

June 24, 2019

To: His Worship the Mayor
And Members of City Council

Re: New Building Canada Fund (NBCF), Provincial -Territorial Infrastructure Component (PTIC), National Regional Projects (NRP), Regina Railyard Renewal Project and Winnipeg Street Overpass Project – Government of Canada and Government of Saskatchewan Amending Contribution Agreements

RECOMMENDATION

**RECOMMENDATION OF THE EXECUTIVE COMMITTEE
- JUNE 12, 2019**

RECOMMENDATION

1. That the City Manager be authorized to review, approve, negotiate and enter into an Amending Contribution Agreement with the Government of Canada and the Government of Saskatchewan for the New Building Canada Fund (NBCF) Provincial-Territorial Infrastructure Component (PTIC), National Regional Projects (NRP), Regina Railyard Renewal Project and the Winnipeg Street Overpass Project.
2. That the City Clerk be authorized to execute the Amending Contribution Agreements after review by the City Solicitor.

EXECUTIVE COMMITTEE – JUNE 12, 2019

The Committee adopted a resolution to concur in the recommendation contained in the report.

Recommendation #3 does not require City Council approval.

Mayor Michael Fougere, Councillors: Joel Murray (Chairperson), Lori Bresciani, Sharron Bryce, John Findura, Jerry Flegel, Bob Hawkins, Jason Mancinelli, Mike O'Donnell, Andrew Stevens and Barbara Young were present during consideration of this report by the Executive Committee.

The Executive Committee, at its meeting held on June 12, 2019, considered the following report from the Administration:

RECOMMENDATION

1. That the City Manager be authorized to review, approve, negotiate and enter into an Amending Contribution Agreement with the Government of Canada and the Government

of Saskatchewan for the New Building Canada Fund (NBCF) Provincial-Territorial Infrastructure Component (PTIC), National Regional Projects (NRP), Regina Railyard Renewal Project and the Winnipeg Street Overpass Project.

2. That the City Clerk be authorized to execute the Amending Contribution Agreements after review by the City Solicitor.
3. That this report be forwarded to the June 24, 2019 meeting of City Council for approval.

CONCLUSION

The Transit Fleet Maintenance Facility (TFMF) was the first City of Regina (City) project approved for funding through the NBCF PTIC NRP in September of 2016. Shortly thereafter, applications were submitted for the Winnipeg Street Overpass project and the Railyard Renewal Project (RRP). Approval in principle (AIP) for these two projects was received in October and November of 2018, respectively. The AIP date is important, as that is the effective date that eligible project costs can begin to be incurred.

The final stage in the approval process is to enter into separate Amending Contribution Agreements with both the Government of Canada and the Government of Saskatchewan. The agreements outline the purpose, funding levels, accountability, communications protocol, legal compliance and other obligations and commitments by each party that will govern the construction of the project.

BACKGROUND

In 2014, the Government of Canada introduced the ten-year, \$14 billion NBCF, which consisted of a \$4 billion National Infrastructure Component to support projects of national significance and \$10 billion for PTIC for projects of national, regional and local significance (with \$1 billion of the PTIC for smaller communities under 100,000 population).

Based on this announcement, in January 2015, Council approved the following City priority infrastructure projects for consideration by the federal and provincial governments under the NBCF in the following order of priority:

Project	Estimated Cost
Transit Fleet Maintenance Facility	\$30 million
Winnipeg Street Overpass	\$28 million
Regina Revitalization Initiative	\$67 million

Deliberations between the federal and provincial governments regarding the \$9 billion in PTIC funds resulted in the City receiving a total of \$30.5 million in federal funding that was to be equally matched by the provincial government at 33.3 per cent and the City at 33.3 per cent. With these matching dollars (33.3 per cent contribution each from the federal, provincial and municipal governments), the total allocation amounts to a \$91.5 million investment over a ten-year period for City infrastructure projects.

The total approved project costs for the TFMF, the first project to receive approval, was approximately \$30.1 million, of which \$29.15 million was deemed to be eligible expenditures. The remaining funding in the amount of \$62.3 million was allocated towards the RRP (\$11.2 million each from the funding partners) for a total of approximately \$33.6 million and the Winnipeg Street Overpass Project (\$9.6 million each from the funding partners) for a total of approximately \$28.8 million.

Project	Provincial Contribution – 33.3% (million)	Federal Contribution – 33.3% (million)	City Contribution – 33.3% (million)	Total Project Costs (approx.) (million)
Transit Fleet Maintenance Facility	\$9.72m	\$9.72m	\$10.67m	\$30.1m
Winnipeg Street Overpass	\$9.6m	\$9.6m	\$9.6m	\$28.8m
Regina Railyard Renewal Project	\$11.2m	\$11.2m	\$11.2m	\$33.6m
TOTAL:	\$30.52m	\$30.52m	\$31.47m	\$92.5m

DISCUSSION

Winnipeg Street Overpass:

The Winnipeg Street Overpass over the Ring Road was selected for replacement. This project includes the following:

- construction of a new, longer overpass located to the west of the existing overpass;
- modifications and realignment of two existing diamond interchange ramps;
- two new intersections at 9th Avenue North;
- a modified diamond interchange and intersection at Ring Road;
- relocation of utilities;
- new traffic signals and associated works, and;
- decommissioning of the existing overpass.

The Winnipeg Street Overpass was constructed in 1974 and consists of four spans of precast girders supported on a cast-in-place substructure. The structure has been subjected to two major rehabilitations in 1988 and 2003.

In 2010, a detailed analysis of the structure was instigated to optimize the remaining service life. This analysis identified that the most cost-effective option was to rebuild the structure rather than to rehabilitate it, due to its condition. In addition, because of its current state, inspections now occur annually. It was also determined that when the structure is rebuilt, it should be realigned with Winnipeg Street to eliminate the geometrical constraints that exist in the area.

No land needs to be purchased to proceed, as the City owns the land.

The AIP date was October 19, 2018. According to the business case submitted, project design is planned for 2019/2020 and will be completed by 2022.

Railyard Renewal Project:

The Regina Revitalization Initiative (RRI) is the largest urban revitalization project ever undertaken in the City of Regina. The RRI consists of three primary components: (1) the Stadium Project; (2) the redevelopment of Taylor Field Neighbourhood; and (3) the RRP. Each of the components, delivered separately over time, will impact the City in a positive and substantive way.

Phase 1 of the RRI, the new Mosaic Stadium project, was completed in 2017. As this important project closed, the City's focus transitioned to Phase 2 of the RRI – the Railyard Renewal Project. The RRP involves the redevelopment of a former Canadian Pacific (CP) Rail intermodal yard, a 17.5-acre brownfield site. In addition to initiating site remediation, the project could include reconstruction of Dewdney Avenue, utility construction, new public open space and a pedestrian bridge.

This project provides an unparalleled opportunity for the City to guide the redevelopment of the railyard site and to continue to pursue urban revitalization and sustainable growth through the RRI by removing and/or mitigating long existing barriers between the Warehouse District and the downtown area. Redevelopment will bring a large brownfield site in the city centre back to productive use.

Recognizing the rare opportunity to achieve multiple planning objectives within the city centre, in 2012, the City purchased the railyard site from CP Rail. A longstanding reminder of the City's industrial history, the intermodal yard has seen a decline in use as CP Rail relocated its operations outside of the city centre. Similarly, the adjacent Warehouse District has been experiencing a transition as industrial users have moved away from this core area. It became apparent that the centrally located railyard site could play a pivotal role in increasing the city centre area's population and in expanding its commercial, cultural and recreational offerings.

Over the next 15 years, the RRP will realize a generational opportunity to revitalize the heart of Regina by converting former industrial lands into a vibrant and energetic mixed-use development. The project will also provide a variety of housing options where residents live, work and play. By incorporating appropriate best practices in sustainability and urban design, the RRP is expected to become a leading example for cities within western Canada.

The AIP date was November 20, 2018. According to the business case submitted, project planning will advance in 2019 and construction could begin as early as 2020.

It should also be noted that the terms of the TFMF Agreement include project construction by 2024. However, for the Winnipeg Street Overpass and the RRP projects, the deadline for construction completion is March 2026.

RECOMMENDATION IMPLICATIONS

Financial Implications

Infrastructure funding from other levels of government allows the City to leverage additional sources of funding to support the City's major infrastructure needs. While accessing funding from alternative sources reduces the initial cost of the assets, care must be taken to determine what the highest priority needs are, as well as the City's ability to fund the required portion of the costs, including understanding the full life cycle costs of any new assets.

Both the Winnipeg Street Overpass project and the RRP projects are included in the capital budget at the identified amounts. Specifically, the Winnipeg Street Overpass has capital carry forward and the RRP funds have been included in the 2019 to 2023 budget.

Environmental Implications

There are no environmental implications associated with this report. However, any potential environmental impacts associated with the individual projects will be outlined and detailed through the federal and provincial Environmental Impact Assessment process.

Policy and/or Strategic Implications

Both the Financial Policies section in *Design Regina: the Official Community Plan* and the objectives and outcomes of the strategic plan, *Making Choices Today to Secure Tomorrow: Advancing the Official Community Plan*, have been used to develop the options for consideration in this report. Each element presented is consistent and aligned to these documents.

In addition, infrastructure funding from other levels of government allows the City to leverage additional sources of funding to support the City's major infrastructure needs.

Other Implications

None with respect to this report.

Accessibility Implications

None with respect to this report. However, any potential accessibility implications associated with the individual projects will be outlined and detailed through the federal and provincial application and approval process.

COMMUNICATIONS

No communication activities with respect to this report. The Agreements outline the Communications Protocol, which will be adhered to by all parties.

DELEGATED AUTHORITY

The recommendations contained in this report require City Council approval.

Respectfully submitted,


Jim Nicol, City Clerk 6/19/2019