



CleanBC Communities Fund Intake 3 Program Guide

– Climate Change Mitigation sub-stream of the
Canada-BC Investing in Canada Infrastructure Program –

January 26, 2022

**** HIGHLIGHTS ****

The [CleanBC Communities Fund \(CCF\)](#) is a climate change mitigation funding stream under the [Investing in Canada Infrastructure Program \(ICIP\)](#) and funds only tangible physical infrastructure projects that reduce greenhouse gas (GHG) emissions and provide “public use or benefit.” Below is a high-level Program summary; please read the full Guide thoroughly.

Program timeline: (see Section 1.2)

- Application intake: **Intake 3 opens January 26 and closes May 25, 2022 at 3pm.** Request Business BCeID access to the LGIS grant portal by May 4, 2022.
- BC Approval in Principle: Shortlisted projects should be notified in late 2022.
- Federal approval: Final approvals should start by summer 2023 or, if triggering Federal Treasury Board review, by summer 2024.

Eligible applicants must be BC local governments, Indigenous organizations, or not-for-profits / for-profits partnering with local governments or Indigenous organizations. (see Section 2.1)

Eligible projects: (see Section 2.3)

- **start no earlier than summer 2023 and be substantially complete by March 2027;**
- must meet one of the program outcomes: management of renewable energy, access to clean energy transportation, energy efficiency of buildings, or generation of clean energy;
- are limited to one or adjacent project sites, except electric vehicle charging networks; and
- **must receive final grant approval before awarding tenders/contracts or incurring eligible costs**, except for Climate Lens and Indigenous consultation costs.

Ineligible projects: (see Section 2.4)

- incremental energy efficiency improvements to non-replacement new buildings;
- residential buildings not included in [Canada's National Housing Strategy](#);
- dedicated administration/office buildings; dedicated daycare spaces;
- emergency services infrastructure; non-Indigenous health or education facilities;
- commercial facilities for pro/semi-pro sports; primarily religious sites;
- ‘rolling stock’ (mobile assets); inter-city transportation not part of public transit; and
- private sector entity owning more than 49% of any district energy system or more than 49% of non-district energy assets in Local Govt, Indigenous, or Not-for-Profit projects.

Grant applications: (see Sections 3 and 4)

- should limit grant requests to \$13.4M, although higher requests are allowed;
- must include sufficient contingency for the cost estimate ‘class’;
- must clearly indicate in-kind contributions (ineligible costs), own-force labour (incremental and financially justified), and sole-source contracts (~12 months longer for approval);
- must show proof of any funding secured/approved toward the balance of project costs;
- **must complete a Greenhouse Gas Preliminary Assessment that accounts for a majority share of the project score during application review;** and
- should minimize and sufficiently mitigate any potential risks.

IMPORTANT: Before preparing a grant application, please contact us at 250-387-4060 or infra@gov.bc.ca to discuss eligibility, program fit, project schedule, etc.

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1. ABOUT THE PROGRAM

1.1 OVERVIEW

Overview

The CleanBC Communities Fund (CCF) supports infrastructure projects that contribute towards greenhouse gas reductions and climate change mitigation in BC communities. It funds projects that support the management of renewable energy, access to clean energy transportation, improved energy efficiency of buildings and the generation of clean energy.

The CCF is a component of the Investing in Canada Infrastructure Program's (ICIP) Green Infrastructure – Climate Change Mitigation sub-stream with a **focus on reducing greenhouse gas (GHG) emissions**. The ICIP provides infrastructure funding to build inclusive sustainable communities, support a low-carbon green economy, and create long-term economic growth. In the case of a conflict between this Guide and the [Canada-BC ICIP Integrated Bilateral Agreement \(2018\)](#), the Agreement takes precedence.

The CCF is also a foundational component of the BC government's CleanBC plan. CleanBC puts the province on the path to a cleaner, better future with a low-carbon economy that creates opportunities for all while protecting our clean air, land, and water.

Canada and British Columbia governments are investing up to \$134 million in the third intake of CCF to support infrastructure projects in communities across the province.

Outcomes and objectives

Interested projects must meet at least **one** of the following program outcomes:

- Increased capacity to manage renewable energy;
- Increased access to clean energy transportation;
- Increased energy efficiency of buildings; or
- Increased generation of clean energy.

The CCF objectives are:

- Support the province's energy, economic, environmental and greenhouse gas reduction priorities and advance British Columbia's clean energy sector;
- Support community capital investments in energy efficiency and clean energy;
- Encourage investments in community-owned energy generation from cleaner sources such as biomass, biogas, geothermal, hydro, solar, ocean, wind, or resource recovery;
- Promote community-owned projects and partnerships with industry that advance this growing sector of the provincial economy; and
- Innovative projects that improve BC's low-carbon technical and manufacturing capacity. Technology Readiness Level (TRL) 8 is encouraged.

<https://ic.gc.ca/eic/site/ito-oti.nsf/eng/00849.html>

GHG emission reductions

Greenhouse gas emission reductions will be a primary consideration in evaluating projects for funding. Applications must include a completed Preliminary Greenhouse Gas Assessment comparing the proposed project to a baseline scenario. The baseline scenario will look at what would have likely been built to meet minimum standards and codes. Additional requirements can be found in the 'Application Process' section.

Projects shortlisted for funding by the Province will also complete a federal Climate Lens, as described in Appendix A.

Examples of approved projects

Previously approved projects can be found on the CleanBC site:
<http://cleanbc.ca/communitiesfund>

1.2 TIMELINE AND DEADLINES

Application intake: The third intake is open January 26 to May 25, 2022. Applications must be submitted by May 25, 2022 at 3 p.m.

BC conditional approval: If projects are shortlisted, applicants are anticipated to be notified of BC Approval in Principle (AIP) in late 2022.

Federal requirements: After BC AIP, selected projects will complete the required federal forms and provide additional information used for federal review.

INFC final approval: Final approvals will likely start by summer 2023. Projects requiring Federal Treasury Board review (For-Profit applicants and projects with large sole-sourcing) will have a longer timeframe for approvals..

Project tenders and contracts: For the grant to remain eligible, project tenders and contracts can only be signed *after* final grant approval.

Eligible project costs: Only eligible project costs incurred *after* final approval are eligible for reimbursement. Some exception apply, as noted in the 'Eligible costs' section.

Project completion: Projects must be complete in March 2027.

1.3 CONTACTS

Before preparing your grant application, please contact us at 250-387-4060 or infra@gov.bc.ca to discuss eligibility, program fit, project schedule, etc.

You can explore additional funding opportunities in the interactive [BC Community Climate Funding Guide](#) for Indigenous communities and local governments.

2. ELIGIBILITY

2.1 ELIGIBLE APPLICANTS

Eligible applicants ('Ultimate Recipients') are as follows:

- **Local Government:** Applicant must be a municipality or regional district established by or under British Columbia statute.
- **Indigenous Ultimate Recipient:** Applicant must be **one** of the following:
 - Band council within the meaning of section 2 of the *Indian Act*;
 - First Nation, Inuit, or Métis government or authority established pursuant to a self-government agreement or a comprehensive land claim agreement between Canada and an Indigenous people of Canada, that has been approved, given effect, and declared valid by federal legislation;
 - First Nation, Inuit, or Métis government established by or under federal or provincial legislation that incorporates a governance structure;
 - Indigenous development corporation; or
 - Not-for-Profit organization whose central mandate is to improve Indigenous outcomes, working in collaboration with one or more of the Indigenous entities referred to above, a local government, or British Columbia.
- **Not-for-Profit:** Applicant must be **all** of the following:
 - Incorporated as a Not-for-Profit corporation or society formed under an Act of Canada or a province or territory of Canada and in good standing under the relevant Act; and
 - Operate primarily for community benefit; and
 - Located and active in British Columbia; and
 - Collaborate with a local government or Indigenous government as defined in the 'Eligible applicant' definitions immediately above.
- **For-Profit:** Applicant must be **all** of the following:
 - Located and active in British Columbia;
 - Collaborate with a local or Indigenous government as defined above; and
 - Submit a project with broad community benefits that will not negatively affect other local businesses.

2.2 INELIGIBLE APPLICANTS

Ineligible applicants include:

- Applicants not defined under "Eligible Applicants" above;
- Federal entities, including federal Crown Corporations;
- Applicants with no active location in BC; and
- Improvement districts, water utilities, and private water systems.

2.3 ELIGIBLE PROJECTS

Overall

The program targets public infrastructure defined as “tangible capital assets in British Columbia primarily for public use or benefit.”

To be eligible, a project must:

- a) be in the Province of British Columbia;
- b) build infrastructure---specifically ‘tangible capital assets’ as defined by General Accepted Accounting Principles (GAAP)---for new construction or for renewal, rehabilitation, or upgrade of existing assets, excluding normal maintenance and repair;
- c) be for broad public use or benefit and clearly demonstrate this within the application;
- d) meet one of the Program outcomes (see ‘Eligible projects by program outcome’ section);
- e) result in a measurable reduction of greenhouse gas (GHG) emissions compared to a baseline for that infrastructure;
- f) have a comprehensive, credible, and feasible grant application;
- g) be duly authorized or endorsed by a Resolution from the appropriate local government Council, Indigenous Band Council, or for-profit/not-for-profit Board of Directors
- h) be supported by all requirements set out under sections on ‘General Requirements’ and ‘Application Process’;
- i) stipulate a project start date no later than May 2024 (two years after grant application);
- j) stipulate a project completion date no later than March 31, 2027;
- k) meet or exceed applicable energy efficiency standards for buildings outlined in the Pan-Canadian Framework on Clean Growth and Climate Change (see ‘General Requirements’ section);
- l) for publicly accessible buildings, meet or exceed the highest published accessibility standard in a jurisdiction as per the *Canadian Standards Association Technical Standard Accessible Design for the Built Environment (CAN/CSA B651 – 12)* and applicable building codes and bylaws (see ‘General Requirements’ section);
- m) be put forward by an applicant who demonstrates they can operate and maintain the resulting assets over the long term; and
- n) meet all the program criteria identified in this Guide.

Examples of approved projects can be found on the CCF program site and CleanBC site or at the direct links below:

https://news.gov.bc.ca/files/9-1_infrastructure.pdf

<https://www2.gov.bc.ca/gov/content/environment/climate-change/clean-buildings/cleanbc-communities-fund/funded-projects>

By program outcome

Although projects may meet multiple program outcomes, Infrastructure Canada requires that applicants select only **one** of the following outcomes that the project best supports:

- Increased capacity to manage renewable energy;
- Increased access to clean energy transportation;
- Increased energy efficiency of buildings; or
- Increased generation of clean energy.

These program outcomes and example projects are described below.

Outcome 1: Increase capacity to manage renewable energy

Projects that meet this outcome will increase the types and capacity of infrastructure that manage, distribute, and control renewable energy, including transmitting and making better use of renewable energy, as defined in the [Clean Energy Act](#). This includes systems that manage the use or transmission of biomass, biogas, geothermal heat, hydro, solar, ocean, wind, battery storage, devices, or other systems and technologies that improve capacity to better manage renewable energy.

Example:

- Building an on-reserve renewable natural gas plant to convert local organic food waste into usable biogas via anaerobic digestion (i.e., not open-air decomposition).

Outcome 2: Increase access to clean energy transportation

Projects that meet this outcome will increase access to clean energy transportation by improving the use of clean energy to power vehicles or increasing access to active transportation (fixed assets only, not 'rolling stock').

Examples:

- Level-2 or Level-3 (direct current fast-charging, DCFC) electric vehicle charging infrastructure or hydrogen fueling infrastructure owned by a public body and strictly for public use, such as at recreation centers, transit station parking, public parks, and similar settings;
- Adoption of renewable fuels for rapid-transit vehicles in a public transit fleet; and
- Active transportation projects consistent with land-use and transportation development plans or strategies and approved regional transportation plans.

Outcome 3: Increase energy efficiency of buildings

Projects that meet this outcome will increase the energy efficiency of:

- Public buildings such as community buildings, recreation centers, libraries, museums, art galleries, and First Nations buildings for public use; and
- Residential buildings that fall under the National Housing Strategy.

Examples:

- Energy efficiency retrofits including envelope upgrades (air sealing, insulation or windows) or upgrades to heating, cooling, and ventilation (HVAC) systems;
- Development and Construction of a PassiveHouse-certified building to replace an existing building at the end of its useful life;
- Fuel-switching projects, especially those displacing fossil fuel use;
- Heat pump-based heat-recovery system from ice and curling rink refrigeration equipment to provide heat to in-building or neighbouring space heating, water heating, or other uses.

Incremental energy efficiency improvements to non-replacement new buildings are ineligible in CCF intake 3.

Outcome 4: Increase generation of clean energy

This outcome is for projects that increase the production and generation of clean energy at the community level to replace the use of fossil fuels or less clean forms of energy.

The primary goal of CCF funding is to support projects that maximize greenhouse gas reductions, not to fund projects that primarily provide a revenue source for the applicant. Applicants should demonstrate utility support for proposed projects through a letter of support, commercial agreement, or Memorandum of Understanding (MOU).

There are similarities between this outcome and 'Managing renewable energy' (Outcome 1). Outcome 1 relates to the better use, storage, delivery, and integration of available renewable energy, whereas Outcome 4 relates to the creation of new clean energy. Both outcomes may ultimately displace fossil fuels, but Outcome 4 increases the supply of clean energy while Outcome 1 increases the share of clean energy used but may not necessarily add new supply. Where a project meets both outcomes, the applicant should pick the outcome that is the best fit for the project.

Examples:

- Anaerobic digestion, heat recovery or integrated resource recovery technologies;
- Construction of a digester and a food waste pre-processing station at the City's wastewater treatment plant (WWTF) as a means of increasing biogas production and renewable generation at the WWTF and negotiations of an agreement with

FortisBC for the conversion of biogas to bio-methane and the subsequent connection to the FortisBC grid.

- Replacement of two diesel powered generators with natural gas-powered generators used to power a community. The natural gas can then be supplied through FortisBC's renewable natural gas program to power the generators.
- Replacing aging upper penstock and increase hydro facility capacity, as the hydro facility has reached its limit which is causing power blackouts and increased dependency in diesel fuel to meet peak loads.
- Emerging circular economy initiatives that require infrastructure investments, such as community energy infrastructure to utilize waste heat captured from sewage to provide space and water heating.

2.4 INELIGIBLE PROJECTS

A project will be deemed **ineligible** if:

- a) project **tender(s) or contract(s) have been awarded or construction has already begun** prior to the date of your project's final approval from Infrastructure Canada;
- b) project is determined to be **routine maintenance or repair**;
- c) project will **start later than May 2024** (two years after grant application);
- d) project will **complete after March 31, 2027**;
- e) private sector entity will own over 49% of a district energy system in any project or over 49% of non-district energy assets in Local Govt, Indigenous, or Not-for-Profit projects;
- f) project is incremental energy improvement to **non-replacement new building**;
- g) project is a residential building not included in Canada's National Housing Strategy;
- h) project is a dedicated building or large space for **administration/office use**, such as Municipal Halls, Band offices, and not-for-profit offices;
- i) project has dedicated space for **daycare** use (only the space is ineligible);
- j) project involves **inter-city infrastructure not part of public transit**, where public transit is a distinct mode of transportation or conveyance for the movement of only passengers within an urban or municipal setting;
- k) project involves **emergency services** infrastructure, including fire halls;
- l) project is primarily a commercial facility for **professional or semi-professional sports**;
- m) project is primarily a **religious site** for services or assembly;
- n) project is a **non-Indigenous health facility**, including hospital, clinic, or care homes;
- o) project is **non-Indigenous education facility**, including school or university;
- p) project is an energy retrofit in a building that is **not for public use and benefit**;
- q) applicant does not meet the criteria under 'Eligible applicants' above;
- r) project is **not in BC** or does not meet the criteria under 'Eligible projects' above; or
- s) project does not otherwise meet the mandatory criteria as outlined in this Program Guide.

2.5 ELIGIBLE COSTS

Eligible costs include the following:

- a) costs considered to be direct and necessary for the successful implementation of an eligible project, in the opinion of Canada and British Columbia, excluding those identified under 'Ineligible Costs';
- b) capital costs of constructing or renovating a tangible asset, as defined and determined according to generally accepted accounting principles in Canada;
- c) planning (including plans and specifications), assessment and design costs specified in the agreement such as the costs of environmental planning, surveying, engineering, architectural supervision, testing and management consulting services, to a suggested maximum of 15% of total funding award;
- d) costs related to meeting specific Program requirements, including completing Climate Lens assessments (as outlined in Appendix A) and creating community employment benefit plans (costs for Climate Lens assessments can be incurred prior to project approval, but can only be paid if and when a project is approved by both the Province and Canada for contribution funding);
- e) costs of engineering and environmental reviews, including environmental assessments and follow-up, as defined in the [Impact Assessment Act](#), 2019 and the costs of remedial activities, mitigation measures and follow-up identified in any environmental assessment;
- f) costs of Indigenous consultation, and where appropriate, accommodation;
- g) costs directly associated with joint federal and provincial communication activities (press releases, press conferences, translation, etc.) and project signage;
- h) approved 'own-force labour,' which is the incremental cost of additional work for the applicant's employees or hiring of additional staff related to construction of the project if it meets the following conditions:
 - i. Recipient can demonstrate it is not economically feasible to tender a contract;
 - ii. Employee or equipment is engaged directly in work that would have been the subject of a contract; and
 - iii. Arrangement is **approved in advance** and in writing by the Province and Canada.

Eligible costs are limited to costs incurred between the final federal approval date and the project completion date set out in the Shared Cost Agreement, except for costs associated with Climate Lens assessment, Community Employment Benefits assessment, and Indigenous consultations, which are eligible before project approval but can only be paid after a signed Shared Cost Agreement is in place.

See Appendix D for examples of eligible and ineligible costs.

2.6 INELIGIBLE COSTS

The following are deemed ineligible costs:

- a) costs to be incurred prior to final approval of the grant, except for Climate Lens, Community Employment Benefits, and Indigenous consultations;
- b) costs incurred after the project completion date in the Shared Cost Agreement with the exception of audit and evaluation costs, if applicable;
- c) costs related to developing a funding application and supporting documentation;
- d) costs incurred for cancelled projects;
- e) costs of relocating entire communities;
- f) costs related to dedicated space for emergency services;
- g) land acquisition;
- h) real estate and other fees related to purchasing land and buildings;
- i) financing charges, legal fees, easements, and loan interest payments;
- j) costs associated with operating expenses and regularly scheduled maintenance work;
- k) leasing land, buildings and other facilities;
- l) leasing equipment other than directly related to project construction;
- m) overhead costs, including salaries and other employment benefits, direct or indirect costs associated with operating expenses, administration and regularly scheduled maintenance work, and more specifically any costs related to planning, engineering, architecture, supervision, management and other activities normally carried out by staff, except those indicated in the 'Eligible Costs' section;
- n) costs for furnishings and non-fixed assets not essential to asset operation;
- o) goods and services costs received through donations or in-kind;
- p) taxes for which the recipient is eligible for a tax rebate;
- q) capital costs, including site preparation, vegetation removal, and construction costs until [Impact Assessment Act \(2019\)](#) and other applicable federal environmental requirements and agreements are met; and
- r) capital costs (similar to bullet above) until Canada is satisfied that any legal duty to consult and accommodate Indigenous groups have been met.

See Appendix D for examples of eligible and ineligible costs.

Program staff will adjust future claims and/or require the provincial government to be reimbursed if any costs that have been reimbursed are subsequently found to be ineligible.

2.7 CHECK ELIGIBILITY WITH PROGRAM STAFF

Before preparing your grant application, please contact us at 250-387-4060 or infra@gov.bc.ca to discuss eligibility, program fit, project schedule, etc.

3. GENERAL REQUIREMENTS

3.1 APPLICATION LIMITS

- **Applications per intake:** Municipalities, Indigenous applicants, Not-for-Profit entities, and For-profit organizations can each submit **one application (project) per intake**. Regional Districts can submit **one application for each community in their area**, where a community is a settlement area within a regional district electoral area or an established or proposed service area.
- **Re-application:** If a project was not approved under a previous intake, an applicant can re-enter and submit the same or revised project or can submit a different project.

3.2 PROJECT SIZE AND PHASING

- **Grant size limit:** There is no maximum allowable grant size per project, but consideration will be given to a fair distribution of funding. Funding chances may be better if the requested grant is under \$13.4 million, which is 10% of the \$134 million of total funding available for the intake. For large projects, applicants should consider whether phasing is an option but should submit the project that gives the best value for the given cost.
- **Project phasing:** If applying for one phase of a larger project, the phase should independently meet program outcomes and requirements. Please ensure the Project Description and Detailed Cost Estimate clearly identify how the project will be phased. Approval of one project phase does not guarantee that other phases will receive funding.

3.3 COST-SHARING AND OTHER FUNDING

- **Cost-sharing:** The program is cost-shared between the federal government, BC provincial government, and the applicant, as indicated in the table below. Applicants must cover all project costs outside the approved grant amount, including the balance of eligible costs, any costs deemed ineligible during project review, and any cost over-runs.

Ultimate Recipient	Government of Canada (up to)	Province of BC (up to)	Total Government (up to)	Applicant (at least)
Local government	40%	33.33%	73.33%	26.67%
Indigenous off-reserve project site	75%	15%	90%	10%
Indigenous on-reserve project site	75%	0%	75%	25%
Not-for-Profit	40%	25%	65%	35%
Private sector For-profit	25%	15%	40%	60%

- **Other funding sources:** Where the applicant has applied for funding from other federal or provincial programs, these funding sources must be indicated in the application and in the Confirmation of Funds document. Other funding sources must be disclosed by the successful recipient up to the completion of the project.
- **Claims-based:** The program is claims-based, so applicants must be prepared to carry all project costs until claims for eligible costs are reimbursed through the program.

3.4 FEDERAL STACKING

Applicants with confirmed or potential sources of other government funding for their project should note that this program is subject to 'federal stacking' rules that are determined and confirmed by the Government of Canada during review of funding applications:

- Federal funding toward the project is limited to the contributions in the table above from all federal sources. There is an exception for Indigenous applicants who may, with approval from Infrastructure Canada, use other sources of federal funding up to 100% of eligible project costs.
- Applicants should familiarize themselves with stacking rules under other federal programs, which may be affected by ICIP funding. For example, the Gas Tax Community Works Fund counts as federal funding and cannot be used for the applicant's contribution to the project. In comparison, the Green Municipal Fund through the Federation of Canadian Municipalities counts as municipal funding, not federal funding.
- Applicants may utilize smaller provincial funding contributions towards their share of project costs. The preference is for the applicant to separate the project scope under multiple funding programs to have clearly distinct projects under each.
- In all cases, no more than 100% of project costs will be funded. It is the responsibility of ultimate recipients to declare any overlapping funding.
- Project applications under ICIP should ideally represent a standalone project funded solely under the program (scope distinctly separate from projects approved under other senior government programs) to avoid stacking and other program conflicts. Applicants are encouraged to phase projects where possible to achieve this where the program outcome can still be strongly met on completion of the phase.

3.5 SELECTION PROCESS AND CRITERIA

The Program is merit based and projects are subject to a comprehensive technical ranking assessment and internal provincial review, with a list provided to the Oversight Committee and recommendations submitted to Canada for final approval. Previous intakes have been oversubscribed, and not all good applications have been able to be awarded funding.

Applicants must ensure their application demonstrates how the project will be eligible for funding, how its benefits align with one or more Program outcomes and criteria in the application form and this Guide, and how it is supported by sustainable management and planning.

A Preliminary Greenhouse Gas (GHG) Assessment with calculations will be required as part of the application and will be an important factor upon which projects are evaluated. Guidance on completing this assessment can be found on the CCF webpage. Note that a full Climate Lens must be conducted and will be required following provincial approval in principle and prior to federal approval. See the following section for further information.

Projects will be evaluated on how well they meet the following:

- represent good value for money;
- contribute to community objectives and be based on community need for services;
- enhance and protect public health;
- enhance and protect environmental health;
- support sustainability principles;
- are consistent with integrated long-term planning and management;
- demonstrate efficient use of resources throughout the life of the assets created;
- are situated within, and advance, the organization's capital works and financial plans;
- exhibit long-term sustainability, including operational viability, asset management for sustainable service delivery, and environmental sensitivity;
- able to be financially supported by the organization over the life of assets created including lifecycle and renewal costs;
- supported by a high level of planning and appropriate levels of service and demand;
- contribute towards reduction in demand for natural resources;
- consider adaptation and mitigation to climate change; and
- use the best available economically feasible technology, if applicable.

Projects supporting the key actions of British Columbia's commitments under the [Pan-Canadian Framework on Clean Growth and Climate Change](#) may be given additional priority.

The internal provincial review may include consideration of factors such as regional distribution of funding, previous funding, communities in need, and unmitigated project risks.

4. APPLICATION PROCESS

Applicants are responsible for ensuring full and accurate information is submitted. Applications will not be reviewed unless all necessary information has been submitted, including mandatory documents.

4.1 OVERVIEW

Please ensure your application addresses the following:

- Application form and mandatory documents have been filled out in full and submitted online using the Local Government Information System (LGIS).
- Application must be submitted by an "eligible applicant," as defined in that section.
- Application must be for an "eligible project," as defined in that section.
- Application includes an authorization to proceed with the project from all appropriate approval authorities.
- Application includes a commitment to pay the applicant share of the eligible costs and ongoing (operating and other) costs associated with the project.
- Project is consistent with applicable provincial, regional, municipal, or band plans (e.g., land-use, integrated watershed management plan, municipal official plans, Integrated Community Sustainability Plans).
- Major risks with a potential impact on the project during construction or once completed have been considered, and, where applicable, a mitigation plan developed.
- All applicable legislative or regulatory requirements have been or will be met. This includes requirements for a Federal Environmental Assessment (FEA) process, provincial Environmental Assessment process and requirements for Indigenous Consultation. Where a project is excluded from a review under the federal [Impact Assessment Act](#), it may require permits or approvals from local, regional or provincial government agencies. It is the applicant's responsibility to ensure that any additional approvals and permits are identified and/or obtained.
- Where a building is constructed or material rehabilitated, the energy efficiency requirements of the [National Energy Code of Canada for Buildings 2017](#) will be exceeded by 25% or the building will rank in the equivalent of the top 25% of its building type under ENERGY STAR (certification not required), as well as meeting or exceeding any applicable energy efficiency standards for buildings outlined in the [Pan-Canadian Framework on Clean Growth and Climate Change](#). Additional resources include:
 - BC Energy Step Code <https://energystepcode.ca/publications/>
 - BC Building Code BC Energy Efficiency <https://www2.gov.bc.ca/gov/content/industry/construction-industry/building-codes-standards/energy-efficiency>

- For newly constructed or materially rehabilitated infrastructure intended for use by the public, the project will provide appropriate access for persons with disabilities, including meeting or exceeding the requirements of the Canadian Standards Association Technical Standard Accessible Design for the Built Environment (CAN/CAS B651-04) or any acceptable highest published accessibility standard, in addition to applicable provincial building codes and relevant local government by-laws.
 - BC Building Access Handbook:
https://www2.gov.bc.ca/assets/gov/farming-natural-resources-and-industry/construction-industry/building-codes-and-standards/guides/2014_building_access_handbook.pdf
 - Accessible design for the built environment:
https://www.csagroup.org/wp-content/uploads/B651-12EN_ACC.pdf

Projects that are selected for funding will be required to provide additional information as outlined in Appendices A and B prior to Canada's approval of a project.

4.2 APPLICATION PORTAL

Applicants must complete and submit an online application form via the Local Government Information System (LGIS).

Applicants must follow a two-step process to obtain access to the Local Government Information System (LGIS). A Business BCeID credential and password are required to access the online application in LGIS. After securing a Business BCeID, please submit BCeID credentials for LGIS grant portal access by May 4, 2022. See "Accessing the Online Application" for more details: https://www2.gov.bc.ca/assets/gov/driving-and-transportation/funding-engagement-permits/grants-funding/investing-in-canada/accessing_the_online_application.pdf

4.3 PROJECT INFO

- **Project location KML file:** The project location must be submitted in the form of a KML file. The map file should use placemarks for discrete facilities and polygons for projects with multiple buildings and rights-of-way. Please see instructions on the [CCF website](#).
- **Project description, works, and rationale:** In the Project Description, clearly indicate the proposed infrastructure within the grant scope. In the Project Works, list the size and number of all equipment and whether each will be installed, repaired, replaced, upgraded, or removed as part of the grant scope. In the Project Rationale, describe how the project aligns with local, regional, and provincial priorities.
- **Site plan:** A site plan should include the location and the general layout of the works to be included in the proposed project.
- **Feasibility study:** This study should be completed to report initial planning work and should identify what the project works will include, and why the project is being considered. It should also address capital and lifecycle expenditures, annual operating costs, emerging

technologies, environmental considerations and societal impacts. This study should include more information than will be supplied in the brief project description and list of works. This study can be completed by the organization itself or an external consultant, and existing work can be submitted to fulfill this requirement; a new study doesn't need to be commissioned in support of the grant application. Where no study exists, a summary of planning actions to date can be submitted.

4.4 FINANCIALS

The applicant must demonstrate that their share of funding has been (or is being) secured and that a plan is in place to recover any cost overruns beyond budgeted contingency. The application must also demonstrate that funds have been committed to operate, maintain, and save for asset replacement.

This section contains financial requirements on the following:

- Council/Board/Band Council Resolution
- Evidence of secured funds
- Detailed cost estimate
- Public tendering vs. sole-sourcing
- Operational costs and replacement savings
- Additional analysis of Local Governments

Council/Board/Band Council Resolution

A resolution or bylaw endorsing the project must be approved by the appropriate authorized governing body such as a municipal or regional district Council, not-for-profit or for-profit entity Board of Directors, or First Nation Band Council and must be submitted within one month of the program application submission.

The resolution or bylaw should commit the applicant to the following:

- Supports the organization applying to the CleanBC Communities Fund for a grant for the specific proposed project;
- Commits to contributing the applicant cost-share of eligible costs from a designated funding source; and
- Commits to cover any unexpected ineligible costs and project overruns.

Below is an example of a Resolution:

[organization letterhead]

The following is a true copy of the Resolution adopted by ORGANIZATION NAME at its COUNCIL meeting held on YYYY-MM-DD.

ORGANIZATION NAME hereby commits to the following regarding the PROJECT NAME:

- Apply for an ICIP CleanBC Communities Fund grant for the project;
- Cover up to \$X.X million of assigned funds from the organization's ACCOUNT NAME capital reserve (YYYY-MM-DD bank statement attached) towards the applicant share of eligible project costs under the grant program;
- Cover up to \$X.X million of assigned funds from the organization's BANK NAME loan (YYYY-MM-DD loan approval attached) towards ineligible project costs determined by the grant program, plus any potential overruns; and
- Seek additional grant and investor funding for the total remaining balance of project costs.

X_____ Authorized signatory 1

X_____ Authorized signatory 2

If the Resolution cannot be submitted as part of the grant application (e.g., due to timing considerations with Council/Board meetings), it **must be emailed to Program staff within one month of the application deadline**. Please indicate on the application form when submission of the resolution will be expected to occur.

If an appropriate Resolution is not received by Program staff within the allowed timeframe, the grant application will not be reviewed.

Evidence of secured funds

A preference may be given to funding projects that demonstrate secured funding.

Applicants must provide the following mandatory financial documents:

- **Confirmation of Funds worksheet** completed to summarize all funding secured (approved) and pending (under review); show how project costs will be covered outside the requested grant; and show the funding source(s) to cover potential overruns. The worksheet template is available on the CCF website: <http://gov.bc.ca/cleanbc-communities-fund>

- **Evidence of secured funds**, including proof that sufficient funds are **available and committed** (e.g., via Resolution) to cover the balance of project costs outside the requested CCF grant, including the applicant portion of eligible costs, expected and unexpected ineligible costs, remaining project balance, and any potential overruns.

This evidence may be in the form of:

- approval letter(s) from other funding program(s), including approval date, conditions (if applicable), and contact info;
- Council/Board/Band Council resolutions or staff reports from the applicant and partners, where applicable, committing the use of reserve funds or borrowing;
- recent bank statements showing available reserves;
- letter of approval for bank loans (for non-local governments);
- letter of investor intent or commitment and any associated conditions;
- Local Government loan authorization bylaw that has passed third reading and/or dated proof that borrowing has been approved through a formal public approval process, plus Liability Servicing Limit Certificate indicating that borrowing is within a local government's assent-free borrowing limit (separate from submission for approval by the Inspector of Municipalities);
- Not-for-Profit/For-Profit entity Financial Statement prepared *internally* for projects with eligible costs up to \$500,000 or reviewed by an independent public accountant for projects with eligible costs over \$500,000; and
- other evidence as agreed through discussion with Program staff.

Detailed cost estimate

All applicants must complete the Detailed Cost Estimate worksheet provided on the CCF website: <http://gov.bc.ca/cleanbc-communities-fund>

The Cost Estimate must include:

- **Date and party** prepared by
- **Cost estimate 'class'**: The preference is for cost estimates at Class C or better to provide more certainty on estimated costs and minimize unexpected costs increases. The classifications below are from [Engineers and Geoscientists BC](#):
 - **Class A (\pm 10-15%)**: Detailed estimate based on final specifications and drawings. Used to evaluate tenders.
 - **Class B (\pm 15-25%)**: Prepared after completing site investigations/studies and defining major systems. Based on a project brief and preliminary design. Used for project approvals and budgetary control.
 - **Class C (\pm 25-40%)**: Prepared with limited site information and based on probable conditions. Captures major cost elements. Used to refine project definition and for preliminary approvals.

- **Class D (± 50%):** Preliminary estimate based on little or no site information. Represents the approximate magnitude of cost, based on broad requirements. Used for preliminary discussion and long-term capital planning.
- **Appropriate contingency** for the cost uncertainty associated with the Cost Estimate 'class.' The contingency must be a separate line item and not bundled into other line items under Eligible Costs.
- **Itemized description, cost per unit of measure, and number of units**
- **Design and engineering costs**, which will be eligible costs under the Program only if incurred after final approval of the grant.
- **Eligible and ineligible costs** clearly defined
- **Phased project details:** If the proposed grant project is one phase of a larger multi-phase project, include only costs for the proposed phase. If the project is large and could potentially be broken into phases to accept a lower grant amount than requested, please use the 'Other phases' tab in the Cost Estimate worksheet to outline the costs for each phase in separate tabs. The project description must clearly describe the distinct phases of the project.
- **Impact Assessment costs**, if applicable under the federal [Impact Assessment Act](#), 2019 and others under the 'Regulatory Obligations' section of this guide.
- **Expected Climate Lens costs**

Important notes:

- It is necessary to provide **up-to-date, detailed, and complete cost estimates** and identify and account for inflation, increasing construction costs, and possible delays in start and completion dates.
- Factors that may delay construction include timing of funding announcement, public assent votes for borrowing, weather and construction seasons, Impact Assessment, right-of-way negotiations, regulatory applications, Indigenous consultation, etc.
- It is important to plan your project to start after final approval.
- This intake targets projects starting as early as 2023 and completing by March 2027.
- Design work can be included as part of Eligible Costs only if the costs will be incurred *after* final approval.
- Projects are suggested to be at an advanced stage of planning, but not 'shovel-ready.'

Public tendering vs. sole-sourcing

There is a strong expectation that project tenders and contracts be awarded using open, fair public tendering. More information can be found in Appendix B under 'Contract procurement.'

Projects that intend to award sole-sourced goods/construction contracts of \$40,000 or more (each) or service contracts of \$100,000 or more (each) will require a Federal Treasury Board review with up to 12 months longer review time before potential approval, in addition to the BC-INFC review time of 12 months, plus the risk of sole-sourcing not being approved.

Rather than sole-sourcing above the limits mentioned, it is highly recommended to utilize a 'best value' open public tender rather than 'lowest cost' for decision making.

Before considering sole-sourcing, please contact Program staff for guidance on de-risking your project.

After speaking to Program staff, if the applicant is still committed to awarding large sole-source contracts, please ensure the application states the following for each intended sole-source contract:

- estimated contract amount;
- target firm/contractor conducting the work;
- nature of the work (e.g., Project Management, Design and Engineering, Construction, etc.); and
- rationale for why sole-sourcing is necessary and financially beneficial compared to procuring goods or services through open public tender.

Operational costs and replacement savings

Projects must show how they will afford operation and maintenance (O&M) expenses for the proposed assets, including the annual amount and revenue source(s).

Projects must also show how they will afford end-of-life replacement of the proposed assets without requiring more grant funding for the replacement. The applicant should indicate the source of savings, expected annual savings, and projected savings over the asset lifetime.

Analysis of Local Government financials

The financial analysis of Local Government applicants will include a review of periodic financial information already collected by the Ministry of Municipal Affairs (Ministry) outside the grant application. Local governments should recognize that the ranking of applications may reflect the extent to which applicants have met financial criteria, such as having:

- met the deadlines for legislated financial reporting, including the financial plan, audited financial statements, Local Government Data Entry (LGDE) forms and Statement of Financial Information (SOFI);

- submitted the financial plan to the Ministry to meet requirements of section 165 of the Community Charter for municipalities and section 374 of the Local Government Act for regional districts; and
- measures of financial stability and sustainability which may include property tax structures and development costs charge structure.

4.5 GHG PRELIMINARY ASSESSMENT

All projects are required to complete a Greenhouse Gas (GHG) Preliminary Assessment. **The scope, methodology, calculations, and magnitude and percentage emission reductions in this assessment are the most important factors upon which projects are evaluated.**

The proposed project is to be compared to a *baseline*, which is what would have likely been built based on typical industry practices, community business plans, local conditions, recently constructed facilities, compliance with applicable federal, provincial, or municipal regulations, and minimum standards and codes.

Guidance on completing this assessment can be found on the CCF website.

4.6 REGULATORY OBLIGATIONS

Licenses, permits and approvals

All applicants are required to investigate and submit a list and statuses of licenses, permits, and approvals required for the project to proceed. This demonstrates that a project is on track and/or that the applicant has considered and commenced applications for these required items.

BC Environmental Assessment Process

Proposed projects or modifications to existing projects subject to the *British Columbia Environmental Assessment Act* (BCEAA) are specified in the Environmental Assessment Reviewable Project Regulations by project type, design capacity, and diversion or extraction rate. All applicants should review a copy of the regulations for information on projects that may be subject to the BCEAA. Information must be provided to Ministry of Municipal Affairs program staff on whether the project will be subject to BC Environmental Assessment.

Refer to BC Environmental Assessment Office's website or contact their office at:
2nd Floor 836 Yates St., PO Box 9426 Stn Prov Govt, Victoria, BC V8W 9V1
eaoinfo@gov.bc.ca / eao.gov.bc.ca

Federal Impact Assessment Act

The *Impact Assessment Act*, 2019 (the Act) and its regulations are the legislative basis for the federal practice of environmental assessment. A Federal Environmental Assessment (FEA) is a process to evaluate the environmental effects and identify measures to mitigate potential adverse effects of a proposed project. The Act ensures that the environmental

effects of a project are carefully reviewed before a federal department/agency decides to allow the proposed project to proceed.

Detailed information on the [Impact Assessment Act](#), 2019 and regulations can be found at the Impact Assessment Agency's website: canada.ca/en/impact-assessment-agency.html

All projects that receive funding through the Agreement must comply with the Act. However, since not all projects are on federal lands or affect the environment in a significant way, many projects may not require an environmental assessment under the Act. It is the responsibility of the applicant to determine the FEA requirements and contact the relevant Federal departments, as indicated below.

A FEA will be required under [Impact Assessment Act](#) 2019 if the project meets the definition of a designated project and or it is located on federal lands.

Designated projects

The Project List (Also known as the *Physical Activities Regulation*) identifies types of projects that may require an assessment under the Act:

<http://laws-lois.justice.gc.ca/eng/regulations/SOR-2012-147/page-1.html#docCont>.

Only projects on the designated project list require FEA or projects designated by the Minister due to potential for environmental effects or public concerns. Should the Project meet the definition of a designated project, applicants must provide to the Impact Assessment Agency of Canada a description of their proposed project to initiate the process.

Projects on federal lands

Projects on federal lands are subject to an assessment of environmental effects. Information must be provided to program staff on whether the project will be located on federal lands. Applicants must engage with the federal lands' owner to establish the process and requirements to meet the [Impact Assessment Act](#), 2019. For more information refer to the Impact Assessment Process Overview available at:

<https://www.canada.ca/en/impact-assessment-agency/services/policy-guidance/impact-assessment-process-overview.html>

Time and cost considerations

Time and costs involved in completing the FEA and associated studies will depend on site accessibility and the availability of local expertise, the nature and complexity of the project, potential environmental impacts and the level of public/Indigenous interest. When developing the project cost estimates, please consider the potential expenses involved in preparing a FEA.

Dialogue with environmental agencies

For projects that require a FEA, applicants are encouraged to contact relevant federal departments or provincial ministries (e.g., Fisheries & Oceans Canada, Environment Canada - Canadian Wildlife Service or BC Ministry of Environment). A proactive discussion with such agencies during the project-planning phase will assist in identifying potential environmental impacts and necessary mitigation measures.

IMPORTANT NOTE:

- Where necessary, ICIP funding is conditional upon completion of an environmental assessment review of the project under the Act with a satisfactory outcome.
- Starting BC and Canada environmental assessments early in the planning of a project will assist the British Columbia and the Government of Canada in discharging the legal duty to consult and, if appropriate, accommodate Indigenous peoples when the Crown contemplates conduct that might adversely impact established or potential Indigenous or Treaty rights.
- Successful applicants must agree to adhere to mitigation requirements as may be specified in the FEA and/or recommended by federal departments and agencies participating in the review process.
- Any changes to the scope of the project while it is underway could re-open the FEA review and cause the project to have construction delays. In addition, project scope changes need to be brought to the Ministry program staff immediately as they need the Province's approval prior to going forward with any changes to the original approved scope.

Other regulatory considerations

Projects must meet all applicable federal and provincial environmental legislation and standards. Even though a project is excluded from a review under the [Impact Assessment Act](#), 2019 it may require permits or approvals from local, regional or provincial government agencies. It is the applicant's responsibility to ensure that any additional approvals and permits are obtained.

4.7 INDIGENOUS CONSULTATION

Applicants may be required to consult with Indigenous groups if the project is in an area where Indigenous communities have potential or established Indigenous or Treaty rights. It is the responsibility of the applicant to determine whether the project requires consultation with Indigenous groups. Information must be provided to program staff on whether the project will be subject to Indigenous Consultation.

If required, Canada must be satisfied that, for each Project:

- Indigenous groups have been notified and, if applicable, consulted;

- If applicable, a summary of consultation or engagement activities has been provided, including a list of Indigenous groups consulted, concerns raised, and how each of the concerns have been addressed, or if not addressed, an explanation as to why not;
- Accommodation measures, where appropriate, are being carried out by British Columbia or Ultimate Recipient at their own cost; and
- Any other provided information that Canada may deem appropriate.

No site preparation, vegetation removal, or construction will occur for a Project and Canada has no obligation to pay any Eligible Expenditures that are capital costs, as determined by Canada, until Canada is satisfied that any legal duty to consult or accommodate Indigenous groups has been met.

For more information on British Columbia's consultation resources and consultation policy:
<https://www2.gov.bc.ca/gov/content/environment/natural-resource-stewardship/consulting-with-first-nations>
<http://www2.gov.bc.ca/gov/DownloadAsset?assetId=9779EDACB673486883560B59BEBE782E>

4.8 PROJECT RISKS

Projects should be well planned, support local and provincial priorities, provide long-term community benefits, and support sustainable infrastructure management. Applications should demonstrate that project risks have been considered and sufficiently mitigated.

Projects may not be funded if they present unmitigated risks to program funders, including:

Financial risks

- Council/Board/Band Council resolution not committing the balance of project costs;
- incomplete cost estimate, including date, class, and all eligible and ineligible costs;
- insufficient contingency for the cost estimate 'class';
- unreasonably high costs for the solution chosen;
- unsecured funds for the balance of project costs;
- other federal funding that violates federal 'stacking' for non-Indigenous applicants; or
- applicant unlikely to be able to carry project costs until claims are reimbursed.

Operational risks

- insufficient partnership agreement or memorandum of understanding, if applicable;
- insufficient applicant involvement or skilled capacity in owning and operating assets;
- insufficient feedstock arrangements or agreements;
- insufficient purchase agreement for project outputs (e.g., biogas, heat, electricity); or
- project unlikely to provide the desired level of service.

Technical risks

- inappropriate project scope, solution, or complexity; or
- high likelihood of significant scope change due to limited project planning.

Environmental and climate risks

- project site unmitigated inside a 200-year floodplain;

- unacknowledged or unmitigated wildfire or other climate risks; or
- high negative environmental impacts;

Legal risks

- project land not yet secured; or
- significant permits difficult to obtain or likely to compromise project timelines or costs.

Public support risks

- demonstrated or highly likely public resistance to the project; or
- significant negative impacts on other local organizations and businesses.

Indigenous consultation risks

- high impacts on the land, livelihood, or culture of nearby or downstream First Nations.

Schedule risks

- previous phase of a multi-phase project not complete before grant approval; or
- project not likely to be completed by March 2027.

Federal review risk

- insistence on large sole-source contracts without compelling rationale.

4.9 SUPPLEMENTARY DOCUMENTS

Supplementary documents must be uploaded to the LGIS portal during grant application. Documents should be clearly labelled, succinct, and uploaded in a searchable format, if possible. The upload limit is 15 MB per file and ZIP files are not accepted. For large documents, please ensure your application responses make reference all relevant sections and/or page numbers in your attached documents.

Mandatory documents

The online application will also require a statement by a Financial Approver and Project Manager certifying that the information contained is correct and complete.

Following are examples of mandatory documents that may vary by applicant type and project:

- Council/Board/Band Council Resolution
- Letter of support from relevant local government or Indigenous community required for For-Profit, Not-for-Profit, or Indigenous Not-for-Profit applicants, if applicable
- Detailed Cost Estimate (see template on CCF website)
- Confirmation of Funds (see template on CCF website)
- Evidence of secured funds
- Project location KML file (see directions on CCF website)
- Site plan/map
- Project Study or Plan
- List and status of required licenses, permits, and approvals
- Preliminary Greenhouse Gas Assessment and calculations
- Community Energy Plan for efficient and/or reliable energy projects

Optional documents

The following documents may be used to support the application; however, the relevant information should be referenced within the application:

- Partnership agreement, Memorandum of Understanding (MOU), or letter of support from any formal project partners, including any proposed to share asset ownership or revenue
- Feedstock supply agreement for biomass, biogas, or other required process inputs
- Energy Purchase Agreement for renewable natural gas, heat, or electricity produced
- Letters of support from community groups, businesses, etc.
- Options Assessment
- Business Plan
- Cost Benefit Analysis or other study
- Design drawings or details
- Asset Management Plan

Appendix A: REQUIREMENTS BEFORE FINAL APPROVAL

Shortlisted projects will be given initial ‘approval in principle’ by the Province, where additional requirements must be met prior to the project being formally accepted into the program. The intent of the Provincial “approval in principle” is to give applicants some assurance that funding will be received prior to having to complete these additional requirements.

The following may be required prior to Canada’s approval of a project into the program:

- Climate Lens assessment
- Environmental assessment and Indigenous consultation info
- Community Employment Benefits assessment
- Value Engineering assessment
- Federal Treasury Board business case

CLIMATE LENS ASSESSMENT

A full Climate Lens must be completed later in the review process, following provincial ‘Approval in Principle’ and prior to federal final approval.

The federal Climate Lens is a key tool for assessing the climate impacts of the infrastructure being funded through ICIP as part of Canada’s broader climate goals. The tool encourages applicants to consider how their projects can reduce GHG emissions and increase resilience to climate change, which benefits their communities and creates jobs. The main goal of the Climate Lens is to raise awareness of climate change risks and impacts associated with projects and encourage improved choices by project planners, designers, and decision-makers.

The 2021 federal Climate Lens has two key sections:

- **GHG Emissions and Mitigation** looks at the estimated GHG emissions impact of an infrastructure project and uses information from the Preliminary GHG Assessment submitted at time of application and other supporting documents submitted by the applicant. This section requires a complete description of the estimation methodology, details on assumptions, and easy-to-follow calculations.
- **Climate Resiliency** examines the risk and resilience of the project to climate-related disruptions and impacts, including mitigation measures, where possible.

Costs associated with the Climate Lens are eligible as part of the grant funding. For more information, please see the General Guidance document:

<http://infrastructure.gc.ca/pub/other-autre/cl-occ-eng.html>

ENVIRONMENTAL ASSESSMENT AND INDIGENOUS CONSULTATION INFO

A federal form must be completed for Infrastructure Canada to determine any federal Impact Assessment requirements and requirements for consulting nearby Indigenous groups.

COMMUNITY EMPLOYMENT BENEFITS ASSESSMENT

Unless waived at the discretion of British Columbia, projects with total eligible costs of \$25 million or more must complete a federal Community Employment Benefits (CEB) assessment to report on the project benefits to at least three target groups, such as apprentices, Indigenous peoples, women, persons with disabilities, etc.

CEB requirements can be found at: <http://infrastructure.gc.ca/pub/other-autre/ceb-ace-eng.html>

VALUE ENGINEERING ASSESSMENT

For projects with total eligible costs of \$15 million or more and a sufficiently complex nature, a Value Engineering assessment is required. If a project is shortlisted, program staff will discuss with the applicant the benefits, scope, and requirements of a Value Engineering assessment.

FEDERAL TREASURY BOARD BUSINESS CASE

Projects involving any **one** of the following will require a Federal Treasury Board review:

- federal assets;
- total funding contributions of more than \$50 million from federal sources;
- private sector For-Profit applicant;
- private sector For-Profit entity owns more than 49% of project assets; or
- intended sole-source contracts of \$40,000 or more per contract for goods/construction or \$100,000 or more per contract for project services.

If a project is shortlisted and triggers any of the above, the applicant must fill out a Federal Treasury Board Business Case template from INFC and provide supporting documentation.

Federal Treasury Board review can result in up to 12 months longer for grant approval, in addition to INFC review time.

Appendix B: REQUIREMENTS AFTER FINAL APPROVAL

Successful recipients will be notified in writing if their application is approved.

All projects will be expected to be substantially complete within the dates set out in their Shared Cost Agreement. The third intake of the Program supports projects that can be completed between summer 2023 and March 31, 2027.

ASSET REVENUE AND DISPOSAL

Disposal of Assets

Within the Shared Cost Agreement, ultimate recipients will need to maintain ongoing operations and retain title to and ownership of an asset for at least five years after substantial completion, except when the asset is transferred to Canada, British Columbia or a municipal or regional government, and with Canada and the Province's consent.

Revenue from Assets

Senior government contributions are meant to accrue to the public benefit. Within the Shared Cost Agreement, there will be a requirement that funded assets owned by a for-profit Ultimate Recipient will not generate revenues that exceed its operating expenses within the Fiscal Year during the asset disposal period. Where funding is used by a for-profit private sector body for the purpose of the ultimate recipient generating profits or increasing the value of its business, repayment of any contribution funding will be required.

For-profit entities please refer to Section 24.2 'Revenue from Assets' in the Canada/BC Integrated Bi-lateral Agreement found on the ICIP website:

<http://infrastructure.gc.ca/prog/agreements-ententes/2018/2018-bc-eng.html>

SHARED COST AGREEMENT

'Shared Cost Agreement' means an agreement between the Province of British Columbia and a Recipient regarding partial financial contributions to an approved project. After final federal approval of the grant, BC will prepare the Shared Cost Agreement with funding terms and conditions. Funding is conditional upon a signed Shared Cost Agreement between the recipient and the Province.

PROCUREMENT AND CONTRACTS

‘Contract’ means a signed agreement between a Recipient and a Third Party, whereby the latter agrees to contribute a product or service to a project in return for financial consideration, which may be claimed as an eligible cost.

All contracts must be awarded in a way that is fair, transparent, competitive, and consistent with value for money principles.

The following objectives for procurement activity for goods, services and construction are based on the principles of fair and open public sector procurement: competition, demand aggregation, value for money, transparency, and accountability:

- applicants receive the best value for money spent on contracts;
- vendors have fair access to information on procurement opportunities, processes and results;
- acquisition opportunities are competed, wherever practical;
- applicants only engage in a competitive process with the full intent to award a contract at the end of that process;
- applicants are accountable for the results of their procurement decisions and the appropriateness of the processes followed;
- the cost of the procurement process, to both vendors and applicants, is appropriate in relation to the value and complexity of each procurement;
- contracts are awarded in accordance with the [Canadian Free Trade Agreement](#) and international trade agreements if applicable; and
- acquisitions are managed consistent with the policies of the Province of BC, which can be accessed at: <https://www2.gov.bc.ca/gov/content/governments/policies-for-government/core-policy/policies/procurement>

Applicants are responsible for:

- planning, managing and fully documenting the process to acquire goods, services and construction;
- managing solicitation and contract award processes in a prudent and unbiased manner that fairly treats all potential vendors and bidders;
- ensuring that contracts for goods, services and construction are designed to provide the best value; and
- ensuring that all acquisitions are consistent with policy and applicable legislation.

It is expected that all contracts for works associated with projects that are approved for funding will be publicly tendered. **Where this is not feasible or practicable, recipients must inform, in writing, the Ministry for approval before proceeding with the project.**

The Province reserves the right to review a Recipient’s procurement and tendering policies relating to contracts for works associated with projects funded through this program at any time from project approval to a date three years after project completion.

Two resources are available to help applicants to achieve excellence in the awarding of contracts in a way that is transparent, competitive, and consistent with value for money principles:

- **Master Municipal Construction Documents Association (MMCD)** provides its members with standardized contract documents and training programs to maximize the benefits of the documents. The Province of British Columbia encourages British Columbia Municipalities to use the Master Municipal Construction Documents for the construction of municipal services. Many B.C. local governments have been, and continue to, subscribe to the MMCD documents, certification, training and procedures. For further information about MMCD access its website at: <https://mmcd.net>
- **BC Bid**, the e-Procurement site of the Province of British Columbia can be accessed at: <https://bcbid.gov.bc.ca/open.dll/welcome>

COST OVERRUNS

The Program will be fully allocated and oversubscribed. Recipients of grant funding will be responsible for managing project risks, including cost increases, as the Program is not designed to deal with cost overruns. Any project cost increases will be the responsibility of the Ultimate Recipient.

ACCOUNTING RECORDS

Applicants must maintain acceptable accounting records that clearly disclose the nature and amounts of the different items of cost pertaining to the project. These records should include both the records of original entry and supporting documents of the applicant, divisions or related parties, and any third party, named in the application or contract, as appropriate to the project. Applicants must retain accounting records for a minimum of six years after the end date of the IBA for ICIP between Canada and BC.

Failure to keep acceptable accounting records and tender documents may result in a cessation or interruption in funding and impact future funding.

The Province can require applicants to provide details of the types and amounts of all fees for consultants and contractors.

CLAIMS

To receive both the federal and provincial governments' contributions for approved projects, claims must be submitted for eligible costs to the Ministry. Only costs incurred, paid and consistent with and comparable to those identified in the signed shared cost agreement are eligible for reimbursement. Where multiple projects are ongoing (e.g. through different grant funding programs or through a phased approach), please ensure that claims are specific to the approved project only.

Claims must be completed and submitted online using the LGIS. The online claim form requires summary of expenditures information, including: name of payee, date paid, work rendered

start/end dates, invoice number, invoice date, etc. Current progress report and budget forecast reports must be submitted online to the Ministry via LGIS and technical conditions must be met for claim reimbursement. All projects are subject to site visits and audit at any time during the project and up to the later of the end date of the IBA for ICIP between Canada and BC or up to three years after the final settlement of accounts.

REPORTING

Periodic reporting

Monthly Budget Forecast Reports and quarterly Periodic Progress Reports will be required to update federal and provincial partners on project timelines, percentage completion, milestones, forecasted expenses, and other information. Progress reports are required regardless of whether a claim has been submitted or whether construction has begun. The reports are required for the period between project approval and project completion and must be submitted online using the LGIS online portal.

Additional reporting requirements

Contract conditions will also be included in the Shared Cost Agreement, requiring documentation related to best practice and sustainable infrastructure management. These will be tied to the payment of interim and final claims.

Examples of contract conditions included in past intakes include:

- confirmation that required permits have been received and/or that the design and construction meet associated regulatory requirements;
- a list of energy efficient features and equipment used in the project;
- for projects that develop a new groundwater source, use of best practices as detailed in the Province's Well Head Protection Toolkit, including a Wellhead Protection Plan;
- a summary of the state of asset management practice within the organization in reference to the Asset Management BC (AMBC) Roadmap and/or AssetSMART 2.0 on the AMBC Resources page under "AM Roadmap" and "Tools and Resources":
<https://assetmanagementbc.ca/documents/>;
- confirmation that the system and operators are or will be certified under the BC Environmental Operators Certification Program;
- confirmation that a new building exceeds the energy requirements under the National Energy Code for Buildings by at least 25%;
- an asset renewal profile for the asset group related to the project.
- Pledge/commitment for updated Climate Action Plan/CEEP, including:
 - Completion of an Electric Vehicle (EV) charging infrastructure strategy;
 - Adoption of EV ready bylaws requiring all new residential parking spaces in single-family and multi-unit residential buildings to have Level 2 energized outlets;

- Signing onto the West Coast Electric Fleets Pledge;
- Joining the EV Peer Network;
- Implementing incentives to carpool using High Occupancy Vehicle lanes such as a DECAL program allowing priority parking rights;
- Adoption of an organic diversion bylaw;
- Incentivizing energy efficiency in homes and industry

COMMUNICATIONS

Procedures

An important aspect of the program is to communicate its impact in helping improve the quality of life in British Columbia communities. The purpose of joint communications activities is to provide information on the Program to the public in a well-planned, appropriate, timely and consistent manner that recognizes the benefits of the initiative and the contribution of all parties.

A communications protocol will be set out within the Shared Cost Agreement. Signage recognizing funding contributions will also be required.

Notification regarding public events

Please contact the Ministry at least 15 working days prior to any scheduled public events. The federal and provincial Ministers, or their designated representatives, regularly participate in the events, thus need time to schedule for such an occasion.

PROJECT CHANGES

Applicants must advise the Ministry **in writing** of any variation from the approved project. Before any changes are implemented, they must be approved by the Ministry.

Changes that require written approval are those that deviate from the Shared Cost Agreement, generally project description/scope or project completion date. Costs that are outside of the current terms of the contract may not be able to be reimbursed.

Applicants should keep project contact information up to date through the LGIS online portal.

Appendix C: FEDERAL OUTCOMES AND TARGETS

Ultimate recipients are required to report on outcomes and associated targets through the Province to Canada for the ICIP – Green Infrastructure – Climate Change Mitigation Sub-Stream projects completed in British Columbia. Below are the federal outcomes and targets that are associated with this program for ease of reference. Projects must meet at least one of the outcomes in the following table:

ICIP Climate Change Mitigation <u>outcomes</u>:
Increased capacity to manage renewable energy
Increased access to clean energy transportation
Increased energy efficiency of buildings
Increased generation of clean energy

ICIP Climate Change Mitigation <u>targets</u>:
Contribute to a national ten megatonne (10 mT) reduction of greenhouse gas emissions.
Ensure one hundred percent (100%) of federally funded public-facing infrastructure meets the highest published applicable accessibility standard in a respective jurisdiction.

Appendix D: EXAMPLES OF ELIGIBLE AND INELIGIBLE COSTS

The following are examples only and are based on staff knowledge of past federal-provincial programs and program criteria. The determination of whether costs are eligible will ultimately rest with program staff. If a cost is not listed below, contact program staff prior to undertaking associated work.

GENERAL

ELIGIBLE	INELIGIBLE
<ul style="list-style-type: none"> Costs paid under contract for goods or services considered to be direct and necessary to implement the project 	<ul style="list-style-type: none"> Any unpaid costs including invoices or holdbacks Accrued costs Any goods or services costs which are received through donations or in kind
<ul style="list-style-type: none"> Costs incurred after approval and on or before the project completion date stipulated in the Shared Cost Agreement and deemed properly and reasonably incurred 	<ul style="list-style-type: none"> Costs incurred prior to approval date and after project completion date as stipulated in the Shared Cost Agreement (with the exception of costs to complete Climate Lens assessments which are eligible prior to grant award if the project is successful in obtaining funding through the program)
<ul style="list-style-type: none"> Capital costs as defined by Generally Accepted Accounting Principles (except capital costs included in INELIGIBLE COSTS) 	<ul style="list-style-type: none"> Services or works normally provided by the Recipient, including: <ul style="list-style-type: none"> overhead costs salaries and other employment benefits of any employees of the Recipient <u>unless pre-approved by the Ministry and specifically related to the project</u> leasing of equipment except that directly related to the construction of the project purchasing equipment accounting fees incurred in the normal course of operation auditing fees incurred in the normal course of operation operating expenses and regularly scheduled maintenance

ELIGIBLE	INELIGIBLE
	<ul style="list-style-type: none"> • Land acquisition and real estate fees: <ul style="list-style-type: none"> ◦ leasing land, buildings and other facilities and related costs
	<ul style="list-style-type: none"> • Financing charges, loan interest payments legal fees (including those related to easements)
	<ul style="list-style-type: none"> • Taxes for which the Recipient is eligible for a tax rebate and all other costs eligible for rebates

ENVIRONMENTAL ASSESSMENT AND INDIGENOUS CONSULTATION

ELIGIBLE	INELIGIBLE
<ul style="list-style-type: none"> • Environmental reviews • Environmental costs • Remedial activities • Mitigation measures • Aboriginal consultation 	

Climate Change Lens Assessment Costs

ELIGIBLE	INELIGIBLE
<ul style="list-style-type: none"> • Greenhouse Gas Preliminary Assessment • Climate Lens Assessment 	

DESIGN AND ENGINEERING

ELIGIBLE	INELIGIBLE
<ul style="list-style-type: none"> • Fees paid to professionals, technical personnel, consultants and contractors specifically engaged to undertake the surveying, design, and engineering of a project 	
<ul style="list-style-type: none"> • Accommodation costs included in consulting fees or disbursement for out of town/province professionals 	<ul style="list-style-type: none"> • Any legal fees including those for land transfers (easements, Right of Way)

MATERIALS AND CONSTRUCTION

ELIGIBLE	INELIGIBLE
	<ul style="list-style-type: none"> • Cost of purchasing land and associated real estate and other fees • Value of donated land • Interim financing and interest costs • Appraisal fees • Land title fees • Leasing of land or facilities
	<ul style="list-style-type: none"> • Building permit charged by applicant to itself • Development cost charges
<ul style="list-style-type: none"> • Insurance related to construction 	<ul style="list-style-type: none"> • Liability insurance for directors
<ul style="list-style-type: none"> • Project management fees 	
<ul style="list-style-type: none"> • Material testing necessary to prove suitability of soils and specified structural elements 	
<ul style="list-style-type: none"> • Fencing for the construction site • Permanent fencing 	
<ul style="list-style-type: none"> • Towing heavy equipment to and from the construction site 	<ul style="list-style-type: none"> • Towing vehicles
<ul style="list-style-type: none"> • Security guard & First Aid attendant (contracted for construction project) 	<ul style="list-style-type: none"> • Ambulance for workplace accidents • First aid courses
<ul style="list-style-type: none"> • Furniture and/or equipment essential for operation of the project 	<ul style="list-style-type: none"> • Tools (e.g. hammer, saw, shovel, rakes, gloves) • Furnishing and non-fixed assets which are not essential for the operation of the asset/project
<ul style="list-style-type: none"> • Utility, electrical, sanitary sewer, and storm sewer set-up/connection services to the site property line 	<ul style="list-style-type: none"> • General repairs and maintenance of a project and related structures
<ul style="list-style-type: none"> • Safety equipment to be kept at the project site (e.g. safety goggles, beakers, eye wash bottles, latex gloves, UV lamp, vacuum hand pump, forceps, etc.) 	
<ul style="list-style-type: none"> • Fire protection equipment as required by the fire department 	
<ul style="list-style-type: none"> • Third party (contractor) rental of a trailer/site office 	
<ul style="list-style-type: none"> • Permanently installed 2-way radios, phone system for facility 	<ul style="list-style-type: none"> • Monthly bills for utilities and phone/internet
	Contributions in kind
<ul style="list-style-type: none"> • Fuel costs for rental equipment 	<ul style="list-style-type: none"> • Vehicle maintenance and fuel costs

ELIGIBLE	INELIGIBLE
<ul style="list-style-type: none"> • Temporary construction or permanent signage, specific to the project 	<ul style="list-style-type: none"> • General construction signs (e.g. detour, street closed)
<ul style="list-style-type: none"> • Relocation/renovation kiosk signs for public information 	<ul style="list-style-type: none"> • Temporary “Hours of Business” signs
<ul style="list-style-type: none"> • Surveys necessary to determine the site’s suitability for the intended purpose 	<ul style="list-style-type: none"> • Any other surveys except to determine the site’s suitability
<ul style="list-style-type: none"> • Demolition of unwanted structures from the site 	
<ul style="list-style-type: none"> • Landscaping to restore construction site to original state following construction • Installation of landscaping 	<ul style="list-style-type: none"> • Maintaining landscaping
<ul style="list-style-type: none"> • Newspaper/radio ads related to contract tenders and contract award notifications; or public safety, road closure or service interruption notices related to the project 	
<ul style="list-style-type: none"> • Printing and distribution costs for public information materials regarding the project 	
<ul style="list-style-type: none"> • Printing costs for preparing contract documents or tenders, blue prints, plans/drawings 	
<ul style="list-style-type: none"> • Courier services, specific to project e.g. delivering drawings/designs 	
<ul style="list-style-type: none"> • Paving of access and curb cuts 	

COMMUNICATION ACTIVITIES

ELIGIBLE	INELIGIBLE
<ul style="list-style-type: none"> • Any costs reasonably incurred to undertake joint federal and provincial communication activities, such as, but not limited to: <ul style="list-style-type: none"> - federal or provincial funding recognition signage - permanent commemorative plaques - A/V rental and set up costs - event equipment rental and set up costs, such as stage and podium for joint events - event photography 	<ul style="list-style-type: none"> • Media consultant • Event planners • Gifts • Hospitality costs, such as, but not limited to: <ul style="list-style-type: none"> - food/beverages - liquor - entertainment