



Staff Report for Council Meeting

Date of Meeting: June 21, 2023

Report Number: SRCM.23.11

Department: Office of the City Manager
Division: Strategy and Transformation

Subject: **SRCM.23.11 Disaster Mitigation and Adaptation Fund**

Purpose:

The purpose of this report is to seek Council approval to submit applications for funding to the Disaster Mitigation and Adaptation Fund (Infrastructure Canada), including approval of the remaining capital funding not covered by the grants should the City be successful.

Recommendation(s):

- a) That Council endorse the City's submission of applications to the Disaster Mitigation and Adaptation Fund administered by Infrastructure Canada for 2 eligible capital projects as described in SRCM.23.11; and
- b) That should the City's Disaster Mitigation and Adaptation Fund grants be successful, Council approve the City's allocation of:
 - i. Upper East Don River & Mill Pond Park Stormwater Management System Revitalization Project - with the total current estimated value of the project at \$12,743,000 and the grant being for up to 40% of the costs, that the City's portion be funded from sources as determined by the Treasurer.
 - ii. Humber Flats Flood Mitigation Project - with the total current estimated value of the project at \$5,670,000 and the grant being for up to 40% of the costs, that the City's portion be funded from sources as determined by the Treasurer.

Contact Person:

Ashley Dickinson, Coordinator, Strategy and Government Relations

Lise Conde, Manager, Strategy and Government Relations

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Report Approval:

Submitted by: Anthony Iannucci, Chief Transformation Officer

Approved by: Darlene Joslin, 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.

Background:

In January 2023, the Government of Canada announced a new intake for funding applications to the Disaster Mitigation and Adaptation Fund (DMAF). Established in 2018 by the federal government, the DMAF is a national, competitive, and merit-based funding program with two objectives:

- To support infrastructure projects designed to mitigate current and future climate-related risks and disasters triggered by natural hazards, such as floods, erosion, extreme temperature, storm, etc; and,
- To strengthen the resilience of Canadian communities at risk of infrastructure failure that could result in threats to health and safety; threats to critical infrastructure, including interruptions in essential services; significant disruptions in economic activity; and/or increasingly high costs for recovery and replacement.

This is not the first intake for applications to the Disaster Mitigation and Adaptation Fund. In 2021, Council approved the submission of up to two project applications to the DMAF via SRCM.21.11 (Appendix 1): Mill Pond Park Revitalization (Phase 1) and Humber Flats Remediation. As part of this 2021 staff report, Council further approved for the City to allocate Richmond Hill's portion of the project costs should the funding be successful. The City consequently submitted an application to the DMAF intake for the Mill Pond Park Revitalization project, but the application was not selected for funding.

In 2022, staff consulted with DMAF program funding advisors to understand how the City might improve the Mill Pond Park Revitalization application in preparation for future funding program intakes. Upon review of the updated 2023 intake application requirements, staff have determined that the City's best two potential project candidates remain unchanged from 2021. (Note the projects have been renamed to better represent the relative scopes of work, and to better align with the intent of the funding program. The Humber Flats Remediation project has been renamed as the Humber Flats Flood Mitigation project, and the Mill Pond Park Revitalization has been renamed as the Upper East Don River & Mill Pond Park Stormwater Management System Revitalization Project). Appendix 2 provides maps of both project study areas.

While Council endorsement is not an explicit DMAF grant application requirement, in submitting these applications, the City is committing to securing the necessary capital financing for the remaining portion of project costs not covered by the grants if the

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projects are approved for grant funding. In accordance with the Capital Budget Financial Monitoring Policy, Council approval is required to proceed with the submission of applications for funding when the City's portion of the cost exceeds \$500,000 and the project has not received capital budget approval. The cost to implement these projects has increased since 2021, thus Council approval is required for the City to proceed with the applications. Staff are seeking to submit applications for funding for the two projects outlined below.

Upper East Don River & Mill Pond Park Stormwater Management System Revitalization Project

Currently, there are erosion-related concerns along the Upper East Don River reaches north and south of Mill Pond. The Upper East Don River & Mill Pond Park Stormwater Management System Revitalization Project includes stormwater management facility improvements, trail realignment and replacement, bridge crossing replacements and removals, and erosion protection along select areas of the Upper East Don River within the project area. All of these measures are aimed at mitigating the current natural erosion hazards of the East Don River by restoring the valleyland function, providing extended detention erosion control in the existing Heritage Estates Stormwater Pond and Mill Pond, and re-aligning trails and bridge crossings to reduce the impact of erosion on City infrastructure. Essential City and Regional sanitary infrastructure is at risk of damage should the erosion hazard not be addressed, placing private properties that depend on this infrastructure at risk of losing those essential services.

This project will enable the stormwater management infrastructure components in Mill Pond Park, and up and downstream along the Upper East Don River, to continue to serve the growing population planned for this area while decreasing the current public and environmental safety concerns associated with the erosion hazard. It will further enhance the trail amenities at Mill Pond Park by removing or replacing crossings, allowing for the naturalization of those areas. This work directly aligns with the DMAF objective to support infrastructure projects designed to mitigate current and future climate-related risks, and to strengthen the resilience of Canadian communities by mitigating climate threats to critical infrastructure.

As noted, Council previously approved for staff to submit an application for funding to the DMAF for this project. In 2021, the total cost estimate for this work was \$11,024,000. In 2023, the cost estimate to complete this work is \$12,743,000. This cost increase is directly attributable to two main factors: more refined cost estimates as the project has progressed, and inflation.

Humber Flats Flood Mitigation

The Humber Flats Flood Mitigation project involves replacing the stormwater management infrastructure at the road crossing at Humberland Drive (Bloomington Rd and Bathurst Street) to reduce the risk of upstream flooding of residential properties. The flooding risk of the area was originally identified subsequent to a floodplain

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mapping update undertaken by the Toronto and Region Conservation Authority (TRCA). Following further assessment conducted by the City, the updated floodplain mapping identified approximately 200 residential properties within the flood hazard area. Portions of adjacent streets and sidewalks, as well as a playground structure, were also identified to be within the flood vulnerable area. Reducing the risk of flooding will prevent significant property damage.

The Humber Flats Flood Mitigation project will reduce flooding risk through the reconstruction of the watercourse crossing (culvert) at Humberland Drive. As part of this project, enhancements will also be completed on the stormwater management facility south of this crossing to restore the facility to current stormwater quality standards. The Humber Flats Flood Mitigation project meets a number of the DMAF grant objectives, including the mitigation of natural hazard risks resulting from climate change and reducing flooding risks for private properties and public infrastructure.

As noted, Council previously approved for staff to submit an application for funding to the DMAF for this project. In 2021, the total cost estimate for this work was \$2,965,000. In 2023, the cost estimate to complete this work is \$5,670,000. Similar to the Mill Pond project, the increase is attributable to a more refined estimate based on a better understanding of the proposed works as the project progressed, as well as inflation factors. Additionally, the scope of work for this project was expanded between 2021 and 2023 to include the revitalization of the Humber Flats stormwater management wet pond immediately south of the Humberland Drive crossing to improve water quality as water is released from the pond back into the natural environment. It is advantageous for the City to proceed with an application for this project that includes the culvert replacement and the stormwater management wet pond improvement to take advantage of cost efficiencies related to using one proponent to complete related work within the same study area, and maximize the potential funding opportunity.

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Financial/Staffing/Other Implications:

Staff are requesting that Council approve the following capital expenditures:

- For the Upper East Don River & Mill Pond Park Stormwater Management System Revitalization Project, contingent on the successful award of up to 40% of the total current cost of \$12,743,000 towards the project through the Disaster Mitigation and Adaptation Fund, with the City's portion being funded from sources as determined by the Treasurer.
- For the Humber Flats Flood Mitigation Project, contingent on the successful award of up to 40% of the total current cost of \$5,670,000 towards the project through the Disaster Mitigation and Adaptation Fund with the City's portion being funded from sources as determined by the Treasurer.

These financial approvals are contingent on grant funding being received and will not be advanced in the event that the applications are unsuccessful. Should the application for funding not be successful, capital budget allocation for these projects will be requested through the normal capital budget process.

While Infrastructure Canada does not commit to a firm application review and/or funding award timeline for grant applications, the DMAF provides funding for work that may be undertaken over a number of years with project completion required by December 31, 2032. The grant-contingent funding requested through this report will be incurred over several years, with specific in-year draws to be determined based on funding award and subsequent project execution timing.

Relationship to Council's Strategic Priorities 2020-2022:

This report aligns directly to the Fiscal Responsibility priority of Council, as the City seeks to identify and secure alternative sources of funding.

Climate Change Considerations:

The Disaster Mitigation and Adaptation Fund has been established by the federal government as a direct support for public infrastructure that mitigates the potential impacts of climate change and contributes to more resilient communities. As such, both projects outlined in this report for which the City is seeking grant funding have direct climate change considerations including climate change adaptation by improving the City's stormwater management by mitigating the risk of flooding and erosion.

Conclusion:

The federal government has announced a funding application intake for the Disaster Mitigation and Adaptation Fund (DMAF). The City has identified two candidate projects for which staff are seeking to submit for funding. Council approval of the recommendations in this report allow for the City to pursue funding through the DMAF

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by committing the City's portion of the project costs, should the applications be successful.

Attachments:

The following attached documents may include scanned images of appendices, maps and photographs. All attachments have been reviewed and made accessible. If you require an alternative format please call the contact person listed in this document.

- Appendix 1: SRCM.21.11 Community Building Fund and Disaster Mitigation and Adaptation Fund Grants
- Appendix 2: Project Study Area Figures

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Report Approval Details

Document Title:	SRCM.23.11 Disaster Mitigation and Adaptation Fund .docx
Attachments:	- SRCM.23.11 Appendix 1 - SRCM.21.11.pdf - SRCM.23.11 Appendix 2 - Project Study Area Figures.pdf
Final Approval Date:	Jun 12, 2023

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

Lise Conde - Jun 8, 2023 - 3:16 PM

Anthony Iannucci - Jun 9, 2023 - 8:21 AM

Gigi Li - Jun 11, 2023 - 9:03 AM

Darlene Joslin - Jun 12, 2023 - 8:22 AM