

**REPORT TO ELECTORAL AREAS COMMITTEE
MEETING OF WEDNESDAY, FEBRUARY 10, 2021**

SUBJECT Investing in Canada Infrastructure Program; COVID-19 Resilience Infrastructure Stream [Electoral Area Projects]

ISSUE SUMMARY

A Capital Regional District (CRD) Board resolution is required for grant applications to the Investing in Canada Infrastructure Program (ICIP); COVID-19 Resilience Infrastructure Stream (CVRIS).

BACKGROUND

On December 1, 2020, BC and Canada announced the intake of the CVRIS stream to support infrastructure projects in response to COVID-19. For this stream, the program has \$80.29M available in funding for eligible projects.

Regional Districts (RD) are an eligible recipient under the grant program. RD are permitted to submit one application for a regional/sub-regional service, and one application from each Electoral Area (EA).

Funding is available for 100% of eligible project costs, with 80% of funding from the Government of Canada and 20% from the province. Projects must start by September 30, 2021, and be completed by December 31, 2021.

Eligible projects may include:

1. Retrofits, repairs, and upgrades;
2. Active transportation;
3. COVID-19 response infrastructure; and
4. Disaster mitigation and adaptation infrastructure (excluding flood mitigation).¹

Applications for CVRIS were due January 27, 2021 and must be supported by a Board resolution. Applicants will be notified of the grant program's outcome in late spring 2021. EA Directors have given their support to three projects in the EAs that meet eligibility requirements. Three projects were submitted for the grant program's consideration (see Appendices A–C).

Additional information and grant history on past ICIP applications is summarized in Appendix D.

ALTERNATIVES

Alternative 1

The Electoral Areas Committee recommends to the Capital Regional District Board:
That the Capital Regional District support the three submitted grant applications, as endorsed in the following resolutions:

¹ Flood mitigation projects were eligible under the sub-stream under ICIP-CVRIS: Adaptation, Resilience and Disaster Mitigation, which had an application deadline of January 11, 2021.

1. That the Capital Regional District Board (the Board) supports an application for grant funding for the JDF: Willis Point Water Tank Project through the Investing in Canada Infrastructure Program – COVID-19 Resilience Infrastructure Program; and that the Board supports the project and commits to any associated ineligible costs and cost overruns.
2. That the Capital Regional District Board (the Board) supports an application for grant funding for the SSI: Drake Road Trail Upgrades Project through the Investing in Canada Infrastructure Program – COVID-19 Resilience Infrastructure Program; and that the Board supports the project and commits to any associated ineligible costs and cost overruns; and
3. That the Capital Regional District Board (the Board) supports an application for grant funding for the SGI: Einar's Hill By-Pass Route (Multi Use Trail) Project through the Investing in Canada Infrastructure Program – COVID-19 Resilience Infrastructure Program; and that the Board supports the project and commits to any associated ineligible costs and cost overruns.

Alternative 2

The Electoral Areas Committee recommends to the Capital Regional District Board:

That the Board does not endorse the three grant applications for the Investing in Canada Infrastructure Program-COVID-19 Resilience Infrastructure Stream, and withdraws the three projects for the funding program's consideration.

IMPLICATIONS

Financial Implications

The three proposed projects will be included in each service's 2021 Capital Plan. Services will indicate the grant as a potential funding source.

Table 1 – Grant Applications Submitted

ELECTORAL AREAS	SERVICE NAME	PROJECT	REQUEST (\$)	INELIGIBLE EXPENSES (CRD CONTRIBUTION)	TOTAL PROJECT COST	APPENDIX
Juan de Fuca (JDF)	Willis Point Fire Protection and Recreation Commission	Willis Point Fire Department Water Supply Expansion	\$41,865	\$0	\$41,865	A
Salt Spring Island (SSI)	Community Parks	Drake Road Trail Upgrades	\$90,127	\$19,873	\$110,000	B
Southern Gulf Islands (SGI)	Pender Island Parks and Recreation Commission	Einar's Hill By-Pass Route (Multi Use Trail)	\$243,963	\$7,600	\$251,563	C

*This excludes in-kind contributions.

If the JDF Willis Point Water Supply Expansion grant application is successful, the service is proposing that the project's eligible expenses be fully funded by the grant for \$41,865. The project is contingent upon receiving the grant funds, and will not proceed if funding is not secured through the grant.

If the SSI Drake Road Trail Upgrades grant application is successful, the service is proposing to use the grant to fund \$90,127 of eligible expenses. The service is proposing to use their Capital Reserve Fund (CRF) to fund the ineligible expenses of \$19,873. The project is not contingent upon receiving the grant fund, and will proceed with the service's CRF if funding is not secured through this grant.

If the SGI Einar's Hill By-Pass Route (Multi Use Trail) grant application is successful, the service is proposing to use the grant to fund \$243,963 of eligible expenses and the service's CRF for the ineligible expenses of \$7,600. The project is contingent upon receiving the grant funds, and will not proceed if funding is not secured through the grant.

CONCLUSION

The Investing in Canada Infrastructure Program provides funding to public infrastructure projects in BC. This new stream was developed in an effort to provide immediate funding to eligible recipients, including local governments, to help address the impacts of COVID-19, and fund other infrastructure projects. Factors that impact successful grant applications include availability of funds and their equitable distribution across the province as well as program alignment. The CRD has prioritized its projects at each service level.

RECOMMENDATION

The Electoral Areas Committee recommends to the Capital Regional District Board:

That the Capital Regional District support the three submitted grant applications, as endorsed in the following resolutions:

1. That the Capital Regional District Board (the Board) supports an application for grant funding for the JDF: Willis Point Water Tank Project through the Investing in Canada Infrastructure Program – COVID-19 Resilience Infrastructure Program; and that the Board supports the project and commits to any associated ineligible costs and cost overruns.
2. That the Capital Regional District Board (the Board) supports an application for grant funding for the SSI: Drake Road Trail Upgrades Project through the Investing in Canada Infrastructure Program – COVID-19 Resilience Infrastructure Program; and that the Board supports the project and commits to any associated ineligible costs and cost overruns; and
3. That the Capital Regional District Board (the Board) supports an application for grant funding for the SGI: Einar's Hill By-Pass Route (Multi Use Trail) Project through the Investing in Canada Infrastructure Program – COVID-19 Resilience Infrastructure Program; and that the Board supports the project and commits to any associated ineligible costs and cost overruns.

Submitted by:	Lia Xu, MSc., CPA, CGA, Finance Manager, Local Services
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ATTACHMENT(S)

Appendix A: JDF: Willis Point Fire Dept Water Supply Expansion

Appendix B: SSI: Drake Road Trail Upgrades Project

Appendix C: SGI: Einar's Hill By-Pass Route (Multi Use Trail) Project

Appendix D: Investing in Canada Infrastructure Program Funding History