



## Transit and Housing Funding

<b>Date</b>	January 18, 2023
<b>To</b>	Executive Committee
<b>From</b>	Office of the City Manager
<b>Service Area</b>	Office of the City Manager
<b>Item No.</b>	E23-2

### **RECOMMENDATION**

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The Executive Committee recommends that City Council:

1. Approve the use of federal and provincial government “Transit and Housing Funding” to allow the City to commit funds towards its transit operating deficit from 2019 to 2021 and to redirect existing funding towards the following transit and housing projects:
  - a) \$4.065M for covering the Transit operating shortfall from 2019-2021:
    - i. \$3 million investment for a non-vehicular trail system that supports the connectivity within City Centre supporting improved safety, improved use, connecting civic infrastructure and delivering a vibrant multi-modal transit upgrade for the community; and
    - ii. \$1.065 million investment to support shovel-ready intensification projects;
  - b) \$400K for the installation and upgrading of transit shelters and the installation of concrete pads to improve the accessibility of transit shelters;
  - c) \$1M for required infrastructure upgrades to support the development of the new YWCA;
  - d) \$1M for infrastructure upgrades at the old Taylor Field site to support housing development; and

- e) \$3M for the purchase of a building which will be transformed into an Indigenous-led Emergency Wellness Centre.
- 2. Authorize the City Clerk to execute all necessary funding agreements or other ancillary agreements with the Government of Saskatchewan and Government of Canada upon review and approval of the City Solicitor;
- 3. Delegate authority to the Executive Director, Financial Strategy & Sustainability or designate, to negotiate any funding agreements between the Government of Saskatchewan and the Government of Canada as described in this Report and any amendments to the funding agreements that do not substantially change what is described in this report and any ancillary agreements or documents required to give effect to the agreements; and
- 4. Approve this report at its meeting on January 25, 2023.

## **ISSUE**

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On December 20, 2022, Administration received notice that the Governments of Canada and Saskatchewan would be providing the City of Regina with \$9,465,736 in funding towards housing and transit-related projects.

The City is required to provide a Council-approved list of eligible projects to the provincial government by January 27, 2023. Administration is recommending that City Council approve the list of projects included in this report for submission to the provincial government as well as delegate authority to the Executive Director, Financial Strategy and Sustainability or designate to approve and enter into any funding agreements that are required.

## **IMPACTS**

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### **Financial Impact**

This is one-time funding from the provincial and federal governments that does not require matching contributions from the City of Regina. The funding will be used to recover the City's transit operating deficit from 2019-2021 by transferring \$4.065 million of the funding into the General Fund Reserve. As well, the one-time funding will be used on projects that are in addition to work already approved in the current 2023 budget.

Most of the recommended projects are capital expenditures and will have ongoing life-cycle costs such as purchasing a building to be renovated into an Indigenous-led Emergency Wellness Centre. Consistent with existing City practice, the infrastructure and assets would go into their relevant asset management portfolios. However, many of the recommended projects are accelerating work that would have happened in the future. For example, bus shelter and concrete pad installations are both accelerating service enhancements. These projects help reduce future planned capital investments and replacements.

Purchasing a building to use as an Indigenous-led Emergency Wellness Centre will have ongoing operating costs. The City is in conversation with the provincial and federal governments to identify funding solutions.

### **Policy/Strategic Impact**

The recommended projects meet the criteria established by the federal and provincial government while also aligning with City of Regina's strategic priorities, specifically:

1. Environmental Sustainability – Improving the public transit experience and increasing multi-use pathway connectivity both work towards the Energy & Sustainability Framework's Big Move 6 that seeks to "Increase active transportation and transit use" to reduce emissions coming from personal-use vehicles.
2. Vibrant Community – Enhancing the accessibility of transit and increasing connectivity through multi-use pathways both improve how residents and visitors get around in and experience the City Centre.

### **Community Well-being Impacts**

The recommendations in this report align with many of the *Foundational Commitments* in the Community Safety & Well-being Plan. The creation of an Indigenous-led Emergency Wellness Centre and providing serviced infrastructure both reduce barriers for community partners that are advancing affordable and social housing goals and improving the safety and well-being of residents. As well, improving bus shelters and transit stops and adding more multi-use pathways improves accessibility and reduces barriers to activities, services, products, and environments.

### **Environmental Impacts**

Most of the identified projects involve construction activities. Although difficult to quantify at this stage, infrastructure construction generates greenhouse gas (GHG) emissions. Producing building materials and the construction process itself are both energy intensive and generate emissions.

However, the recommended projects all help to increase and improve active transportation and urban density, which enable reduced emissions in the long-term. These outcomes are critical for reaching the Energy & Sustainability Framework's goal of becoming a net-zero and 100 per cent renewable city by 2050.

## **COMMUNICATIONS**

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A communications strategy will be developed to support public announcement and advancement of the Council-approved projects. Public notice will be provided for any components of the approved projects as required by legislation.

## DISCUSSION

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On February 17, 2022, the Government of Canada announced an investment of up to \$750 million to support municipalities' economic recovery in transit operation shortfalls and encourage housing affordability due to the impact of the pandemic. To increase the impact of this investment, funding was conditional on provincial governments matching the contribution and accelerating their efforts to improve housing supply, in collaboration with municipalities.

The City is required to provide a Council-approved list of eligible projects to the provincial government by January 27, 2023. Eligible projects include transit capital projects and/or operating shortfalls, and projects that address barriers to increasing housing supply and density. All projects receiving this funding must be complete by March 31, 2024.

Administration worked to identify projects that not only met the federal and provincial criteria and could be completed by the March 2024 deadline, but also aligned with existing City priorities. This process resulted in the following projects:

### Covering Transit Operating Deficit

The funding requirements allow the City to commit funds towards its transit operating deficit from 2019 to 2021. Within those years, the City had a \$4.1 million transit operating deficit. Directing \$4.065 million towards this deficit allows the City to redirect existing funding towards the following transit and housing projects:

#### *Improving Access to Transit*

The recommended approach is a \$3 million investment for a non-vehicular trail system that supports the connectivity within City Centre supporting improved safety, improved use, connecting civic infrastructure and delivering a vibrant multi-modal transit upgrade for the community. This project can enhance pathway infrastructure to increase pedestrian access to transit stops in City Centre. Increasing multi-use pathway infrastructure creates a better-connected city and one where people have multiple viable transportation options.

#### *Shovel-ready Intensification Program*

The recommended approach is a \$1 million investment to support shovel-ready intensification projects. \$1 million of the investment would fund shovel-ready projects through a new program supporting intensification. The program criteria would direct funding for housing and development projects within the City Centre with preference for new or converted residential builds. The program would promote infill development near transit hubs, and would align with the City's intensification targets as well as the goals outlined in the ESF and TMP.

### Enhancing Transit Infrastructure

The recommended approach is a \$400,000 investment in accelerating new bus-shelters and concrete pad installations at bus stops. The funding will help reach the Transit Master Plan target of 25 per cent of bus stops having shelters. Regina has 1,350 bus stops with 273 shelters. Meeting the 25 per cent target requires an additional 65 shelters. The funding will also help improve accessibility through installation of concrete pads at transit stops that are dirt and/or grass due to a side boulevard or lack of sidewalk. Up to six shelters and 30 concrete pads will be installed using these funds.

### Upgrading Infrastructure in City Centre to Support Housing Development and Intensification

The recommended approach is a \$2 million investment split between two locations to provide underground infrastructure upgrades to support service-ready lands for housing development and investment.

\$1 million of the investment would fund water and wastewater servicing for the new YWCA Centre for Women and Families. The YWCA is already working on the new site and water and wastewater servicing upgrades are required in the two to four-block radius.

\$1 million of the investment would fund servicing and land use studies for the former Taylor Field site. This area is identified for potential infill development within the North Central Neighbourhood. This infill development would increase City Centre density and is near public transit routes. This investment provides more flexibility to deliver on future work by freeing up capital in the Land Development Reserve.

### Enhancing Regina's Housing Continuum

A space has been identified and available for sale and we intend for the space to become a permanent location and develop it to serve as an Emergency Wellness Centre. This space will be a first for Regina by having an Indigenous-led model of care to support the stabilization of individuals. It will provide houseless individuals with a space to stay, while providing and connecting individuals with the supports and services they need.

The Emergency Wellness Centre will focus on the following objectives:

- Increasing capacity with a new low-barrier emergency shelter option;
- Decreasing the duplication of access to services by streamlining service delivery through a coordinated intake process;
- Providing second-level support to individuals beyond emergency services; and
- Enhancing coordination between community-based organizations and government to ensure client success.

## **DECISION HISTORY**

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The recommendations contained in this report require City Council approval.

Respectfully Submitted



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Respectfully Submitted



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