



ADMINISTRATIVE REPORT

Report Date: November 30, 2016
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Meeting Date: December 13, 2016

TO: Vancouver City Council

FROM: General Manager of Finance, Risk and Supply Chain Management in consultation with the General Managers of Parks and Recreation and Real Estate and Facilities Management

SUBJECT: Funding Application for Community Energy Project

RECOMMENDATION

THAT Council approve a funding application to the BC Community Energy Leadership Program for \$175,000 toward the Hillcrest Centre Energy Upgrade project.

REPORT SUMMARY

The City's [2015-2018 Capital Plan](#) funding strategy contemplates securing of senior government contributions toward a number of Council priorities, one of which being green energy retrofit. This report seeks Council's approval for submitting a funding application to the Provincial government in support of an energy upgrade project at Hillcrest Centre, Vancouver's largest and busiest multi-use community facility.

COUNCIL AUTHORITY/PREVIOUS DECISIONS

Federal and Provincial funding programs typically require a resolution of Council as part of the application package.

CITY MANAGER'S/GENERAL MANAGER'S COMMENTS

The General Manager of Finance, Risk and Supply Chain Management recommends approval of the report.

Background/Context

The [Community Energy Leadership Program](#) (CELP) is a three-year Provincial funding program that started in 2015, managed by the Ministry of Energy and Mines. This cost-sharing program supports local governments' and First Nations' investments in energy efficiency and clean energy projects. The primary purposes of the program are to support vibrant and resilient communities, increase energy efficiency and reduce greenhouse gas (GHG) emissions in their capital infrastructure, and stimulate economic activity in the clean energy sector.

The program supports two types of projects:

- energy efficiency through ultra-efficient new, or retrofits of, community-owned buildings and other infrastructure; and
- small scale community-owned energy generation from clean or renewable resources such as biomass, biogas, geothermal heat, hydro, solar, ocean or wind.

A total of \$1.3 million is available over the three-year program, with \$550,000 available in 2017. Contributions in 2017 will range from \$25,000 to \$175,000 per project. Projects must be completed by March 31, 2018.

The deadline for submitting applications is December 15, 2016. A resolution of Council is required for each funding application.

Strategic Analysis

Staff have identified the Hillcrest Centre Energy Upgrade as the best fit for the CELP program. Staff submitted the project to the program's Expressions of Interest process in July 2016. The Province confirmed that the project was eligible and the City could submit a formal application by the December 15, 2016 deadline.

[Hillcrest Centre](#) is located in central Vancouver, near 29th Avenue and Ontario Street. The complex includes a community centre, swimming pool, ice rink, curling rink, library and preschool. The facility, completed in 2011, has more than 1 million visitors per year.

The project involves the further redesign and recommissioning of mechanical systems to reduce energy consumption and GHG emissions. Key components include:

- additional redesign of the ice rink heat recovery system to use waste heat and heat pumps to heat the swimming pool;
- modifications to the ventilation systems to improve energy performance; and
- replacement of lighting in the complex with high performance LED lighting.

The project is expected to reduce GHG emissions by 335 tonnes per year.

The project is shovel-ready (design and tendering were completed in 2016) and scheduled to complete in September 2017. The project is estimated to cost approximately \$950,000. Staff are recommending that the City request the maximum \$175,000 in Provincial funding.

The City also submitted the Hillcrest Centre Energy Upgrade project to the Federal government's [Canada 150 Community Infrastructure Program](#) in June 2016, seeking \$475,000 in funding. The City expects to hear back from the Federal government on this application soon.

Should both applications be successful, the City's \$300,000 (1/3) contribution would leverage \$650,000 (2/3) senior government funding.

Implications/Related Issues/Risk (if applicable)

Financial

The value of the Provincial funding application is \$175,000. If the application is successful, staff will report back to Council to adjust the project budget via the Quarterly Budget Adjustment report.

CONCLUSION

By applying to the Provincial Community Energy Leadership Program, the City has the opportunity to access up to \$175,000 in external funding to support a green infrastructure project that is scheduled for implementation in 2017.

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