



City of Richmond

Report to Committee

To: Public Works and Transportation Committee **Date:** November 29, 2018
From: John Irving, P.Eng. MPA **File:** 10-6060-05-01/2018-Vol 01
 Director, Engineering
Re: **2019 Submission to the Disaster Mitigation and Adaptation Fund —**
 Richmond Flood Protection Program

Staff Recommendation

1. That the submission to the Disaster Mitigation and Adaptation Fund – Richmond Flood Protection Program requesting funding for up to 40% of the project cost, for a total of \$13,780,000, to upgrade 2.6 kilometers of dike and five pump stations be endorsed.
2. That the Chief Administrative Officer and General Manager, Engineering and Public Works be authorized to enter into funding agreements with the Government of Canada for the above mentioned project should it be approved for funding by the Government of Canada; and
3. That, should the above mentioned project be approved for funding by the Government of Canada, the Consolidated 5 Year Financial Plan (2019-2023) be updated accordingly.

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 Director, Engineering
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REPORT CONCURRENCE		
ROUTED TO:	CONCURRENCE	CONCURRENCE OF GENERAL MANAGER
Finance Department Sewerage & Drainage	<input checked="" type="checkbox"/> <input checked="" type="checkbox"/>	
REVIEWED BY STAFF REPORT / AGENDA REVIEW SUBCOMMITTEE	INITIALS: 	APPROVED BY CAO

CNCL - 473

Staff Report

Origin

In May 2018, Infrastructure Canada announced a call for Expressions of Interest from local governments for the Disaster Mitigation and Adaptation Fund. This program is intended for projects that help Canadian communities address current infrastructure needs while strengthening overall resilience to future environmental hazards through investments in large-scale infrastructure projects. The City of Richmond submitted an Expression of Interest in July 2018 for the Richmond Flood Protection Program, and was invited to submit a grant application in October 2018. The complete grant application is due to Infrastructure Canada on January 11, 2019.

The purpose of this report is to seek Council's endorsement on the submission to the Infrastructure Canada Disaster Mitigation and Adaptation Fund for grant funding for up to 40% of the project cost, for a total of \$13,780,000. The project involves upgrading 5 drainage pump stations and 2.6 km of dikes that form part of the City's critical flood protection system.

This report supports Council's 2014-2018 Term Goal #5 Partnerships and Collaboration:

Continue development and utilization of collaborative approaches and partnerships with intergovernmental and other agencies to help meet the needs of the Richmond community.

This report supports Council's 2014-2018 Term Goal #6 Quality Infrastructure Networks:

Continue diligence towards the development of infrastructure networks that are safe, sustainable, and address the challenges associated with aging systems, population growth, and environmental impact.

6.1. Safe and sustainable infrastructure.

This report supports Council's 2014-2018 Term Goal #7 Strong Financial Stewardship:

Maintain the City's strong financial position through effective budget processes, the efficient and effective use of financial resources, and the prudent leveraging of economic and financial opportunities to increase current and long-term financial sustainability.

7.4. Strategic financial opportunities are optimized.

Analysis

The City of Richmond is approximately 1.0 meter above mean sea level and Lulu Island is protected from flooding by 49 kilometer of dikes and 39 drainage pump stations. Climate change scientists estimate that sea level will rise approximately 1.0 meter by the year 2100 and 0.2 meters of land subsidence is forecast during that same time period for a combined 1.2 meters of relative sea level rise. Dike and infrastructure improvements, guided by the City's

2008-2031 Flood Protection Strategy and various phases of the Dike Master Plan, are completed through the Council approved Capital Program and through development partnerships in order to address Richmond's future flood risks in advance of climate change induced sea level rise.

The Richmond Flood Protection Program, submitted by staff as an Expression of Interest to Infrastructure Canada for the Disaster Mitigation and Adaptation Fund, includes nine infrastructure projects to upgrade five drainage pump stations and 2.6 kilometer of dikes. These projects, totalling \$34,450,000, have been approved by Council as part of the 2018-2022 Capital Plan. Richmond's Expression of Interest has been approved by Infrastructure Canada and the City has been invited to submit a grant application for the Richmond Flood Protection Program.

If the City of Richmond is successful through this application, a funding agreement will be executed between Infrastructure Canada and the City of Richmond; Infrastructure Canada will provide funding through disbursements for the projects identified as part of the program. All projects are to be completed by 2028.

Funding Details

The Government of Canada is investing \$2 billion over 10 years to support large-scale infrastructure projects to help communities manage risks from natural hazards. The Disaster Mitigation and Adaptation Fund is a program under the Investing in Canada Plan to support the Government of Canada's objectives to create long-term economic growth, support a low carbon green economy, and build inclusive communities. The fund operates through a maximum Federal contribution of 40% of project costs towards large-scale infrastructure projects.

Should the funding request be successful, the City would be required to enter into a funding agreement with the Government of Canada. The agreements are standard form agreements provided by senior levels of government and include an indemnity and release in favour of the Federal Government. As with any submission for funding to external sources, funding is not guaranteed to be granted to assist with this project.


Financial Impact

The City of Richmond will be requesting up to \$13,780,000 to fund the Richmond Flood Protection Program from the Infrastructure Canada Disaster Mitigation and Adaptation Fund.

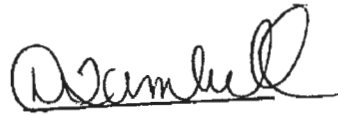
There is existing capital funding for the Richmond Flood Protection Program in the Council approved 2018-2022 Capital Plan for a total cost of \$34,450,000 funded by the Drainage Improvement Reserve and Development Cost Charges. Should the grant be successful, the funding source of the project will be adjusted to utilize the grant funding and reduce the contributions from the Drainage Improvement Reserve funding source; the Consolidated 5 Year Financial Plan (2019-2023) will be updated accordingly.

Conclusion

Staff are seeking Council's endorsement on the submission to the Infrastructure Canada Disaster Mitigation and Adaptation Fund for the Richmond Flood Protection Program. Richmond is requesting up to the maximum grant amount of 40% funding for this project for a total of \$13,780,000.



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