To: Mayor and Members
   Committee of the Whole

From: Roberto Rossini
      General Manager, Finance &
      Corporate Services

Date: June 5, 2009

Re: Infrastructure Stimulus Fund Announcement (FCS09052(c) (City Wide)

Council Direction: That report FCS09052(c) Infrastructure Stimulus fund
Announcement be received for information.

Information: On June 5, 2009, the Federal and Provincial governments announced
grant allocations under the Infrastructure Stimulus Fund (ISF). The Federal $4-
billion Infrastructure Stimulus Fund provides funding to construction-ready
infrastructure projects that will be built during this year’s and next year’s
construction seasons. The $4 billion is notionally allocated, on a per capita
basis, for projects in each province and territory. Based on 2005 Census data,
Ontario’s share of the $4 billion would be approximately $1.5 billion. The
Infrastructure Canada news release of June 5, 2009, identifies federal and
provincial matching contributions of approximately $927 million each. This
announcement relates to ISF commitments exclusively, Recreational
Infrastructure Canada (RINC) announcements will be forthcoming.

Close to 1,200 infrastructure projects in communities across Ontario will receive
a total of $1.85 billion in joint federal and provincial investments, of which
approximately $122.8 million will be directed to 14 Hamilton projects. The total
gross cost of the capital projects approved for the City of Hamilton is $184.1
million. The City, along with the Federal and Provincial Governments will each be
contributing $61.4 million. Approximately $112 million of the City’s approved
projects relate to the rate supported budget and the balance ($72 million) relates
to the tax supported budget.
Hamilton constitutes approximately 4.1% of the provincial population, however, the combined Federal and Provincial allocation of $122.8 million represents 6.6%.

The announcement as it pertains to Hamilton, relates to disaster mitigation, water and wastewater, recreation projects and energy management projects. The following Table provides the breakdown of projects by category, as well as, the funding allocation by funding partner.

On April 27, 2009, Council approved a list of 150 projects, totalling $407,833,000 for submission to the Canada-Ontario Infrastructure Secretariat in accordance with the terms and conditions associated with the ISF funding program. The 150 projects were ranked by the City.
When Canada and Ontario launched a joint call for applications under the Infrastructure Stimulus Fund on April 14, 2009, more than 2,700 project applications were submitted by municipalities with a total value of approximately $6.5 billion. Each project application was assessed against criteria that included project readiness, project merit, federal Environmental Assessment (EA) requirements and the amount of funding sought by the applicant.

Staff will report back to Committee of the Whole regarding agreements between the Province of Ontario and the City as it pertains to the ISF, as well as a financing strategy (ies), as details become available.

_____________________
Roberto Rossini
General Manager, Finance & Corporate Services