



Staff Report for Council Meeting

Date of Meeting: December 9, 2020

Report Number: SRCM.20.26

Department: Office of the City Manager
Division: Strategy and Government Relations

Subject: **SRCM.20.26 Grant Funding Opportunities**

Purpose:

The purpose of this report is to seek Council endorsement for applications from the City under two grant programs: the Investing in Canada Infrastructure Program (ICIP) – COVID 19 Resilience Fund, and the Audit and Accountability Fund.

Recommendation(s):

- a) That Council endorse Richmond Hill's funding application to the ICIP - COVID 19 Resilience Fund to include up to the three projects described in this report: the McConaghy Centre Mechanical, Electrical System Replacement; the Humber Flats Mallard Marsh Park Revitalization Project; and the Phillips Park Revitalization Project.
- b) That Council endorse Richmond Hill's funding application to the Audit and Accountability Fund for a project to review contract management processes across the City.

Contact Person:

Lise Conde, Manager, Strategy and Government Relations

Ashley Dickinson, Coordinator, Strategy and Government Relations

Report Approval:

Submitted by: Lise Conde, Manager, Strategy and Government Relations

Approved by: Mary-Anne Dempster, City Manager

All reports are electronically reviewed and/or approved by the Division Director, Treasurer (as required), City Solicitor (as required), Commissioner, and City Manager. Details of the reports approval are attached.

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Background:

Staff are continually monitoring grant intake opportunities to ensure fiscal responsibility and wise management of our financial resources. Grant funds may be used to support the City's current year or grant contingent approved capital projects, existing programs and initiatives or other priorities. Staff regularly apply to grant opportunities throughout the year and advise when a funder notifies the City of a successful application. The Financial Control By-law allows the City Manager and Treasurer to execute funding agreements provided that they are connected to a capital project or operating program for which there is an approved budget.

Recently, two municipal grant programs have been announced for which the City is an eligible applicant. Due to what is anticipated to be a very competitive intake where several municipalities are seeking funding from these particular grant funds, staff are pursuing Council endorsement to strengthen the applications.

Investing in Canada Infrastructure Program (ICIP) – COVID 19 Resilience Stream

On November 17, the Province of Ontario announced the opening of the ICIP COVID-19 Resilience Stream – Local Government Stream. This program is jointly funded between the Government of Canada (80%) and the Province of Ontario (20%). The program will fund up to 100% of project costs, meaning no municipal contribution is required. The fund will provide up to \$250M total to help municipalities address critical local infrastructure needs. Eligible projects include retrofits, repairs and upgrades to municipal buildings, COVID-19 response infrastructure, active transportation infrastructure and disaster mitigation and adaptation projects. Each municipality is allocated a certain amount of funding for which they can apply. The Ontario Ministry of Infrastructure has advised that Richmond Hill's allocation is \$697,479.

The deadline for submission is January 7, 2021; and projects funded by this program must be complete by December 31, 2021.

Staff reviewed the 2021 Capital budget to review potential projects for the application based on both the suitability of the projects to the intent of the fund, and the ability to deliver the project within the timelines required by the fund parameters. As a result, the following projects were determined to be the best options for this grant intake:

- **McConaghy Centre Mechanical, Electrical System Replacement:** This project includes the construction phase for the replacement of four air handling units, several exhaust fans and a section of the roof, all of which are past their useful service life. This project has been approved as a budgeted capital project for \$1,100,000.
- **Humber Flats Mallard Marsh Park Revitalization Project:** This is a project to replace playground equipment and safety surfaces, the sub-drainage system,

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paved surfaces and install new benches. This project has been approved as a grant-contingent capital project, with an estimated cost of \$356,000.

- Phillips Park Revitalization Project: This is a project to replace playground equipment and safety surfaces, complete trail upgrades, repair the sub-drainage system and paved surfaces, and install benches and picnic tables. This project has been approved as a grant-contingent capital project, with an estimated cost of \$387,500.

While the total value of the projects that the City applies for may exceed the funding allocation amount of \$697,479, these options have been strategically selected to align to funding program outcomes, and offer flexibility to the Ministry should they have additional criteria for project selection beyond what has been made available in the program guidelines.

The fund guideline states that a municipal council resolution is encouraged in support of an application. As a result of this guideline, this report seeks Council endorsement of the City's application to the ICIP - COVID 19 Resilience Fund.

Audit and Accountability Fund – Second Intake

Also on November 17, the Province of Ontario announced a second intake to their Audit and Accountability Fund. The first intake of this fund was launched in 2019 through the Ontario Ministry of Municipal Affairs and Housing. Richmond Hill was successful in applying for \$250,000 for a third-party consultant (Deloitte LLP) to complete a review of the City's non-personnel operating budget to recommend service delivery efficiency and budget reduction options and strategies, many of which have been implemented already.

The second intake of the Audit and Accountability Fund is now open for expressions of interest. Projects supported by this fund must involve an independent third-party review of municipal service delivery and associated expenditures, resulting in a final report that provides recommendations for cost savings and efficiencies.

The deadline for submission to this fund is December 18, 2020, and funded projects must be completed by October 15, 2021.

Staff reviewed a range of service delivery and administrative process improvement opportunities with a view to identifying a project that best aligns to the intent of the fund. As a result, the following project was determined as a best fit for this grant intake:

- Contract Management Process Review: This project will include a City-wide review of administrative processes related to the design, oversight and payout of contracts across all departments to identify recommendations for organizational process efficiencies and/or improved value for money. The estimated cost for this work is \$125,000-\$200,000.

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Staff are seeking 100% of the consultant costs required to complete the proposed work. The project scope will be adjusted to funding allocated, should the application be successful. As this funding intake is anticipated to be competitive, this report is seeking council endorsement of the City's submission to the Audit and Accountability Fund to strengthen the fund application.

Financial/Staffing/Other Implications:

There are no immediate financial implications to this report. Should funding be received through the ICIP-COVID 19 Resilience funding program, the identified capital projects will be funded by the grant, to partially offset capital budget costs, with remaining funding allocated from the respective reserve funds. Should funding be received through the Audit and Accountability Fund, the grant will be used to hire a third-party consultant to complete the work.

Conclusion:

The Province of Ontario announced two grant program intakes on November 17: the Investing in Canada Infrastructure Program – COVID 19 Resilience Fund, and the second intake of the Audit and Accountability Fund. Staff are seeking Council endorsement to strengthen our applications for what is expected to be very competitive intakes.

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Report Approval Details

Document Title:	SRCM.20.26 Grant Funding Opportunities.docx
Attachments:	
Final Approval Date:	Nov 30, 2020

This report and all of its attachments were approved and signed as outlined below:

David Dexter - Nov 27, 2020 - 2:47 PM

MaryAnne Dempster - Nov 30, 2020 - 12:05 PM