

NO: R117

COUNCIL DATE: June 13, 2022

REGULAR COUNCIL

TO: **Mayor & Council** DATE: **June 9, 2022**

FROM: **General Manager, Engineering** FILE: **0250-07**
General Manager, Parks, Recreation & Culture

SUBJECT: **2022 Canada Community-Building Fund**
Community Works Fund Program Stream Project Update

RECOMMENDATION

The Engineering Department and Parks, Recreation & Culture Department recommend that Council receive this report for information.

INTENT

The purpose of this report is to update and inform Council on the status of the 2021 Canada Community-Building Fund – Community Works Fund projects and to identify the projects for 2022.

BACKGROUND

On May 22, 2014, the tripartite Administrative Agreement on the Federal Gas Tax Fund in British Columbia (the “Agreement”) was signed between the Federal government, the Province and the Union of British Columbia Municipalities (“UBCM”). The Agreement came into effect on April 1, 2014 and is in effect until 2024.

As of June 29, 2021, the Gas Tax Fund has been renamed to the Canada Community-Building Fund (“CCBF”). The CCBF provides up front, twice-a-year funding to support local infrastructure priorities.

The CCBF is delivered through three program streams: the Community Works Fund (“CWF”) for all municipalities across British Columbia, the Strategic Priorities Fund for municipalities outside of Metro Vancouver, and the Greater Vancouver Regional Fund which is allocated to TransLink.

The received and anticipated funding from this program from 2021 – 2024 is as follows:

| Year | CWF Funding Amount |
|---|---------------------------|
| Year 8 – 2021/2022 – received | \$1,677,966 |
| Year 8 – 2021/2022 Bonus Payment – received | \$1,604,828 |
| Year 9 – 2022/2023 – anticipated | \$1,677,966 |
| Year 10 – 2023/2024 – anticipated | \$1,751,289 |
| Total | \$6,712,049 |

Annual Expenditure Report

Eligible recipients who received funding through the CWF are required to complete an Annual Expenditure Report to UBCM describing Canada Community-Building Fund expenditures between January 1st and December 31st of the previous year.

DISCUSSION

Funding from the CWF can be applied to a wide variety of projects and as a result a project selection criteria was identified as part of Corporate Report No. R070; 2021, attached as Appendix “I”, and is summarized below:

- Associated with transportation and/or greenhouse gas reduction, given that the funding is a result of the Gas Tax;
- Supportive of the City’s Official Community Plan to establish a healthy, sustainable community;
- Supportive of a City initiative and/or other strategic plan;
- Supportive of projects that currently have limited funding availability;
- Opportunities for further funding matching from community partners or other levels of government; and
- Having a project value of not less than \$250,000, given that the City must install signage at projects identifying that they are funded (or partially funded) through the CWF.

The funding from the CWF is being shared equally between the Engineering and Parks, Recreation & Culture Departments.

2021 Community Works Fund Projects Status Update

In June 2021, the Federal Government renamed the Gas Tax Program to the Canada Community Build Fund Program and approved a 2021 Bonus Top-Up payment equivalent to the original 2021 payment. The updated 2021 project locations are identified on the map attached to this report as Appendix “II”.

Initially, for the 2021 Parks, Recreation & Culture projects, the CWF were intended to be applied to the Surrey Nature Centre plaza and parking lot improvements project and the Edgewood Park parking lot and washrooms project, as identified in Appendix “I”.

Construction of those projects did not proceed as planned in 2021. Subsequently, and through discussion with Finance staff, 2021 CWF were applied to other eligible capital projects that were well underway in 2021, as illustrated in the table below.

Revised 2021 Community Works Fund Project List

| Project | Estimated Project Cost | Community Works Fund Contribution | Comments & Status |
|--|------------------------|-----------------------------------|---|
| Newton Athletic Parks – Rubberized Walking Loop | \$1,000,000 | \$641,397 | Design and construction of a 500m recreational walking loop with a rubberized surface for impact attenuation. Anticipate completion summer 2022. |
| South Surrey Athletic Park – New Artificial Turf Field # 8 | \$4,000,000 | \$500,000 | Design and construction of a new artificial turf soccer field. Anticipate completion summer 2022. |
| Newton Athletic Park – New Artificial Turf Field #7 | \$4,000,000 | \$500,000 | Design and construction of a new artificial turf soccer field. Anticipate completion summer 2022. |
| Pedestrian and Cycle Crossing at 92 Ave and King Creek (14200 Block) | \$1,641,397 | \$1,641,397 | Design will be completed in 2022 and construction in 2023. |
| | \$10,641,397 | \$3,282,794 | TOTALS |

2022 Community Works Fund Projects

For the 2022 CWF allocation, the Engineering Department has identified Cycling and Active Transportation improvements on 92 Avenue, between 140 Street and 148 Street from the Council-approved 2022-2031 10 Year Servicing Plan. This will complete the connections both west and east of the Pedestrian and Cycling Crossing at 92 Avenue and King Creek. These two projects are complimentary and will provide safe walking and cycling facilities along 92 Avenue and address community requests for improved connectivity from the neighbourhood east of King Creek to schools, transit and other amenities to the west of King Creek.

For the 2022 CWF allocation, the Parks, Recreation & Culture Department has identified Sport Infrastructure improvements through the North Surrey Outdoor Sport Facility project. This project includes the design and construction of a grass sports field, bleachers and fieldhouse.

A summary of the proposed 2022 CWF projects is shown in the table below and the Engineering Department project location is included on the map attached to this report as Appendix “II”.

2022 Community Works Fund Project List

| Project | Estimated Project Cost | Community Works Fund Contribution | Comments |
|---|-------------------------------|--|---|
| Cycling Improvements on 92 Ave, between 140 St and 148 St | \$1,827,000 | \$838,983 | Design will be completed in 2022 and construction in 2023. |
| North Surrey Outdoor Sport Facility | \$3,700,000 | \$838,983 | Detailed design underway in 2022 with project completion anticipated in 2023. |
| | | \$1,677,966 | TOTALS |

SUSTAINABILITY CONSIDERATIONS

The use of CWF to supplement the active transportation and parks improvements supports the City’s Sustainability Charter 2.0. In particular, the use of the CWF supports the Sustainability Charter 2.0 themes of Built Environment and Neighbourhoods, Public Safety, and Infrastructure. Specifically, the CWF supports the following Desired Outcomes (“DOs”) and Strategic Direction (“SD”):

- Neighbourhoods and Urban Design DO2: Surrey is well-connected within the city and to the rest of the region by fast and efficient public transit and active all-ages-and-abilities transportation infrastructure;
- Transportation Safety DO9: Transportation network supports and provides safe mobility for all ages and abilities;
- All Infrastructure DO5: Public art and heritage are integrated into Surrey’s infrastructure;
- Transportation DO11: An integrated and multi-modal transportation network offers affordable, convenient, accessible and safe transportation choices within the community and to regional destinations;
- Transportation DO12: Surrey residents of all ages and abilities have access to active transportation options, enabling them to participate fully in society without the use of a private automobile; and
- Transportation SD11: Ensure the delivery of safe and accessible infrastructure, programs and education to support walking, cycling and transit for all residents.

CONCLUSION

Since 2014, the City has received approximately \$15.2 million in funding through the Canada Community-Building Fund (formerly the Federal Gas Tax Fund) that has been directed to various infrastructure projects across the City. Staff will continue to report to Council annually on the status of the projects.

Scott Neuman, P.Eng.
General Manager,
Engineering

Laurie Cavan
General Manager,
Parks, Recreation & Culture

Appendix "I" – Corporate Report No. R070; 2021

Appendix "II" – Updated 2021 & 2022 Community Works Fund Project Locations

https://surreybc.sharepoint.com/sites/eng.administration/wp_docs/2022/admin/cr/final/june_13/canada_community_building_fund.docx
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CORPORATE REPORT

NO: R070

COUNCIL DATE: April 12, 2021

REGULAR COUNCIL

TO: Mayor & Council

DATE: April 8, 2021

FROM: General Manager, Engineering
General Manager, Parks, Recreation & Culture

FILE: 0250-07

SUBJECT: 2014-2024 Federal Gas Tax - Community Works Fund

RECOMMENDATION

The Engineering Department and Parks, Recreation & Culture Department recommend that Council:

1. Receive this report for information; and
2. Instruct staff to provide Annual Reporting to Mayor and Council on past projects and upcoming allocations of the Community Works Fund prior to annual reporting to the Union of British Columbia Municipalities.

INTENT

The purpose of this report is to update Council regarding the status of the projects approved for previous years Union of British Columbia Municipalities ("UBCM") Community Works Funding.

BACKGROUND

On May 22, 2014, an Administrative Agreement on the Federal Gas Tax Fund in British Columbia (the "Gas Tax Agreement") was signed between the Federal government, the Province and the UBCM, and came into effect as of April 1, 2014.

The Gas Tax Agreement provides the administrative framework for the delivery of portions of the Federal Gas Tax funding to British Columbia local governments and other recipients over the next ten years. The Gas Tax Agreement in British Columbia is delivered through three program streams: the Community Works Fund ("CWF"), the Strategic Priorities Fund, and the Greater Vancouver Regional Fund. The Strategic Priorities Fund is available to all local governments outside the Greater Vancouver Regional District, and the Greater Vancouver Regional Fund is for regional transportation projects proposed by TransLink.

In order to receive CWF funding, local governments had to sign a new CWF Agreement with UBCM which was executed by the Mayor on April 13, 2015.

The City's funding from this program over the ten years of the Agreement is as follows:

| Year | CWF Funding Amount ¹ |
|----------------------------------|---------------------------------|
| Year 1 – 2014/2015 | \$1,408,642 |
| Year 2 – 2015/2016 | \$1,408,642 |
| Year 3 – 2016/2017 | \$1,456,076 |
| Year 4 – 2017/2018 | \$1,474,378 |
| Year 5 – 2018/2019 | \$1,525,508 |
| Year 5 – 2018/2019 Bonus Payment | \$1,565,168 |
| Year 6- 2019/2020 | \$1,565,168 |
| Year 7 – 2020/2021 | \$1,604,828 |
| Year 8 – 2021/2022 | \$1,677,966 |
| Year 9 – 2022/2023 | \$1,677,966 |
| Year 10 - 2023/2024 | \$1,751,289 |
| Total | \$17,115,631 |

DISCUSSION

Funding from the CWF can be applied to a wide variety of eligible projects and can include construction, renewal, or material enhancement in a broad range of categories. Given this broad range of eligibility, project selection criteria was developed to guide how the CWF should be allocated for City projects based on the following:

- Associated with transportation and/or greenhouse gas reduction, given that the funding is a result of the Gas Tax;
- Supportive of the City's Official Community Plan to establish a healthy, sustainable community;
- Supportive of a City initiative and/or other strategic plan;
- Supportive of projects that currently have limited funding availability;
- Opportunities for further funding matching from community partners or other levels of government; and
- Having a project value of not less than \$250,000, given that the City must install signage at projects identifying that they are funded (or partially funded) through the CWF.

As part of the 2016 Report to Council (Corporate Report No. R210; 2016 attached as Appendix "I"), Council approved staff to select projects identified in the 10-Year Plan, with a focus on cycling, walking and transit related infrastructure programs for the next five years.

Projects Status Update

Based on the project selection criteria, thirty-three projects have been funded from the CWF program between 2014-2020. This has helped to delivery walking, cycling and transit related infrastructure that would have otherwise not have been completed due to inadequate funding. The table attached to this report as Appendix "II" lists the projects from Engineering Department and Appendix "III" lists the projects from Parks, Recreation & Culture Department, including the estimated project costs, CWF allocation, and the City's funding.

¹ Year 1 to Year 7 is the actual CWF allocation

Funding Share

The funding from the CWF is intended to be shared 50/50 with the Engineering and Parks, Recreation & Culture Departments and applied to eligible projects that meet the selection criteria.

This CWF Agreement came into effect April 1, 2014 and continues until March 31, 2024. While it is assumed that the CWF Agreement will be renewed beyond 2024, the City should not rely on the CWF and should continue to develop sustainable sources of funding sources to continue important projects. If the CWF is renewed in 2024, staff will review the eligible project criteria established by the Federal government and UBCM.

Additionally, the Government of Canada has stated its intention to top-up the Federal Gas Tax Fund allocation provided to BC and other provinces and territories for 2021. Contingent upon the passing of Bill C-25, local governments would see funding allocations effectively double for the current year. If additional funding is approved, staff will look to top up unfunded projects and advance other projects that are currently shelf-ready and will report back to Council on the projects that benefitted from this additional funding.

2021 Community Works Fund Projects

Based on the project selection criteria, the following projects are selected to be funded with the 2021 CWF Agreement estimated allocation. The project locations are identified on the map attached to this report as Appendix "IV".

| Project | Estimated Project Cost | Community Works Fund | Comments |
|---|------------------------|----------------------|---|
| Surrey Nature Centre Arrival Plaza and Parking Enhancements - Phase 2/3 | \$1,800,000 | \$400,000 | Enhanced plaza area for programming and visitor drop-off, including active transportation connections indigenous interpretation. The remaining of the project cost will be funded by prior year unallocated City of Surrey - Parks Capital Program. |
| Edgewood Park Parking Lot and Washroom Improvements - Phase 2 | \$900,000 | \$400,000 | Design and development of transportation connections into and through the park. The remaining of the project cost will be funded by prior year unallocated City of Surrey - Parks Capital Program. |
| Pedestrian and Cycle Bridge at 92 Ave and King Creek (14200 Block) | \$1,464,000 | \$838,983 | New pedestrian/cyclists bridges. The project will be fully funded by two years of CWF allocation. |
| | \$4,164,000 | \$1,638,983 | TOTALS |

SUSTAINABILITY CONSIDERATIONS

The use of CWF to supplement the active transportation and parks improvements supports the City's Sustainability Charter 2.0. In particular, use of the CWF supports the Sustainability Charter 2.0 themes of Built Environment and Neighbourhoods, Public Safety, and Infrastructure. Specifically, the CWF supports the following Desired Outcomes ("DO") and Strategic Direction ("SD"):

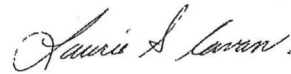
- Neighbourhoods and Urban Design DO2: Surrey is well-connected within the city and to the rest of the region by fast and efficient public transit and active all-ages-and-abilities transportation infrastructure;
- Transportation Safety DO9: Transportation network supports and provides safe mobility for all ages and abilities;
- All Infrastructure DO5: Public art and heritage are integrated into Surrey's infrastructure;
- Transportation DO11: An integrated and multi-modal transportation network offers affordable, convenient, accessible and safe transportation choices within the community and to regional destinations;
- Transportation DO12: Surrey residents of all ages and abilities have access to active transportation options, enabling them to participate fully in society without the use of a private automobile; and
- Transportation SD11: Ensure the delivery of safe and accessible infrastructure, programs and education to support walking, cycling and transit for all residents.

CONCLUSION

Staff will continue to report to Council annually on Community Works Fund expenditures, progress, and which projects were selected.



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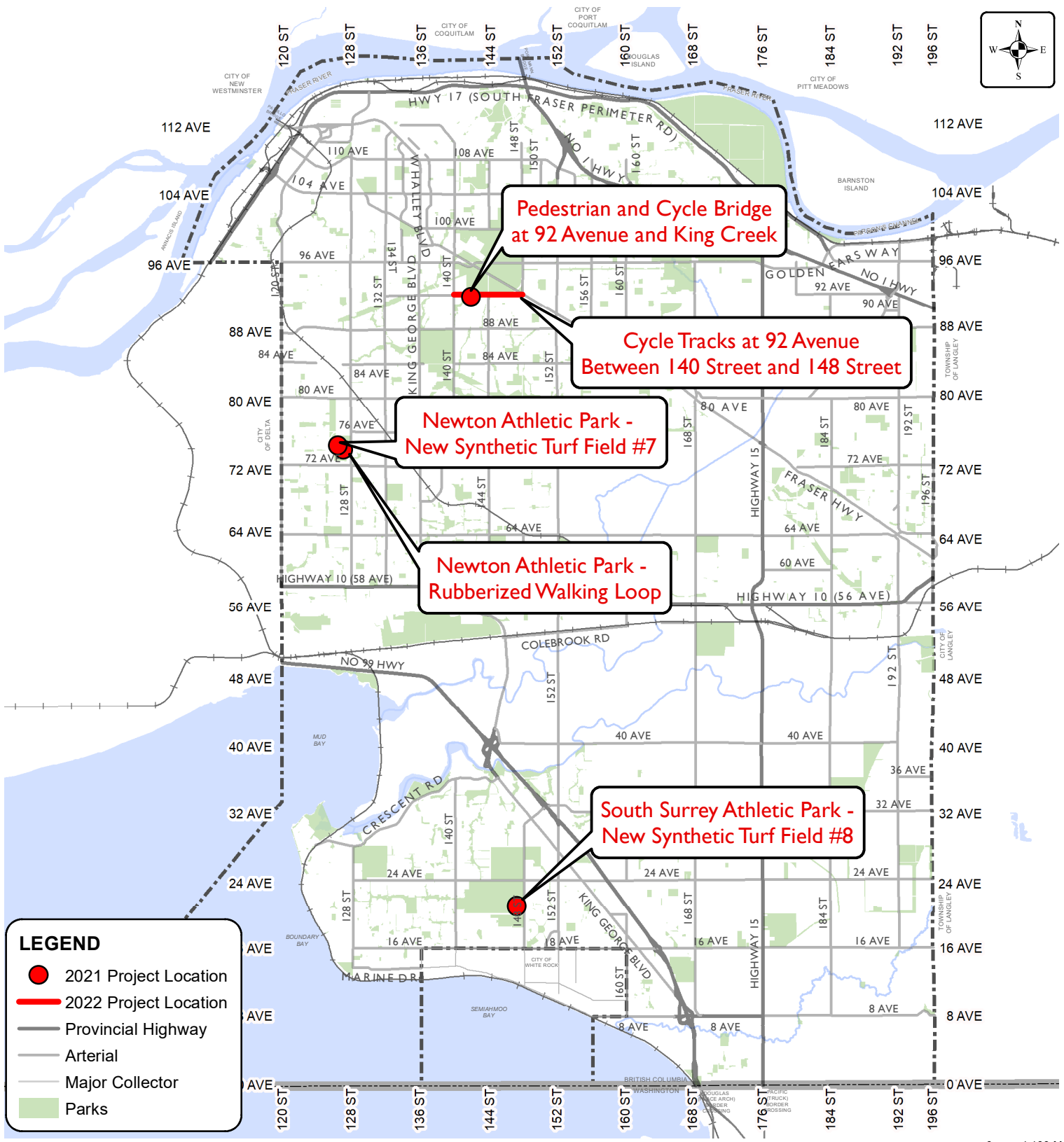
Appendices available upon request

Appendix "I" – Corporate Report No. R210; 2016

Appendix "II" – 2014 to 2020 Community Works Fund Project List – Engineering Department

Appendix "III" – 2014 to 2020 Community Works Fund Project List – Parks, Recreation & Culture Department

Appendix "IV" – 2021 Community Works Fund Project Locations



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2021/2022 Community Works Fund Projects

ENGINEERING DEPARTMENT

The data provided is compiled from various sources and IS NOT warranted as to its accuracy or sufficiency by the City of Surrey. This information is provided for information and convenience purposes only. Lot sizes, Legal descriptions and encumbrances must be confirmed at the Land Title Office.