**Minutes – Executive Policy Committee – September 14, 2022**

**Report – Standing Policy Committee on Protection, Community Services and Parks – September 6, 2022**

**Item No. 3 Quarterly Update - Federal Contributions for the Urban Canopy**

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

The Executive Policy Committee concurred in the recommendation of the Standing Policy Committee on Protection, Community Services and Parks and submitted the following to Council:

1. That the quarterly reporting to the Standing Policy Committee on Protection, Community Services and Parks be revised to a quarterly verbal report.

2. That the Proper Officers of the City be authorized to do all things necessary to implement the intent of the foregoing.

## Report – Standing Policy Committee on Protection, Community Services and Parks – September 6, 2022

DECISION MAKING HISTORY:

Moved by Councillor Rollins,

That the recommendation of the Standing Policy Committee on Protection, Community Services and Parks be concurred in and forwarded to Council.

| | | |
|---|---|---|
| Yea: | Bowman, Allard, Browaty, Chambers, Mayes, Rollins | 6 |
| Nay: | | 0 |

Carried

STANDING COMMITTEE RECOMMENDATION:

On September 6, 2022, the Standing Policy Committee on Protection, Community Services and Parks concurred in the recommendation of the Winnipeg Public Service and submitted the matter to the Executive Policy Committee and Council.

COUNCIL DECISION:

On December 15, 2021, Council adopted the recommendation of the Standing Policy Committee on Protection, Community Services and Parks, which included the following:

2. That the following recommendations with respect to the 2022 Preliminary Capital Budget and 2023 to 2027 Five-Year Capital Forecast be approved by Council:

    W. That in order to support increased transparency on the partnerships with other levels of government on trees, the Public Service be directed to report quarterly to the appropriate committee of Council on their success in leveraging federal contributions for Winnipeg's urban canopy.

# ADMINISTRATIVE REPORT

**Title: Quarterly Report: Federal Contributions for the Urban Canopy**

**Critical Path:** Standing Policy Committee on Protection, Community Services and Parks – Executive Policy Committee – Council

## AUTHORIZATION

| Author | Department Head | CFO | CAO |
|---|---|---|---|
| D. Domke | J. Berezowsky | N/A | M. Jack |

## EXECUTIVE SUMMARY

The Public Service has applied to the Government of Canada for two grants related to urban canopy: 1. Infrastructure Canada's Natural Infrastructure Fund (NIF) Large Project Stream, and 2. Natural Resources Canada's Two Billion Trees Program (2BT) Urban/Suburban Tree Planting Stream.

Upon Council approval on October 28, 2021, the Public Service submitted an application to the NIF program on November 5, 2021 for the City's *Trees on Broadway* project. Outcome of this application is still pending.

The application to the 2BT grant is successful, and on July 21, 2022, Council approved the recommendations in the report submitted by the Public Service, including: receipt of the federal contribution of up to $7,329,800 for the City's tree-planting *Home Grown* program, associated increases to the 2022 adopted budget and forecasts for the Urban Forest Renewal Program capital project (project # 1850000322) 2022 to 2026 inclusive, for the City to enter into, execute and deliver a Cost-Sharing Agreement with the Government of Canada (Natural Resources Canada) and such other agreements as determined necessary by the City Solicitor / Director of Legal Services to implement the intent of the foregoing (the "Ancillary Agreements"), and to delegate authority to the Chief Financial Officer to negotiate and approve the terms and conditions of the Cost-Sharing Agreement and the Ancillary Agreements.

On July 14, 2022, Infrastructure Canada opened the Natural Infrastructure Fund (NIF) Small Projects Stream for receipt of applications until September 27, 2022. With the current *Trees on Broadway* project (application outcome pending) and *Home Grown* project (successful application), the Public Service have not identified any other projects at this time to apply to the NIF Small Project Stream.

## RECOMMENDATIONS

1. That the quarterly reporting to the Standing Policy Committee on Protection, Community Services and Parks be revised to a quarterly verbal report.

2. That the proper officers of the City be authorized to do all things necessary to implement the intent of the foregoing.

## REASON FOR THE REPORT

On December 15, 2021, Council directed the Public Service to report quarterly to the appropriate committee of Council on their success in leveraging federal contributions for Winnipeg's urban canopy, in order to support increased transparency on the partnerships with other levels of government on trees.

## IMPLICATIONS OF THE RECOMMENDATIONS

The Public Service will provide verbal quarterly reports to the Standing Policy Committee on Protection, Community Services and Parks instead of a written report.

## HISTORY/DISCUSSION

The Public Service applied to the Government of Canada for two grants related to urban canopy: 1. Infrastructure Canada's Natural Infrastructure Fund (NIF) Large Project Stream, and, 2. Natural Resources Canada's Two Billion Trees Program (2BT) Urban/Suburban Tree Planting Stream. These projects are described below.

On July 14, 2022, Infrastructure Canada opened the Natural Infrastructure Fund (NIF) Small Projects Stream for receipt of applications until September 27, 2022. With the current *Trees on Broadway* project (application outcome pending) and *Home Grown* project (successful application), the Public Service have not identified any other projects at this time to apply to the NIF Small Project Stream.

1. Infrastructure Canada's Natural Infrastructure Fund (NIF) Large Project Stream

Infrastructure Canada's Natural Infrastructure Fund (NIF) is a grants and contributions program that supports natural and hybrid infrastructure. The objective of the NIF is to increase the uptake/use of natural infrastructure that delivers multiple community services and benefits across the country, and build community awareness of the value and opportunities offered by natural infrastructure. The City of Winnipeg was invited to participate in the NIF Large Project Stream and, with Council approval of October 28, 2021, the Public Service submitted an application for the *Trees on Broadway* project on November 5, 2021.

Over time, the trees on Broadway have succumbed to the surrounding environmental stresses and disease. This has necessitated replacement plantings in conditions that neither reflect industry best practice, nor result in healthy long-term tree growth to provide the benefits of canopy to mitigate the urban heat island effect in this area of Downtown. New technologies in sustainable underground infrastructure for trees in hardscapes now provide for improved growing environments while accommodating the many other demands for the same space. The most cost-effective time to install these systems is during sidewalk or road renewal projects.

The adopted 2021 Capital Budget identified Broadway from Osborne Street to Main Street for street renewal under the New Building Canada Fund (NBCF), Accelerated Regional Street

Renewal Program. Rehabilitation of Broadway is scheduled for 2023. Insufficient funds are available to fully support a *Trees on Broadway* project component. A successful application to NIF would provide the opportunity to purchase and install the modular suspended pavement systems necessary for healthy and long-term tree growth, while at the same time improve stormwater management along this corridor. Incorporation of the *Trees on Broadway* into the street renewal project will extend the street renewal timeframe from one to two years into 2024 due to the additional work required. The timeline for the Provincial contribution agreement for the NBCF would need to be extended subject to the Province's consent. Currently the Provincial Agreement requires construction to be completed by October 30, 2023.

The estimated total cost of the *Trees on Broadway* project outlined in the application is $5.4 million. The Natural Infrastructure Fund grant contribution program provides funding of up to 60% of eligible project expenditures for municipal governments. Future financial impacts related to cost sharing commitments under the NIF program will be determined pending the outcome of the funding application and refinement of project cost estimates, and subject to Council approval. If the *Trees on Broadway* project application is not approved by Infrastructure Canada or if alternative funding is not identified, this project will not proceed.

2. Natural Resources Canada's Two Billion Trees Program (2BT) Urban/Suburban Tree Planting Stream

On February 16, 2022, the City of Winnipeg Public Service applied to the Natural Resources Canada's Two Billion Trees Program ("2BT") Urban/Suburban Tree Planting Stream for a 5-year enhanced planting program tentatively branded *Home Grown*. On June 20, 2022, the Public Service received notification from Natural Resources Canada that the City's application is conditionally approved. Final approval is subject to the successful negotiation and execution of a written Cost-Sharing Agreement between the Government of Canada and the City of Winnipeg.

The total estimated cost of the *Home Grown* program is $17.2 million over five years, with the City contributing approximately $9.9 million within approved and forecasted budgets from 2022 to 2026. A maximum 50 percent of eligible expenditures is covered by federal contributions estimated to be $7.3 million.

This stream of the 2BT Program is designed to support planting in and around population centers with an objective of planting a minimum of 10,000 trees per year on average. Funding received from the 2BT Program would be twofold. First, it would allow the Public Service to increase capacity to plant approximately 70,000 additional trees on public property from 2022 to 2026. These additional plantings would include replacement trees and net-new trees along boulevards and active transportation pathways, in parks, and in native woodlands and riverbank forests. Second, it would fund a community-based program to increase equitable access to trees and hands-on support as a means of enabling community groups, businesses, and nonprofit organizations to plant in their often under-treed communities.

Distribution of funds to community groups and other organizations would be determined on a grant application process. Applications would be accepted for review and approval by Council in keeping with appropriate deadlines that align with the tree planting season. Successful applicants would receive mentorship from staff to ensure project approval, completion, and long-term success.

On July 21, 2022, Council approved the recommendations in the report submitted by the Public Service:

1. Receipt of the contribution from the Government of Canada (Natural Resources Canada) in the amount of up to $7,329,800 for the City's tree-planting *Home Grown* program,

2. That the City enter into, execute and deliver a Cost-Sharing Agreement with the Government of Canada (Natural Resources Canada) and such other agreements as determined necessary by the City Solicitor / Director of Legal Services to implement the intent of the foregoing (the "Ancillary Agreements"),

3. That authority be delegated to the Chief Financial Officer to negotiate and approve the terms and conditions of the Cost-Sharing Agreement and the Ancillary Agreements, in accordance with this report and such other terms and conditions deemed necessary by the City Solicitor / Director of Legal Services to protect the interests of the City,

4. Increases to the 2022 adopted budget and forecasts for the Urban Forest Renewal Program capital project (project # 1850000322) in the following amounts:

| | |
|---|---|
| 2022 Adopted Budget: | $139,800.00 |
| 2023 Forecast Budget: | $548,750.00 |
| 2024 Forecast Budget: | $2,048,750.00 |
| 2025: Forecast Budget: | $1,988,750.00 |
| 2026 Forecast Budget: | $2,603,750.00 |

conditional upon the successful negotiation and approval of the Cost-Sharing Agreement and the Ancillary Agreements, and

5. That the Proper Officers of the City be authorized to do all things necessary to implement the intent of the foregoing.

If the 2BT Cost-Sharing Agreement for the *Home Grown* program were to be rescinded by Natural Resources Canada at any time throughout the project and no alternate funding is identified, planting capacity would align with the currently approved capital budget and no community-based program would occur.

**FINANCIAL IMPACT**

## Financial Impact Statement

**Date:** August 18, 2022

## Project Name:

Quarterly Report: Federal Contributions for the Urban Canopy

**COMMENTS:**

There is no financial impact associated with the recommendation of this report.

A. Fischer 8/18/22

for J. Ruby, CPA, CA
Manager of Finance and Administration

## CONSULTATION

This Report has been prepared in consultation with:

Legal Services (as to legal issues)

## OURWINNIPEG POLICY ALIGNMENT

2.21 Leverage Green Infrastructure

Conserve, restore, and enhance the urban forest as a key contributor to air quality, erosion control, carbon sequestration, storm water management, efficient energy resource consumption, shade, improved health and wellbeing, and mitigation of and adaptation to the urban heat island effect.

## WINNIPEG CLIMATE ACTION PLAN ALIGNMENT

The Report is in accordance with Strategic Opportunity #7:

- 7.2 Increase and Preserve Tree Canopy (Primary Responsibility: Public Works Department).
- 7.3 Preserve and Manage Parks and Natural Areas to Support Climate Change Mitigation (Primary Responsibility: Public Works - Parks).

## WINNIPEG POVERTY REDUCTION STRATEGY ALIGNMENT

The Report is in accordance with the following Poverty Reduction Goals:

- Goal 6: All City Services are Equitable, Inclusive, and Accessible

## SUBMITTED BY

Department: Public Works
Division: Parks and Open Space
Prepared by: Martha Barwinsky, City Forester
Date: August 18, 2022
File No:

Attachments: None