



Staff Memo

Report To: South Huron Council
From: **Dan Best, Chief Administrative Officer/Deputy Clerk**
Date: November 30 2020
Report: CA) 21.2020
Subject: COVID-19 Resilience Infrastructure Stream: Local Government Intake

Recommendations:

That the memo of D. Best Chief Administrative Officer dated November 30, 2020 regarding the COVID-19 Resilience Infrastructure Stream: Local Government Intake be received; and

That Project 2021-RS-03 Replacement of the Tennis Courts be approved as the designated project for the COVID-19 Resilience Infrastructure Stream: Local Government Intake Notification; and

That should the grant application not be successful for the COVID-19 Resilience Infrastructure Stream: Local Government Intake that Project 2021-RS-03 Replacement of the Tennis Courts still proceed; and

That the project be funded from the Working Fund Reserve.

Purpose:

Approval

Background and Analysis:

On November 6, 2020, Staff were formally advised of the COVID-19 Resilience Infrastructure Stream ("COVID stream") under the Investing in Canada Infrastructure Program (ICIP) in Ontario. Under the new COVID

stream, \$250 million in combined federal-provincial funding has been dedicated to local governments across the province.

For South Huron, the allocation is \$176,384 for this new stream.

The federal government has indicated that investments under this stream are to support public infrastructure, defined as tangible capital assets, including temporary infrastructure related to pandemic response, primarily for public use and/or benefit. According to federal parameters, eligible projects include:

- **Retrofits, Repairs and Upgrades** for municipal, provincial, territorial and indigenous buildings, health infrastructure and educational infrastructure;
- **COVID-19 Response Infrastructure**, including measures to support physical distancing;
- **Active Transportation Infrastructure**, including parks, trails, foot bridges, bike lanes and multi-use paths; and
- **Disaster Mitigation and Adaptation**, including natural infrastructure, flood and fire mitigation, tree planting and related infrastructure.

Municipalities should work with the federal eligibility criteria to identify projects to address COVID-19 responses and resilience, including in municipal/regional owned long-term care homes. Municipalities are also able to partner with not-for-profit and broader public sector organizations (e.g. any public sector body) and submit projects on their behalf, using their municipal allocations. This will be subject to the municipality's own project evaluation prior to submission to the province. Not-for-profits and broader public sector organizations are not eligible to apply on their own.

As with other ICIP streams, projects that have already commenced construction or contain no capital components (i.e. planning projects) are ineligible for funding under this intake. Additionally, costs for land acquisition, infrastructure for tourism or facilities home to a professional sports team, and any project already nominated to the federal government under another ICIP stream are ineligible under the COVID stream.

Municipalities will not be required to cost-share under this stream. The federal government will cover 80% of the total eligible costs associated with any approved project and Ontario will cover 20%, however, total eligible costs for all submitted projects cannot exceed your municipal allocation noted above.

Municipalities will have the opportunity to submit projects for review and approval, but eligible costs associated with any given project cannot exceed \$10 million.

There will be a project cap based on municipal allocation:

- 1 project submission for those receiving a maximum of \$100,000;
- 2 project submissions for those receiving \$100,001 to a maximum of \$500,000; and,
- 5 project submissions for those receiving \$500,001 and above.

The federal timelines of this program require all parties to work together quickly to implement funding. Applications will be reviewed and prioritized by the province based on a rolling intake (i.e. first-come, first-served), but the following deadlines will apply:

- Applications for single projects must be submitted to the province through the Transfer Payment Ontario (TPON) system by December 21, 2020;
- Applications for multiple projects must be submitted to the province through the Transfer Payment Ontario (TPON) system by January 7, 2021;
- Projects must have started construction by September 30, 2021; and,
- Projects must have completed construction by December 31, 2021; except for remote communities which will have until December 31, 2022.

Only projects that meet the above criteria, as well as those that will follow in the provincial program guidelines will be considered for nomination by the Province to the federal government. No deadline extensions will be considered. If applications are not submitted on time, or the project does not start and/or complete by the deadlines required by the federal government, opportunity to access this funding allocation is lost.

Application materials (i.e. application forms, program guidelines and federal Environmental Assessment/Duty to Consult forms) became available on the TPON website the week of November 16th.

Staff considered potential projects such as the following

- Sewage Lagoon Filter Building Pumping Station Upgrades
- Sewage Lagoon UV Disinfection System
- Huron Park Sanitary Sewage Pumping Station Upgrades
- Erosion protection repairs/upgrades down stream of MacNaughton Park Dam
- Tennis Court Replacement

In an analysis of the projects and budget pressures faced for 2021, the only project that had a an impact on the tax levy was the the tennis court replacement scheduled in 2021 for \$175,000. The sanitary sewer projects were all scheduled to be completed in 2021 but were to be funded by reserves from the system.

Given the pressures of the 2021 budget, in particular due to the unknowns of COVID-19, it is recommended that the Tennis Court project be designated as the project to be submitted for this grant, thereby providing Council with flexibility regarding the budget.

Financial Impact:

For the 2021 budget, an amount of \$175,000 was proposed to be levied for the tennis court conversion to multi-purpose court space. The South Huron allocation under this grant is \$176,384. By using grant funding for this project, flexibility is provided to Council in the deliberation of the 2021 budget.

Legal Impact:

There are no legal implications as a result of the actions outlined in this memo.

Staffing Impact:

There are no legal implications as a result of the actions outlined in this memo.

Consultation:

Management Team

Related Documents:

Appendix B – Project Eligibility

Respectfully submitted,

Dan Best, Chief Administrative Officer/Deputy Clerk