

Memorandum

To: Mayor & Members of Council

Cc: Andy Taylor, CAO and Executive Leadership Team

From: Brenda Librecz, Commissioner, Community & Fire Services Commission

Date: October 25, 2019

Re: Funding Program - Investing in Canada Infrastructure Program (ICIP): Ontario Community, Culture and Recreation (CCR) closes on November 12, 2019

Please find the following update for your information.

The Ontario government released the **ICIP: Community, Culture and Recreation (CCR) Program Guidelines** for this long-awaited funding program on September 3, 2019. “The Investing in Canada Infrastructure Program (ICIP) is a cost-shared infrastructure funding program between the federal government, provinces and territories, and municipalities and other recipients. This program will see up to \$30 billion in combined federal, provincial and other partner funding, under four priority areas, including Community, Culture and Recreation. The Community, Culture and Recreation stream will support community infrastructure priorities across the province, **improving access** to and/or **quality** of community, cultural, and recreation priority infrastructure projects.”

Key Highlights of the Ontario Community, Culture and Recreation (CCR) Funding Program

- Funding program opened on September 3, 2019, and closes on **November 12, 2019**.
- **Municipalities** are eligible to apply for funding.
- Two funding categories: A) **Rehabilitation and Renovation** category for projects less than \$5 million in total project cost; and B) **Multi-Purpose** category for projects up to \$50 million in total project cost.
- **Cost-sharing formula for total eligible costs is Federal contribution (40%), Provincial contribution (33.33%), and Applicant contribution (26.67%)**. Any expenditures incurred before approval of funding are not eligible for reimbursement.
- The funding program is expected to be well-subscribed and competitive.
- Each submission required the completion of an **application form** and a comprehensive **business case** online. An applicant can submit more than one application.
- Specific endorsement of a project by a municipal Council is not a requirement of the funder.

- Funding decision will be provided to applicants in **spring/summer 2020** and approved project must be substantially be completed by March 31, 2027.

Senior Staff has completed a review for candidate projects that would be competitive in the **Multi-Purpose** (up to \$50 million in total project costs) category of the CCR Funding Program. Staff reviewed the ILMP for priorities that would fit the criteria. The following departments were consulted: Economic Growth, Culture & Entrepreneurship Department, Recreation, Operations (Parks) and Markham Public Library. Culture has indicated that they don't have any projects suitable as a candidate at this time. There are two candidate projects that have a good alignment to the CCR Funding Program. Senior staff has concluded that the project, **Milliken Mills Community Centre & Library Renovation and Expansion**, has the best chance for success. Staff has commenced the process of completing the application and comprehensive business case to the CCR Program for funding subject to hearing feedback from Council.

Overview of Shortlisted Projects

Project Name	Brief Description	Internal Assessment	Senior Staff Decision
Milliken Mills Community Centre & Library Renovation and Expansion	<p>Revitalize the aging and busy facility to meet the needs of the existing community, as documented in the 2010 and 2019 Integrated Leisure Master Plan Update (seeking approval currently), address service demands from the Area of Intensification - Milliken Centre Secondary Plan (under development), and address service gaps in the areas of seniors centre, gymnasiums, and community hub partnerships</p> <ul style="list-style-type: none"> 40,000 sq.ft. addition to provide seniors centre space, community hubs, study/networking/ gathering spaces, double gymnasiums and renovation and revitalization of the 17,000-sq.ft. library Up to \$30 million in total project cost 	<ol style="list-style-type: none"> Delivery on Funder Objectives and Outcome – High City-owned and has capital component – Yes Publicly accessible – Yes Integrated service delivery – Yes Meet substantial completion deadline – Yes Draft facility design plans are available - Yes Maximum grant funding realized, if approved - \$ \$22.0 million <p><u>Conclusion:</u> A strong business case can be made to the funder, it meets all aspects of the funder's requirements and objective, and has high project readiness.</p>	Proceed to apply for CCR funding
Markham Centre Neighbourhood Centre	<p>Design and build a multi-purpose community hub to provide recreation, library, and other services to serve Markham's Downtown and contribute to the vision of a complete community</p> <ul style="list-style-type: none"> Up to 10,000 sq.ft. Up to \$5.0 million subject to the securing of a partnership opportunity. 	<ol style="list-style-type: none"> Delivery on Funder Objectives and Outcome – High City-owned and has capital component – Unknown (pursuing innovative arrangement to acquire needed space) Publicly accessible – Yes Integrated service delivery – Yes Meet substantial completion deadline – Unknown (see #2) Draft facility design plans are available - No Maximum grant funding realized, if approved - \$ 3.7 million 	--

		<u>Conclusion:</u> Project does not meet all aspects of the funder's requirements and objective, and while the project will deliver good value to Markham when fully conceived, it has a lower project readiness rating.	
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Rationale for Selection

Staff believe an application to the CCR Program to fund the project, **Milliken Mills Community Centre & Library Renovation and Expansion** should be submitted, because the project is well-matched to the objectives and requirements of the Ontario funding program in the following manner:

- The project delivers on **all four objectives and the outcome of the provincial funder**. The objectives include: 1) meeting community and user needs or service gap; 2) promoting good asset management planning; 3) representing good value for money; and 4) fostering greater accessibility. The outcome of this fund is to improve access and/or quality of community infrastructure for Ontarians.

Markham can demonstrate solid commitment for this project from our Council, through the 2015-2019 and 2020-2023 (under development) **BMFT Strategic Plans**. Undertaking this project during the current Council term will be a significant deliverable of the 2020-2023 Strategic Plan and aligns well to the BMFT goals of Exceptional Services by Exceptional People; Engaged, Diverse, Thriving & Vibrant City; Safe, Sustainable & Complete Community; and Stewardship of Money & Resources.

This project will help Markham meet community needs, as documented through the master planning work of the **2010 Integrated Leisure Master Plan and the proposed 2019 Integrated Leisure Master Plan Update**. Each document noted gaps and provision targets, and made specific improvement recommendations relating to the Milliken Mills Community Centre and Library. Additional supporting material that can be used in the application for funding for this project included Markham Public Library Board reports and past budget submissions.

The **Milliken Centre Secondary Plan**, as an Area of Intensification, is located south of the Milliken Mills Community Centre in the northeast quadrant of Steeles Avenue East and Kennedy Road. Milliken Centre is expected to generate demand for services from the forecasted 15,000 new residents. As a new development area it could generate Community Benefits Charge (former development charges) that could be utilized for this project to cover the City's share.

The funder's interest in **integrated service delivery** will place the project in an excellent position for funding as our municipality, having achieved internal integrated service delivery, is looking to advance a community hub model to create more integrated service opportunities with external partnering organizations.

- Milliken Mills Community Centre & Library is **city-owned**, has a **capital** component, is **publicly accessible**, and operates under an **integrated service delivery** model - all characteristics required by the funder.

- The total project cost is estimated to be below the funding cap of \$50 million and is an eligible project type identified in the **Multi-Purpose** category of this fund. Project types include new build/construction projects, larger scale renovation, and/or expansion of existing facilities. If approved, the funder will pay for 73.33% (Federal + Provincial sources) of the total eligible project costs. An amount that the city would normally have to obtain through sources, such as property taxes.
- Markham's current practice will ensure this project meets or exceeds stated **accessibility standards, building codes**, and applicable **energy efficiency standards**, as outlined.
- The project is consistent with the city's **Asset Management Plan** directives and can be substantially completed by **March 31, 2027**.

If you have any questions or concerns please let know.

Brenda Libreccz
Commissioner