient
- Direct or indirect operating or administrative costs
- Costs related to planning, engineering, architecture, supervision, management and other activities normally carried out by its staff
- Purchase of land or any interest therein, and related costs
- Legal fees
- Routine repair and maintenance costs.

Employee and equipment costs are **only** eligible if:

- a) The Ultimate Recipient demonstrates that it is not economically feasible to tender a contract
- b) The employee or equipment is directly engaged in the work under the parameters of the contract

- c) And the arrangement has received prior approval in writing by UBCM.

If the use of own force employee or equipment costs is being considered, please provide in addition to the application, a letter addressing the conditions above.

Please note that while most eligible costs are eligible from the date of the application submission, own force employee and equipment costs are only eligible from date of UBCM approval.

## **8. Phasing of Projects**

For large projects that require significant funding support, it is recommended that applicants submit “phased” approach. Applicants should apply for a component of the phased project or identify how the project could be phased. Each phase should be a stand-alone aspect of the project. It is important to note that successful grant awards for phased projects do not ensure subsequent funding for future phases of the project.

## **9. Ineligible Projects**

Projects, which would otherwise be eligible, become ineligible if the project is started prior to the date the project is included in a SPF application. The project is deemed to have been started if a construction tender has been awarded or construction has commenced.

Under the Capacity Building stream, projects that have been submitted under the UBCM Asset Management Planning (AMP) grant program, are deemed ineligible projects under the SPF-Capacity Building Project Stream, unless they are identified as a distinct or phased component of the overall project.

## **10. How to Apply**

Applications must be received through the UBCM online application form and must include the following:

- ✓ Completed online application form
- ✓ Attached feasibility study and/or detailed designs/ detailed cost estimates and other relevant supplemental documentation
- ✓ A Council/Board resolution indicating support for the application

Online application form can be found at: [https://ubcm.formstack.com/forms/spf\\_application](https://ubcm.formstack.com/forms/spf_application)

## **11. Funding Amount Limit**

A SPF grant can fund up to 100% of eligible costs of an eligible project.



## 12. Available Funding

Over the first five years of the Gas Tax Fund, there is approximately \$145 million in the SPF pool. It is anticipated that there will be a minimum of two intakes over the first five years.

Approximately 5% of SPF funding will be reserved for projects under the Capacity Building stream.

Funding allocations and decisions are made by the Gas Tax Management Committee.

## 13. Selection Process and Criteria

Applications will first be screened to ensure the applicant and the project meet eligibility requirements. Those meeting eligibility requirements will then be reviewed and scored against the selection criteria noted below. Funding decisions will be made primarily on the basis of the relative ranking of the applications in relation to these criteria. Applicants are responsible for ensuring that applications include full and accurate information to assess eligibility and to score the project on the stated selection criteria.

### Screening Criteria

- Applications must be submitted by an eligible Local Government either individually or as a co-applicant with another Ultimate Recipient.
- Applications must be for a project that is an Eligible Project, as defined in the GTA and listed in Annex A.
- The project must not have started prior to the submission of the application.
- The project must be 'larger in scale' or 'regional in impact' or 'innovative'.

### Selection and Scoring Criteria

#### SPF Capital Infrastructure Projects Stream

Selection criteria are based on the program purposes and objectives listed above. These selection criteria form the basis of the scoring and ranking of applications. Note the criteria listed below are not listed in order of priority; applicants should provide full information in relation to all of the criteria that are relevant to the project for which funding is requested.

- How much the project is expected to align with the objectives of productivity and the economic growth; a clean environment; and strong cities and communities
- The timing of the project and its outcomes
- The capacity of the community to undertake, evaluate and document the project, and to operate and maintain it
- The degree to which the project develops or supports strategic infrastructure investment decisions or links to sustainability or capital investment plans
- The degree to which asset management practices were considered
- The degree to which the project uses sustainability principles or leads to sustainable outcomes (e.g., demand management; resource management and construction practices)
- The degree the project benefits more than one community or is identified as regional in impact
- The size or scale of the project in relation to the size of the community

- The degree to which the project reflects inter-jurisdiction cooperation
- The degree to which the innovative plan, process, method or technology could be used in other jurisdictions
- The relative benefit of the innovative process, method or technology over existing processes, methods and technologies

#### **SPF Capacity Building Stream**

Scoring will be based primarily on:

- How the project is expected to align with the program objectives of productivity and economic growth, a clean environment or strong cities and communities
- The degree to which the project is identified as large in scale
- The degree to which the project is considered regional in impact
- Contribution to innovation
- Long term thinking
- Integration with other plans, planning or sustainability activities
- Collaborative elements, including engaging community members and other partners
- Implementation program
- Monitoring and evaluation component
- Linkage to capital investment plans
- Contribution to efficient use of infrastructure and other resources

## **14. Approved Applications**

Successful applicants will be notified after funding decisions have been made.

#### **Content of Funding Agreements**

All grant approvals are subject to the execution of a funding agreement between the recipient and UBCM. The agreement will set out the roles and responsibilities of the parties, including a deadline for completion of the project and other recipient obligations.

#### **Applicable Law**

Recipients are responsible for ensuring that all projects are implemented in accordance with all laws applicable in British Columbia and for ensuring that any required permits, licenses, or approvals are obtained.

#### **Payments**

Payments will be made available to recipients in accordance with the terms and conditions of the funding agreement. Payments are also on condition of the following:

- That UBCM has received sufficient funds from Canada
- That a holdback of 15% be placed on the project until such time as it is deemed complete
- The Ultimate Recipient is in compliance with the terms and conditions of the funding agreement.

## ANNEX A: Examples of Eligible SPF Projects

Project Category	Description	Examples
<b>Public Transit</b>	Infrastructure which supports a shared passenger transport system which is available for public use	<ul style="list-style-type: none"> <li>• Transit infrastructure such as rail and bus rapid transit systems, and related facilities</li> <li>• Buses, rail cars, ferries, para-transit vehicles, and other rolling stock and associated infrastructure</li> <li>• Intelligent Transport Systems such as fare collection, fleet management, transit priority signaling, and real time traveler information system at stations and stops</li> <li>• Related capital infrastructure including bus lanes, streetcar and trolley infrastructure, storage and maintenance facilities, security enhancement, and transit passenger terminals</li> </ul>
<b>Local Roads, Bridges, and Active Transportation</b>	Roads, bridges and active transportation (active transportation refers to investments that support active methods of travel)	<ul style="list-style-type: none"> <li>• New and rehabilitation of roads</li> <li>• New and rehabilitation of bridges</li> <li>• Cycling lanes, paths, sidewalks and hiking trails</li> <li>• Intelligent Transportation systems</li> <li>• Additional capacity for high occupancy/transit lanes, grade separations, interchange structures, tunnels, intersections and roundabouts</li> </ul>
<b>Regional and Local Airports</b>	Airport related infrastructure (excludes National Airport System)	<ul style="list-style-type: none"> <li>• Construction projects that enhance airports and are accessible all year-round, through the development, enhancement or rehabilitation of aeronautical and/or non-aeronautical infrastructure (includes runways, taxiways, aprons, hangars, terminal buildings etc.)</li> <li>• Non-aeronautical infrastructure such as groundside access, inland ports, parking facilities, and commercial and industrial activities</li> </ul>



Project Category	Description	Examples
<b>Short-line Rail</b>	Railway related infrastructure for carriage of passengers or freight	<ul style="list-style-type: none"> <li>• Construction of lines to allow a railway to serve an industrial park, an intermodal yard, a port or a marine terminal</li> <li>• Construction, rehabilitation, or upgrading of tracks and structures, excluding regular maintenance, to ensure safe travel</li> <li>• Construction, development or improvement of facilities to improve interchange of goods between modes</li> <li>• Procurement of technology and equipment used to improve the interchange of goods between modes</li> <li>• Short-line operators must offer year-round service</li> </ul>
<b>Short-sea Shipping</b>	Infrastructure related to the movement of cargo and passengers around the coast and on inland waterways, without directly crossing an ocean	<ul style="list-style-type: none"> <li>• Specialized marine terminal intermodal facilities or transshipment (marine to marine) facilities</li> <li>• Capitalized equipment for loading/unloading required for expansion of short-sea shipping</li> <li>• Technology and equipment used to improve the interface between the marine mode and the rail/highways modes or to improve integration within the marine mode including Intelligent Transportation Systems (ITS)</li> </ul> <p><i>Note: The purchase of vessels, infrastructure that supports passenger-only ferry services, rehabilitation and maintenance of existing facilities such as wharves and docks, and dredging are not eligible for funding</i></p>
<b>Community Energy Systems</b>	Infrastructure that generates or increases efficient use of energy	<ul style="list-style-type: none"> <li>• Renewable electricity generators</li> <li>• Electric vehicle infrastructure/fleet vehicle conversion</li> <li>• Hydrogen infrastructure (generation, distribution, storage)</li> <li>• Wind/solar/thermal/geothermal energy systems</li> <li>• Alternative energy systems that serve local government infrastructure</li> <li>• Retrofit local government buildings and infrastructure</li> </ul>

Project Category	Description	Examples
<b>Drinking Water</b>	Infrastructure that supports drinking water conservation, collection, treatment and distribution systems	<ul style="list-style-type: none"> <li>• Drinking water treatment infrastructure</li> <li>• Drinking water distribution system (including metering)</li> </ul>
<b>Wastewater</b>	Infrastructure that supports wastewater and storm water collection, treatment and management systems	<ul style="list-style-type: none"> <li>• Wastewater collection systems and or wastewater treatment facilities or systems</li> <li>• Separation of combined sewers and or combined sewer overflow control, including real-time control and system optimization</li> <li>• Separate storm water collection systems and or storm water treatment facilities or systems</li> <li>• Wastewater sludge treatment and management systems</li> </ul>
<b>Solid Waste</b>	Infrastructure that supports solid waste management systems including the collection, diversion and disposal of recyclables, compostable materials and garbage	<ul style="list-style-type: none"> <li>• Solid waste diversion projects including recycling, composting and anaerobic digestion</li> <li>• Solid waste disposal projects including thermal processes, gasification, and landfill gas recovery</li> <li>• Solid waste disposal strategies that reduce resource use</li> </ul>
<b>Sport Infrastructure</b>	Amateur sport infrastructure (excludes facilities, including arenas, which would be used as a home of professional sports teams or major junior hockey teams)	<ul style="list-style-type: none"> <li>• Sport infrastructure for community public use</li> <li>• Sport infrastructure in support of major amateur athletic events</li> </ul>
<b>Recreation Infrastructure</b>	Recreational facilities or networks	<ul style="list-style-type: none"> <li>• Large facilities or complexes which support physical activity such as arenas, gymnasiums, swimming pools, sports fields, tennis, basketball, volleyball or other sport-specific courts, or other facilities that have sport and/or physical activity as a primary rationale</li> <li>• Community centers that offer programming to the community at large, including all segments of the population</li> <li>• Networks of parks, fitness trails and bike paths</li> </ul>

Project Category	Description	Examples
<b>Cultural Infrastructure</b>	Infrastructure that supports arts, humanities, and heritage	<ul style="list-style-type: none"> <li>• Museums</li> <li>• The preservation of designated heritage sites</li> <li>• Local government owned libraries and archives</li> <li>• Facilities for the creation, production, and presentation of the arts</li> <li>• Infrastructure in support of the creation of a cultural precinct within an urban core</li> </ul>
<b>Tourism Infrastructure</b>	Infrastructure that attract travelers for recreation, leisure, business or other purposes	<ul style="list-style-type: none"> <li>• Convention centers</li> <li>• Exhibition hall-type facilities</li> <li>• Visitor centres</li> </ul>
<b>Disaster Mitigation</b>	Infrastructure that reduces or eliminates long-term impacts and risks associated with natural disasters	<ul style="list-style-type: none"> <li>• Construction, modification or reinforcement of structures that protect from, prevent or mitigate potential physical damage resulting from extreme natural events, and impacts or events related to climate change</li> <li>• Modification, reinforcement or relocation of existing public infrastructure to mitigate the effects of and/or improve resiliency to extreme national events and impacts or events related to climate change</li> </ul> <p><i>Note: this category is related to disaster prevention (such as dykes, berms, seismic upgrades etc.) and <u>not</u> response (such as fire trucks, fire halls etc.)</i></p>
<b>Broadband Connectivity</b>	Infrastructure that provides internet access to residents, businesses, and/or institutions in British Columbia	<ul style="list-style-type: none"> <li>• High-speed backbone</li> <li>• Point of presence</li> <li>• Local distribution within communities</li> <li>• Satellite capacity</li> </ul>



Project Category	Description	Examples
<b>Brownfield Redevelopment</b>	Remediation or decontamination and redevelopment of a brownfield site within municipal boundaries, where the redevelopment includes: the construction of public infrastructure as identified in the context of any other category under the GTF, and/or the construction of municipal use public parks and publicly-owned social housing.	<ul style="list-style-type: none"> <li>• New construction of public infrastructure as per the categories listed under the Federal Gas Tax Agreement</li> <li>• New construction of municipal use public parks and affordable housing</li> </ul>
<b>Asset Management</b>	Increase local government capacity to undertake asset management planning practices.	<ul style="list-style-type: none"> <li>• Asset Management Practices Assessment</li> <li>• Current State of Assets Assessment</li> <li>• Asset Management Policy</li> <li>• Asset Management Strategy</li> <li>• Asset Management Plan</li> <li>• Long-Term Financial Plan</li> <li>• Asset Management Practices Implementation Plan</li> <li>• Asset Management Plan Annual Report</li> </ul>
<b>Integrated Community Sustainability Plans</b>	Increase local government capacity to undertake integrated community sustainability plans	<ul style="list-style-type: none"> <li>• Integrated community sustainability plans</li> <li>• Regional growth strategies</li> <li>• Community development plans</li> <li>• Community plans</li> </ul>
<b>Long-term Infrastructure Plans</b>		<ul style="list-style-type: none"> <li>• Transportation plans</li> <li>• Infrastructure development plans</li> <li>• Liquid waste management plans</li> <li>• Solid waste management plans</li> <li>• Long-term cross-modal transportation plans</li> <li>• Water conservation/demand management plans</li> <li>• Drought management contingency plans</li> <li>• Air quality plans</li> <li>• GHG reduction plans</li> <li>• Energy conservation plans</li> </ul>

# Attachment C

## Selection Criteria - Federal Gas Tax Fund Strategic Priorities Fund – Capital Infrastructure Potential Projects

CRITERIA	Water Meter Replacement	Brick Storm Drain Rehabilitation	Downtown Emergency Fire Fighting Water Supply	Bicycle Mater Plan Implementation	LED Street Light Replacement	David Foster Harbour Pathway
<b>Screening Criteria</b>						
• Eligible Project Category	1	1	1	1	1	1
• Project Not Started prior to submission of Application	1	1	1	1	1	1
• Larger in Scale	1	1	1	1	1	1
• Regional in Impact	1	0	1	1	0	1
• Innovative	1	1	1	1	1	1
• Productivity & Economic Growth	0	1	1	1	1	1
<b>Selection and Scoring Criteria</b>						
• Clean Environment	1	1	1	1	1	1
• Strong Cities and Communities	1	1	1	1	1	1
• Timing & Outcome	1	1	1	1	1	1
• Capacity of the community to undertake, evaluate and document the project, and to operate and maintain it	1	1	1	1	1	1
• Supports strategic infrastructure investments decisions or links to sustainability or capital investment plans	1	1	1	1	1	1
• Degree to which Asset Management practices were considered	1	1	1	1	1	1
• Degree to which the project uses sustainability principles or leads to sustainable outcomes	1	1	1	1	1	1
• Degree the project benefits more than one community or is identified as regional in impact	1	0	1	1	0	1
• Size or scale of project in relation to the size of the community	1	1	1	1	1	1
• Degree to which the project reflects inter-jurisdiction cooperation	0	0	0	1	1	1
• Degree to which the innovative plan, process, method or technology could be used in other jurisdictions	1	1	1	1	1	0
• Benefit of the innovative process, method or technology over existing processes, methods and technologies	1	1	1	1	1	0
<b>Total Selection Criteria:</b>	16	15	17	18	16	16
<b>Total Cost</b>	\$5 million	\$5.5 million	\$12 million	\$5 million	\$2.2 million	\$2.1 million