



REPORT #4

GRANT APPLICATION: MUNICIPAL INFRASTRUCTURE INVESTMENT INITIATIVE (MIII) (C10-LS & F11)

Report Prepared by: Manager of Culture & Museum Services

RECOMMENDATION:

This Report was prepared in consultation with and has received the concurrence from the CAO, the Director of Leisure Services, the Director of Finance, and the Deputy Director/Manager of Planning Services.

The Treasurer / Director of Finance and Director of Leisure Services recommend:

- 1) **THAT Council confirm its endorsement of the heritage conservation and cultural development infrastructure project to rehabilitate the former Town Hall (19 Civic Avenue) to create the dynamic arts, culture and entertainment centre in downtown Stouffville known as Nineteen on the Park!;**
- 2) **AND THAT Staff be authorized to submit an application to Infrastructure Ontario for a grant in the amount of \$930,000 under the Municipal Infrastructure Investment Initiative;**
- 3) **AND THAT By-law No. 2008-009-FI, being a By-law affirming Council's support and endorsement of the grant request under the framework of the Municipal Infrastructure Investment Initiative, be enacted;**
- 4) **AND THAT the CAO be authorized to utilize the services of MHPM Project Managers Inc. for project management during the construction phase of the Nineteen on the Park project and that the purchasing policy be waived.**

1. PURPOSE

The purpose of this Report is to:

1. Outline the objectives and criteria of the Province's Municipal Infrastructure Investment Initiative (MIII); and



2. Seek Council's endorsement for the submission of an application to the MIII program for a grant in the amount of \$930,000 for the restoration and rehabilitation of Nineteen on the Park!.

2. BACKGROUND:

On December 21, 2007, Infrastructure Ontario released information on a new grant for funding through the Ontario government's new *Municipal Infrastructure Investment Initiative* (MIII) announcing that the on-line application forms would be available on January 11th with a submission deadline of 5:00 pm (EST) on February 15th, 2008.

The Municipal Infrastructure Investment Initiative is a \$300 million, one-time funding program that is designed to support investment in local infrastructure in municipalities across Ontario. All single-, upper- and lower-tier municipalities in Ontario, except for the City of Toronto, are eligible to apply. Most Local Service Boards in Ontario are also eligible. Grants will be awarded on the basis of a competitive merit-based evaluation process.

Capital investments of all types of construction ready, municipally owned infrastructure projects, except for public transit, are eligible for funding under this initiative. Some **examples** of eligible infrastructure categories include:

- Water
- Wastewater
- Roads
- Bridges
- Solid waste management
- Long-term care facilities
- Social housing
- Culture
- Tourism
- Recreations
- Community energy

The Province has no preference for applications in one category of infrastructure over another. It is important to note that both rehabilitation/renewal and new construction projects are eligible for funding under this initiative.

Project-related studies, operating costs and costs for vehicles/ equipment are not eligible for funding under the MIII. Construction projects will not be eligible if constructions work (e.g. physical changes to land or buildings above or below ground level) has started prior to the approval of the funding application.



Only one project will be considered from each eligible municipality. Applications must be completed online. In addition to a complete application form, municipalities must submit a municipal council by-law and a void cheque. Technical schedules, business cases, consultant reports or engineering studies are **NOT** required.

The evaluation of grant applications will be conducted in two stages. The first stage of the evaluation is a compliance review to determine if the application meets the basic eligibility requirements of the MIII, which is based on:

- Submission of a complete application;
- Project is eligible for funding, as defined in these program guidelines;
- Project has not already started construction; and,
- Council's support for the grant application.

The second stage of the evaluation process will be used to determine the applications that will receive funding under the MIII. The criteria that will be used in the second state of the evaluation process are as follows:

- Construction readiness;
- Alignment with provincial policy objectives;
- Benefits of the project to the community, region and province, including:
 - Economic or commercial benefits, including benefits to economically depressed areas of Ontario
 - Environmental or sustainability benefits
 - Health and safety benefits
 - Social and community benefits
- Demonstration that the project helps to implement a council-adopted plan or strategy; and
- Regional distribution of projects around the province.

Particular consideration will be given to projects that have not previously received any provincial government funding. Grants will not be awarded for costs that have already been funded under a prior provincial program.

Successful applicants will receive exactly the amount of the grant that was requested in the application. The province will not award "partial" grants under the MIII. There is no possibility that the municipality would receive some other portion of the original grant requested. The province will not negotiate or adjust grant amounts after an application has been submitted. If the Municipality intends to use multiple sources of funding or financing, this must be indicated on the application form.

All construction-related costs borne by the Municipality are eligible under this initiative. No matching funds are required.



Funding announcements and a one-time, lump sum payment to the selected Municipalities will be made prior to March 31st, 2008.

3. OPTIONS AND ANALYSIS

As the Town is moving into the next stage in managing this project, the Project Implementation Committee (PIC) is recommending that the Town change the nature of its project management services for the construction phase. As MHPM Project Managers Inc. is currently involved in project management for the Town's arena and fire hall construction projects, engaging MHPM to complete the project management for Nineteen on the Park! will provide a more integrated and coordinated approach in the management of these projects. The CAO recommends that the purchasing policy be waived and that staff be authorized to utilize the services of MHPM Project Managers Inc. for project management during the construction phase of the Nineteen on the Park project.

At a recent Senior Management Team meeting, staff reviewed the eligibility requirements and the criteria for the MIII program and selected the Nineteen on the Park! project as the most suitable for inclusion in the Town grant application.

3.1 Eligibility of the Heritage Conservation and Cultural Redevelopment Project: Nineteen on the Park!

Considerable research, business planning and community consultation has been undertaken to develop the Nineteen on the Park project. At the December 4, 2007 meeting, Council

- approved the revised Total Project Cost of \$3,397,997;
- confirmed the funding model of 50% contribution by the Town with the balance being comprised of community fundraising initiatives and government grants;
- authorized staff to draw upon the Voluntary Assistance Agreement (VAA) for an Arts & Culture project (19 Civic Avenue); and
- awarded the tender for the renovation of 19 Civic Avenue

As demonstrated by Council's December 4, 2007 resolution, rehabilitation of the former Town Hall (19 Civic Avenue) is construction ready.

4. FINANCIAL IMPLICATIONS

Staff are proposing to submit an application for a grant of \$930,000 under the MIII program to complete the restoration and rehabilitation of Nineteen on the Park!. The provision of funding through the MIII program will allow the municipality to complete the project within the approved funding model, without having to utilize alternative sources.



At the December 4, 2007, Council also approved the following funding model:

Town Portion (50%)	\$ 883,418	VAA
	\$ 235,400	Development Charges
	\$ 580,180	Park Trust
Fundraising/ Government Grants (50%)	<u>\$1,698,998</u>	
	\$3,397,997	

While staff has previously identified targets for funding and grants, the exact proportions from these sources was always understood to be variable, depending on the response to fundraising initiatives and the changes in the granting climate.

Currently, staff continues to recommend that the fundraising goal of \$770,000 be maintained. For the purposes of this application, it is recommended that the Town apply for a grant through the MIII program of \$930,000.

5. ALIGNMENT WITH THE CORPORATE STRATEGIC PLAN:

The grant application request through the Province's MIII is aligned with the Town's Strategic Plan in the following manner:

Fiscal Stewardship & Asset Management

- * explore partnerships to deliver new infrastructure / services;
- * increase revenues and reduce costs

6. CONCLUSION:

The Municipal Infrastructure Investment Initiative is a \$300 million, one-time funding program that is designed to support investment in local infrastructure in municipalities across Ontario. Grants under this initiative will be awarded on the basis of applications evaluated on a competitive basis.

Staff is confident that the heritage conservation and cultural development project to rehabilitate the former Town Hall (19 Civic Avenue) to create the dynamic arts, culture and entertainment centre in downtown Stouffville known as Nineteen on the Park! project meets the eligibility criteria of the MIII program and will be evaluated very favourably through the stage two evaluation process. It is recommended that Council endorse the application to the MIII program for a grant in the amount of \$930,000 to complete the restoration and rehabilitation of Nineteen on the Park!..

In accordance with the grant requirements, a By-law in support of the capital project is required.