

# Memo



**Date:** November 24, 2010  
**File:** 0710-60  
**To:** City Manager  
**From:** Ron Westlake, Director, Regional Services  
**Subject:** Federal Gas Tax

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**Recommendation:**

THAT Council receive for information, the report of the Regional Services Director dated November 24<sup>th</sup>, 2010.

**Purpose:** To advise Council of new federal gas tax programs and to provide an overview of the process staff will use to receive and evaluate potential new projects prior to bringing a recommendation to Council.

**Background:**

The Union of BC Municipalities (UBCM) has recently announced new federal Gas Tax (GT) funding for Municipalities and Regional Districts. While the City receives funding on an annual basis from one of the GT funding programs, three new programs are available for capital and capacity building funding. The new funding programs are called the:

- General Strategy Priorities Fund (GSPF)
- Innovations Fund (IF)
- Regionally Significant Fund (RSF)

The attached presentation is intended to provide Council a briefing on these programs. A similar presentation was made to the Regional District's Governance & Services Committee on November 4<sup>th</sup>, 2010.

The availability of this new funding presents a great opportunity for the City to advance sustainable/green capital projects. The first deadline for applications is February 1<sup>st</sup>, 2011. As this date is not far off, staff meetings have begun to identify potential projects and to develop a process to determine key initiatives to recommend to Council and complete applications in advance of this date. Staff's process and schedule are included in this briefing.

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**Internal Circulation:**

R. Cleveland, Director, Infrastructure Planning

**Considerations not applicable to this report:**

Legal/Statutory Authority  
Legal/Statutory Procedural Requirements  
Existing Policy  
Financial/Budgetary Considerations  
Personnel Implications  
External Agency/Public Comments  
Community & Media Relations Comments  
Alternate Recommendation

Submitted by:



R. Westlake, Director, Regional Services

Approved for inclusion:



J. Paterson, General Manager, Community Services

Attach: 1

cc: R. Cleveland, Director, Infrastructure Planning  
L. Gunn, Grants Manager, Strategic Initiatives



## FEDERAL GAS TAX FUNDING


Council Meeting - November 29, 2010



### BACKGROUND - FUNDING CATEGORIES

- ▶ Community Works Fund
- ▶ General Strategic Priorities Fund (GSPF)
- ▶ Innovations Fund
- ▶ Regional Significant Fund


*Funding through contributions made by the Government of Canada under the Canada - BC - UBCM agreement on transfer of Federal GT revenues.*



**PURPOSE OF THIS PRESENTATION**

- ▶ To provide basic information about new funding
- ▶ To respond to and/or note questions about programs
- ▶ To provide information on the process staff will use to receive ideas, evaluate and bring back a recommendation to Council


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**TARGETED OUTCOME OF FUNDING**

- ▶ Reduce greenhouse gas emissions
- ▶ Provide cleaner air
- ▶ Provide cleaner water


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**ELIGIBLE PROJECTS**

- ▶ Public transit
- ▶ Local roads, bridges and tunnels
- ▶ Active transportation infrastructure
- ▶ Community energy
- ▶ Water, wastewater or solid waste infrastructure

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**GENERAL STRATEGIC PRIORITIES FUND**

- ▶ Available funding \$107.3 million
  - ▶ To all eligible recipients in BC outside of the Greater Vancouver Regional District
  - ▶ Estimated \$6M available to Kelowna (KG)
- ▶ Application deadline April 29<sup>th</sup>/2011
  - ▶ Deadline February 1<sup>st</sup>, 2011 for first round funding

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**INNOVATIONS FUND**

- ▶ Available funding \$50.1 million
  - ▶ To all eligible recipients in BC
  - ▶ No geographic distribution
  - ▶ Needs clarity on what might be innovative
- ▶ Application deadline April 29<sup>th</sup>/2011
  - ▶ Deadline February 1<sup>st</sup>, 2011 for first round funding


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**REGIONAL SIGNIFICANT FUND**

- ▶ Available funding \$8.7 million
  - ▶ To Central Okanagan
  - ▶ Same outcomes
  - ▶ Initiative is large in scale and regional in impact
- ▶ Application deadline Sept. 30<sup>th</sup>/2012
  - ▶ RSP Working Group will facilitate discussions and proposal(s) selection


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**PROJECT IDENTIFICATION**

- ▶ Requests accepted until Dec 10, 2010  
[P:\Secure\\_Shared\Federal Gas Tax Funding](P:\Secure_Shared\Federal Gas Tax Funding)
- ▶ Consolidated report to Leadership Team - January 5, 2011, for ranking
- ▶ Report to Council - January 17, 2011
- ▶ Application submission - February 1, 2011


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**RANKING CRITERIA**

- ▶ Compliance with Grant Criteria
- ▶ Highest MBL benefit, at least life cycle cost
- ▶ Significant GHG reduction impact
- ▶ Capital Plan Priority funded by Taxation
- ▶ High probability of success

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City of  
Kelowna

*Questions?*

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