



Town of Newmarket
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Newmarket Energy Efficiency Retrofit Program (NEER) – Program Status and Funding Update Staff Report to Council

Report Number: 2021-16

Department(s): Planning & Building Services

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Meeting Date: March 22, 2021

Recommendations

1. That the report entitled “Newmarket Energy Efficiency Retrofit Program (NEER) – Program Status and Funding Update” dated March 22, 2021 be received; and,
2. That the new grant funding approved by the Federation of Canadian Municipalities (FCM) to support the NEER program be accepted; and,
3. That staff execute the transfer payment agreement with FCM and,
4. That Staff be authorized and directed to do all things necessary to give effect to this resolution.

Purpose

The purpose of this Staff Report is to obtain Council approval to execute the new Federation of Canadian Municipalities (FCM) grant for the NEER program and to advise Council of the next steps in advancing the NEER program.

Background

Council approved the Community Energy Plan (CEP) in June 2016. A recommendation of the Plan was to create a program which would increase the energy efficiency of 80% of the existing housing stock in Newmarket, called the Newmarket Energy Efficiency Retrofit program (NEER). To date a Business Case has been developed and was presented to Council on September 30, 2019. At the Special Committee of the Whole on June 8, 2020 staff sought approval from Council to further advance NEER by submitting a grant application to the Federation of Canadian Municipalities (FCM) ‘Community Efficiency Financing’ program. The Town’s FCM application requested funding to

complete the Business/Implementation Plan for the NEER program along with up to \$15 million in capital funding to begin the implementation of NEER.

FCM advised that the request for the \$15 million in start-up capital was not successful. However, the NEER program was so intriguing to FCM that the project was moved from the capital stream to the study stream and was granted funding for the Implementation Study. This is the first time FCM has made the switch for a proposal. The Town has been approved for up to \$133,000 in funding to complete the NEER Business/Implementation Plan. FCM recommends that staff apply for capital funding again once the Business/Implementation Plan has been completed and the NEER program is in a position to be financed.

Discussion

I. FCM Community Efficiency Financing Program – Study Grant

The Town has been approved for a study grant of up to \$133,000 to support the development of the NEER Business/Implementation Plan (Implementation Plan). The \$133,000 in grant funds will fund up to 80% of the project costs associated with developing the Implementation plan. The Implementation Plan will position the Town to finance and launch the program. The completed Implementation Plan will advance the NEER program to enable the Town to request capital funding from FCM in 2022. For more information on FCM's Community Efficiency Financing Program and the Town's original submission please see the attached June 8, 2020 Staff Report from the Special Committee of the Whole.

II. Next Steps in Advancing the NEER Business/Implementation Plan

The next steps in advancing the NEER Business/Implementation plan are:

1. Staff will finalize and execute the grant contract with FCM
2. Staff will procure a consultant to develop the NEER Business/Implementation Plan
3. Staff will oversee and collaborate with the consultant as the work progresses
4. Staff/Consultant will present draft NEER Business/Implementation Plan to Council to seek approval
5. Staff will present options on next steps to Council

Conclusion

The Town has been awarded a grant of \$133,000 to undertake the NEER Implementation Plan. If approved, staff will work to finalize the grant contract with FCM and work to procure a consultant capable of completing the NEER Business/Implementation Plan. Staff will update Council as the project progresses and will present the Implementation Plan to Council when it is complete. At that time, Council may be in a position to further advance the NEER project.

Business Plan and Strategic Plan Linkages

1. Economic Leadership and Job Creation:
 - a. With long-term, predictable work for local retrofit contractors.
2. Environmental Stewardship:
 - a. With the continuing implementation of the Community Energy Plan (CEP)
 - b. Aligns with Council's Climate Emergency declaration

Consultation

Prior to submission of the FCM grant application regular consultations with a multi-departmental internal working group were held. Departments included Building & Planning, Financial Services and the Innovation & Strategic Initiatives departments.

Human Resource Considerations

None.

Budget Impact

The FCM grant will fund 80% of project costs up to a maximum contribution of \$133,000 and the Town must fund the remaining 20% of project costs to a maximum of \$33,250. No additional funds are being requested at this time as there is funding remaining from previous budget allocations to fund the Town's commitment.

Attachments

Community Efficiency Financing Program – Staff Report to Council (June 8, 2020
Special Committee of the Whole)

Approval

Peter Noehammer, Commissioner, Development & Infrastructure Services

Jag Sharma, Chief Administrative Officer, Office of the CAO

Contact

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