

DATE OF MEETING | MARCH 15, 2023 |

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**SUBJECT**                      **FCM GREEN MUNICIPAL FUND COMMUNITY BUILDINGS  
RETROFIT PROGRAM**

## **OVERVIEW**

### **Purpose of Report**

To provide Council with information on the FCM Green Municipal Fund Community Buildings Retrofit program and obtain a Council resolution supporting an application for a Corporate Emission Reduction Pathway – Facilities Feasibility Study. |

### **Recommendation**

That the Finance and Audit Committee recommend:

- 1) Council direct staff to submit an application to the FCM Green Municipal Fund Community Buildings Retrofit program for a Corporate Emission Reduction Pathway – Facilities Feasibility Study;
- 2) That City of Nanaimo contribute \$50,000 to undertake the Corporate Emission Reduction Pathway – Facilities Feasibility Study for which funding is requested from the Green Municipal Fund; and
- 3) That the City of Nanaimo acknowledges that should this application be approved, no further projects within the municipality will be eligible under the above noted funding initiative through the Green Municipal Fund's Community Buildings Retrofit initiative.

## **BACKGROUND**

The FCM Green Municipal Fund Community Buildings Retrofit (CBR) initiative helps to optimize the energy performance and reduce greenhouse gas (GHG) emissions of community buildings owned by municipalities and not-for-profit organizations. By retrofitting these buildings, municipalities and their partners can achieve significant environmental, economic and social benefits for their communities, including reduced GHG emissions, lower operating costs and new local jobs, and better building quality and greater community use. FCM's CBR initiative is a \$167 million initiative that was made possible through a federal government contribution of \$950 million in its 2019 budget. Applicants can stack CBR funding with other funding programs, including those available through provincial and territorial governments.

The CBR initiative has the following funding streams available:

- Community Building Monitoring and Analysis Grant – up to 80% of eligible costs, up to \$25,000

- Community Building Recommissioning Grant – up to 60% of eligible costs, up to \$55,000
- GHG Reduction Pathway Feasibility Studies – up to 80% of eligible costs, up to \$200,000
- GHG Impact Retrofit Capital Projects – combined grant and loan for up to 80% of eligible costs
- GHG Reduction Pathway Retrofit Capital Projects – combined grant and loan for up to 80% of eligible costs

The CBR funding is available to Canadian municipal governments, and municipal partners, for projects that focus on community buildings. A community building is an enclosed public place or an enclosed workplace that is owned by a municipal government or not-for-profit organization, is widely accessible to everyone, offering services that enhance the health, well-being, skills development, and economic development of individuals and communities, and are primarily used to provide athletic, recreational, cultural and community programs or services.

The applications are being accepted on an ongoing basis. Funding announcements are expected within three to four months of an application's submission.

## **DISCUSSION**

Staff have submitted a pre-application for funding for a Corporate Emission Reduction Pathway – Facilities Feasibility Study and have received approval to continue with the application process. City facilities are responsible for approximately 52% of the corporate emissions, or approximately 2,600 tCO<sub>2</sub>e annually.

The City of Nanaimo has been strategically reducing its energy use since 2009, but has not yet gained appreciable reduction of its emissions. With consultant assistance, the City will complete a review of facilities that have significant contribution to corporate GHG emissions. The resulting report will identify reduction initiatives, and cost projections to achieve the GHG emission reduction targets set by Council in 2019. Considerations will include planned transition to carbon neutrality at City facilities through grid electricity, renewable energy solutions, and higher efficiency equipment replacements.

## **FINANCIAL CONSIDERATIONS**

### **Corporate Emission Reduction Pathway – Facilities Feasibility Study**

Estimated total costs for this project are \$250,000. This project is not included in the approved 2023 - 2027 Financial Plan and is contingent on a successful grant application. If the grant application is successful, the 2023 - 2027 Financial Plan would be amended to include the project funded by \$200,000 from the FCM Green Municipal Fund, and a budget transfer of \$50,000 from the Civic Facilities: Condition Assessment Program.

## **OPTIONS**

1. That the Finance and Audit Committee recommend
  - 1) Council direct staff to submit an application to the FCM Green Municipal Fund Community Buildings Retrofit program for a Corporate Emission Reduction Pathway – Facilities Feasibility Study;
  - 2) That City of Nanaimo contribute \$50,000 to undertake a Corporate Emission Reduction Pathway – Facilities Feasibility Study for which funding is requested from the Green Municipal Fund; and

- 3) That the City of Nanaimo acknowledges that should this application be approved, no further projects within the municipality will be eligible under the above noted funding initiative through the Green Municipal Fund's Community Buildings Retrofit initiative.
- The advantages of this option: A Corporate Emission Reduction Pathway – Facilities Feasibility Study will allow the City to focus efforts on the most cost effective and efficient ways to reduce GHG emissions from City facilities.
  - Financial Implications: Estimated total costs for this project are \$250,000. This project is currently not in the 2023 - 2027 Financial Plan. A successful grant application will provide up to \$200,000 of funding, with the remaining \$50,000 required for the project funded from the Civic Facilities: Condition Assessment Program.

2. That Council provides staff with alternative direction. |

#### **SUMMARY POINTS**

- The FCM Green Municipal Fund Community Buildings Retrofit program provides up to 80% funding, up to a maximum of \$200,000 for a GHG Reduction Pathway Feasibility Study.
- Staff have estimated total costs of a Corporate Emission Reduction Pathway – Facilities Feasibility Study at \$250,000.
- The City may submit one application for this initiative.

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