



REPORT

To: Rural Budgets Administration Committee

Report Number: CS-RBAC-023

From: Trish Morgan, General Manager of Community Services

Date: May 20, 2021

Subject: Kelly Lake Community Centre – Funding for Grant Opportunities

RECOMMENDATION:

That the Rural Budgets Administration Committee approve a commitment of \$7,000, payable from Electoral Area D Peace River Agreement Funds, Spending Item #8 Year-Round Recreation Facility Upgrades, for costs associated with submitting grant applications to the Green and Inclusive Community Buildings Program, and the Northern Development Initiative Trust for the Kelly Lake Community Centre Renovation Project.

BACKGROUND/RATIONALE:

The Kelly Lake Community Centre Renovation and Expansion was estimated to cost approximately \$4,000,000 using 2019 costs. Grants are being sought to partially fund the project and to offset the cost to taxpayers who will contribute to the cost of the renovation through short-term borrowing through the service area.

In October 2020, two applications were submitted to the Investing in Canada Infrastructure Program for this project – one to the Northern and Rural Communities stream, and one for the Community, Culture, and Recreation stream. These applications are still being reviewed with announcements of final decision being anticipated for the summer of 2021.

Two additional grant funding opportunities have been identified for this project, but in order to apply, additional funding is required to:

- contract a professional grant writing service to assist with the submission of the applications;
- hire a firm to complete a RETScreen assessment, as required by the GIBC application that identifies energy savings; and
- prepare a new Class 'D' cost estimate, using current costs. Construction costs have risen exponentially in the two years since the original estimate was supplied.

Estimates from Thinkspace Architecture and Clearcourse Consulting have been received.

Grant Opportunity #1: Green and Inclusive Community Buildings Grant Program (GICB)

The program supports retrofits, repairs and upgrades of existing publically accessible buildings, and projects that reduce greenhouse gas emissions. In order to be eligible, all projects are encouraged to achieve at least 25% in energy efficiency improvements compared to the baseline energy consumption of that building.

This \$860M fund is available for retrofit projects that range in eligible costs from \$100,000-249,000 (small), \$250,000-\$2,999,999 (medium), and \$3M-\$25M (large). Small and medium project applications are accepted on a continuous basis. For small/medium projects, up to 80% of funding could be covered by the program.

Once a new cost estimate is complete, staff will bring forward a report to the Board seeking approval to submit an application to this grant program.

Grant Opportunity #2: Northern Development Initiative Trust: Cultural Infrastructure

On September 17, 2020 Northern Development Initiative Trust announced new funding programs, one for cultural spaces infrastructure and one for recreational infrastructure, both of which could provide up to \$300,000 towards this project if successful. The next application deadline for this grant is August 13, 2021. If successful in receiving the \$300,000, other funding commitments could be reduced accordingly. The Regional Board has provided approval to submit this application in October 2020, however, NDIT advised staff that it would make more sense to wait until the Spring or Summer 2021 to submit the application.

ALTERNATIVE OPTIONS:

1. That the Rural Budgets Administration Committee provide further direction.

STRATEGIC PLAN RELEVANCE:

- ☒ Not Applicable to Strategic Plan.

FINANCIAL CONSIDERATION(S):

The total cost of the Kelly Lake Community Centre Renovation and Expansion project was estimated in 2020 at \$4,007,826.77 (Class D estimate), which includes the cost of construction, hazardous materials abatement, professional fees, and contract management. The cost of construction includes contingencies for inflation and location factors. However, it is important to note that since the onset of COVID-19 the cost of construction has risen exponentially and if successful in one of the grant applications, adjustments may have to be made to the design to account for increasing construction costs.

At the Rural Budgets Administration Committee meeting on September 17, 2020 the following funds were allocated to the project:

- Area D Fair Share \$260,000
- Area D PRA \$765,000

In October the PRRD applied to the Investing Infrastructure Program for \$2,800,000 with the remaining \$183,000 coming from short-term borrowing or the NDIT grant.

As of April 30, 2021 the balance remaining in Area D Peace River Agreement is \$656,436.

COMMUNICATIONS CONSIDERATION(S):

None at this time.

OTHER CONSIDERATION(S):

The Kelly Lake Community Centre (KLCC) is operated by the Kelly Lake Community Centre Society and is the only public facility in the Kelly Lake community. The Community Centre was transferred to the Regional District from the Provincial government in November 2010. Funds are requisitioned annually for the operation of the Centre, but the facility (built in 1977) is deteriorating and is in need of upgrades and renovations for continued public occupancy.

A facility condition assessment and design study were completed in 2019 for the facility in anticipation of applying for a grant to offset the costs of a complete renovation and expansion. While two options for facility renovation were provided through the design process it was revealed through the public engagement process that the community prefers the project that not only renovates the facility, but also increases the size of the kitchen, dining room, entry way, and gymnasium (Option 2). Other features of the facility design include an Elders room overlooking the lake, and a small health room that could be used to access virtual health supports online.