



Infrastructure Canada

A stronger economy, cleaner environment
and liveable communities

Une économie plus forte, un environnement
plus propre, des collectivités habitables

Status Update on the New Building Canada Plan

June, 2015

Over 10 years of excellence

Plus de 10 ans d'excellence

INFC: Who We Are

**INFC serves as the focal point for the Government of Canada
on public infrastructure matters**

- Created as stand-alone entity in 2002 to manage Government of Canada's new infrastructure funding programs
- Reports through the Minister of Infrastructure, Communities and Intergovernmental Affairs
- One of the largest budgets in the government with small staff complement
 - 2013-14 appropriations almost \$4 billion
 - Current staff of ~350
- In 2013-14 became responsible for the New Bridge over the St. Lawrence project in Montreal

INFC: What We Do

- INFC manages federal contribution programs targeting provincial, territorial and municipal infrastructure
- Investments made under these programs help Canadians benefit from world-class public infrastructure from coast to coast to coast
 - Funding provided for infrastructure that is owned by other levels of government
 - We do not own or manage these assets
- Public infrastructure supports Canada's priorities:
 - **Economic competitiveness:** through funding for national transportation systems, trade corridors, and telecommunications
 - **Cleaner environment:** through funding for clean air, clean energy, public transit, waste
 - **Stronger communities:** through funding for local roads, clean water, recreation, culture, brownfield development
- Infrastructure funding has also been used to support larger national policy agendas:
 - Fiscal balance
 - Economic stimulus

**Core Public Infrastructure by Asset Owner
2010 Gross Capital Stock (Current \$)**

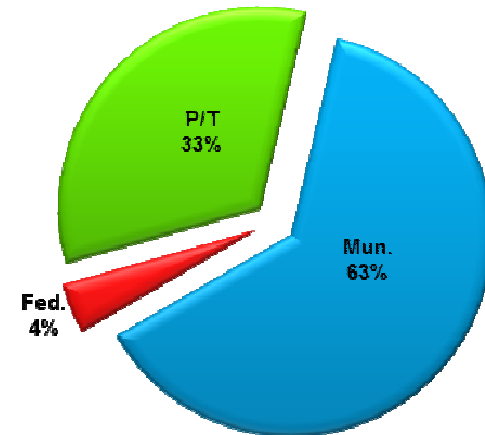
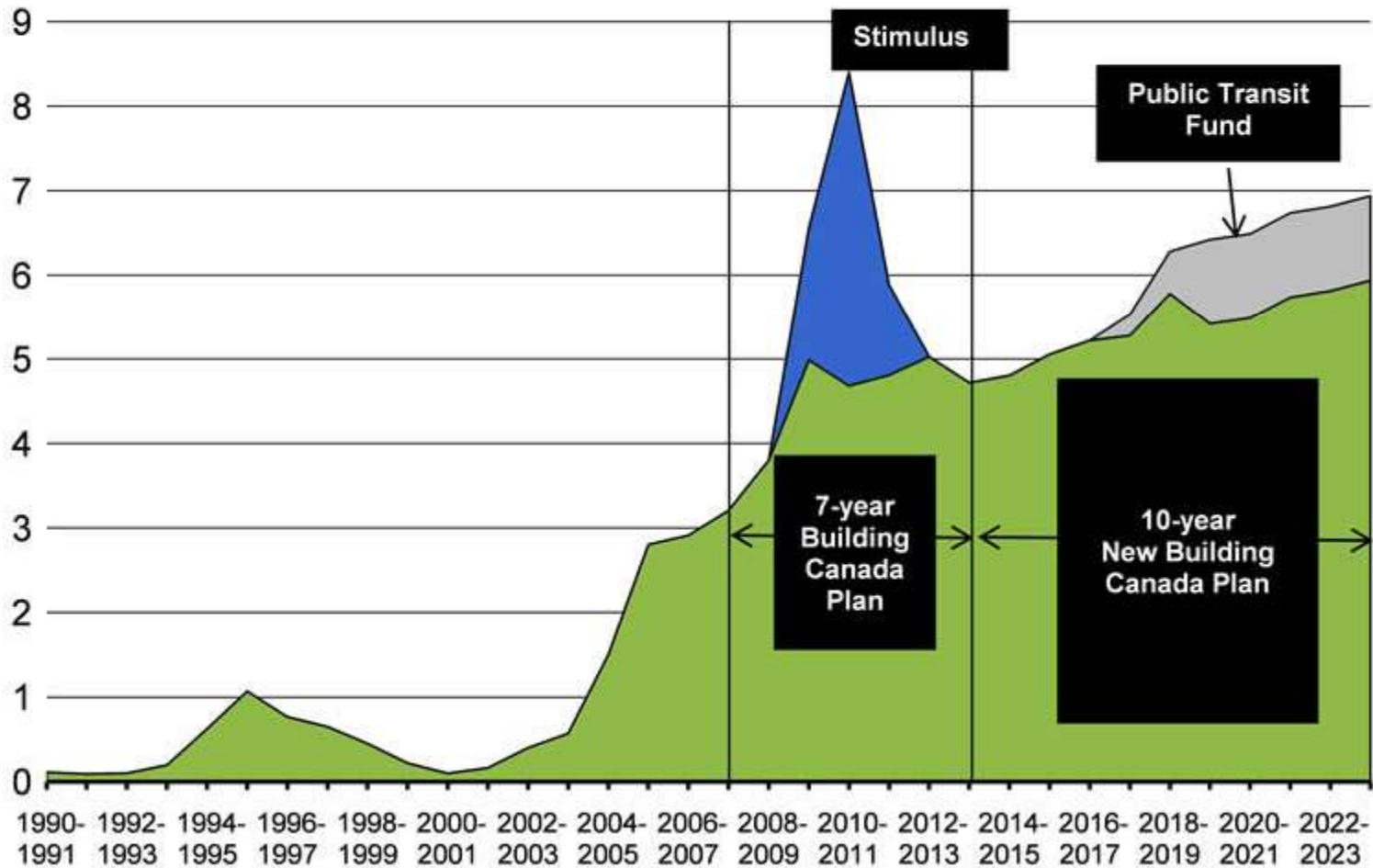


Chart 3.4.5 Federal Spending on Provincial, Territorial and Municipal Infrastructure With Public Transit Fund

billions of dollars

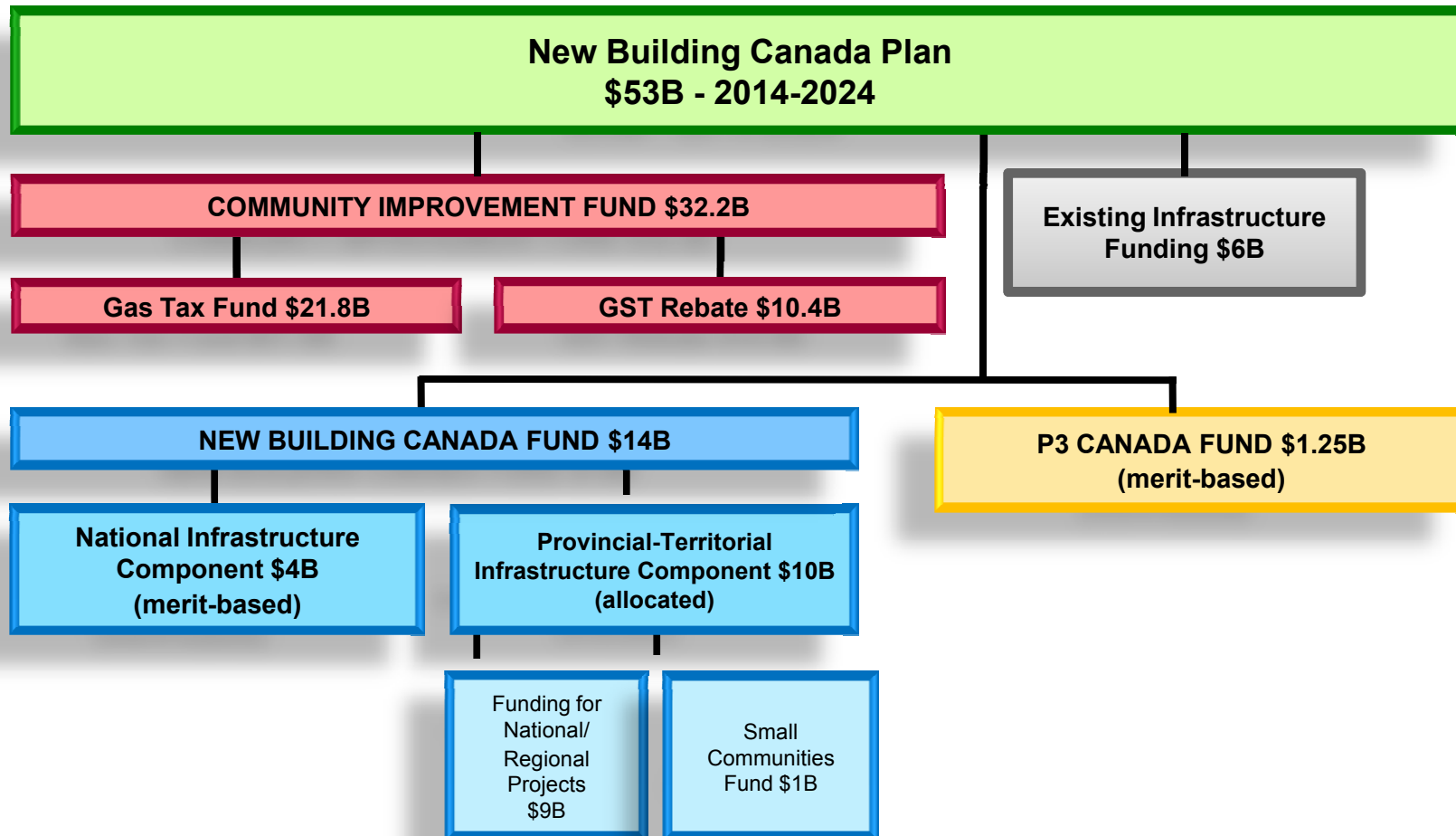


Current Program Suite

Program	Allocation	Budget	Project type	Status
Canada Strategic Infrastructure Fund	\$4.3 billion	Budget 2001	Major Projects	Funds committed
Municipal Rural Infrastructure Fund	\$1.2 billion	Budget 2003	Community projects	Funds committed
Building Canada Plan (2007)				
Major Infrastructure Component	\$7 billion	Budget 2007	Major projects	Ongoing
Communities Component	\$1.1 billion	Budget 2007	Community projects	Ongoing
Provincial-Territorial Base Funding	\$2.3 billion	Budget 2007	PT priority projects	Sunsetting
Green Infrastructure Fund	\$1 billion	Budget 2009	Major (green) projects	Ongoing
New Building Canada Plan (2014)				
Provincial Territorial Infrastructure Component	\$10B	Budget 2013	Major projects	New
National Infrastructure Component	\$4B	Budget 2013	Major projects	New
Gas Tax Fund on-going and indexed	\$2B/y +	Budget 2013	Community projects	Renewed
National Trails Coalition	\$10 million	Budget 2014	Recreational trails	Renewed

Infrastructure Canada programming also includes the support for the Inuvik-Tuktoyaktuk Highway, with \$200 million announced in Budget 2011 and augmented in 2013

New Building Canada Plan



The Gas Tax Fund (GTF)

- Key program features:
 - Upfront, predictable, long-term funding based on per capita allocations
 - Municipalities select projects
 - Canada pays in two instalments per year
- Budget 2013 announced some changes to the GTF:
 - Indexation at 2% per year, beginning in 2014-15 (increases in \$100M increments)
 - Added 11 eligible categories for more flexibility, including culture and recreation, increasing the total eligible categories under the NBCF to 18
 - Local roads and bridges and wastewater projects remain eligible under the new agreements
- GTF continues to be managed efficiently and effectively, in partnership with provinces, territories and municipal associations
 - All funds for 2014-2015 have been made available

Gas Tax Fund - Project examples

Annapolis County Bus Replacement

The Gas Tax Fund is contributing towards bus replacement in Annapolis County, Nova Scotia.

The new bus will provide a safer, cleaner and more efficient commute for passengers in western Annapolis County.

GTF Program contribution: \$281,080



Gas Tax Fund - Project examples

Queenston Bridge Rehabilitation

Restoration work has been completed on the Queenston Street Bridge, an important thoroughfare within the historic Village of Queenston, Ontario.



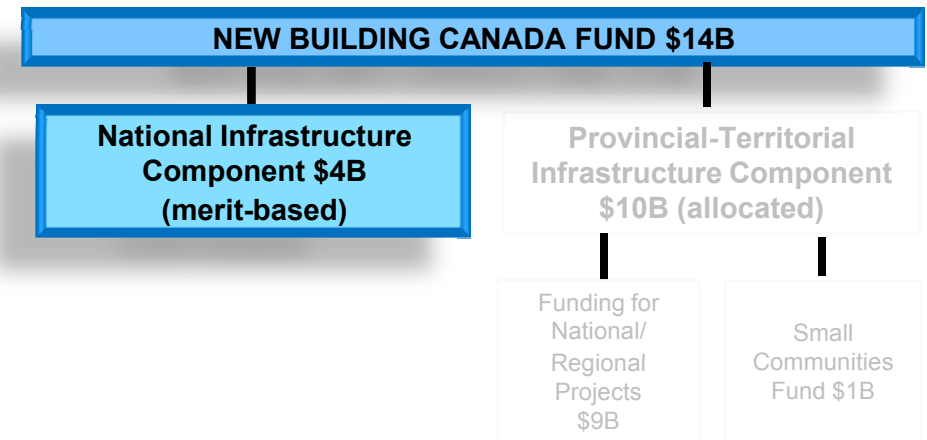
This project has extended the lifespan of the bridge and restored it to its full vehicle load capacity. Improvements were also made to the sidewalks and decorative parapets.

The work was made possible through a \$447,400 federal Gas Tax Fund transfer, with the remainder cost covered by the Town of Niagara-on-the-Lake.

New Building Canada Fund – NIC

National Infrastructure Component (NIC)

- \$4-billion fund for large, strategic infrastructure projects of national significance that support job creation, economic growth and productivity
- Projects are determined by merit and guided by federal priorities
- Eligible categories are limited to those that provide the greatest economic impact:
 - Highways and major roads
 - Port infrastructure
 - Public transit
 - Intelligent transportation systems (ITS)
 - Rail infrastructure
 - Disaster mitigation infrastructure
 - Local and regional airports



New Building Canada Fund – NIC Project example

Port of Montreal

The Government of Canada has committed over \$43 million towards the expansion of the Port of Montreal.

This project includes three components:

1. Container facility expansion;
2. Wharf improvements to accommodate larger ships; and
3. Improvements to road vehicle access.



New Building Canada Fund – NIC Project example

Fort McMurray International Airport Expansion

The Government of Canada has committed \$25 million for improvements to the Fort McMurray International Airport.

The project will expand the main terminal building and North terminal apron, and extend the main runway. Two new general aviation taxiways will also be built, as well as an emergency crosswind runway.

These enhancements will help Fort McMurray International Airport increase capacity and efficiency by improving the flow of passengers and goods.

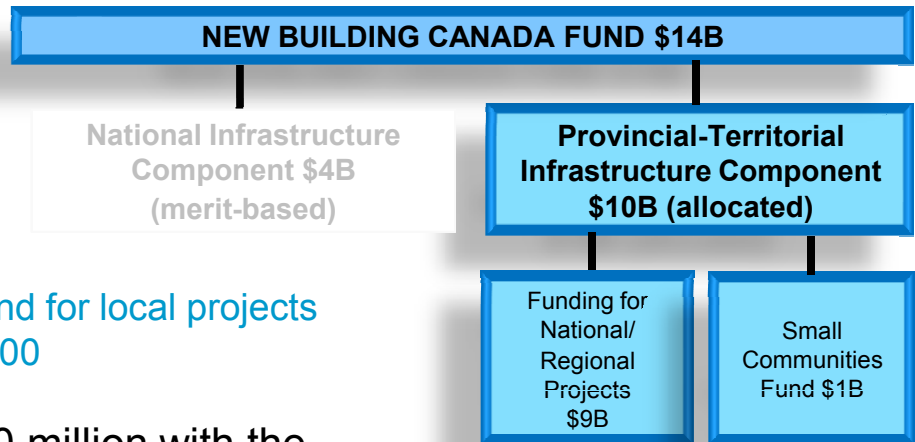


New Building Canada Fund – PTIC

Provincial-Territorial Infrastructure Component (PTIC)

- \$10-billion in allocated funding:
 - \$9 billion for national and regional projects
 - \$1 billion through the Small Communities Fund for local projects in communities with populations under 100,000
- Each PT will receive a base amount of \$250 million with the remainder of funding allocated on a per capita basis
- Eligible categories have been realigned to focus on those with strong economic benefits while contributing to a cleaner environment, and stronger communities:

<ul style="list-style-type: none"> ◦ Highways and major roads ◦ Public Transit ◦ Drinking water ◦ Wastewater ◦ Solid waste ◦ Green energy 	<ul style="list-style-type: none"> ◦ Short-line rail ◦ Short-sea shipping ◦ Regional and local airports ◦ Connectivity and broadband ◦ Disaster mitigation ◦ Brownfield redevelopment 	<ul style="list-style-type: none"> ◦ Innovation (<i>post-secondary infrastructure supporting advanced research and teaching</i>) ◦ Northern infrastructure (<i>territories only</i>)
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New Building Canada Fund – PTIC Project example

Souris Bridge Replacement, PEI

The Government of Canada has committed nearly \$4 million towards the replacement of the Souris Bridge on PEI.

The new structure will span over 128 metres and is expected to last 75 years. The new bridge will also stand a metre higher to account for rising sea level.

Total project cost: \$8 million

Contribution from PTIC-NRP: \$3.95 million



New Building Canada Fund – PTIC Project example

Edmonton Valley Line Southeast Light Rail Transit Phase I

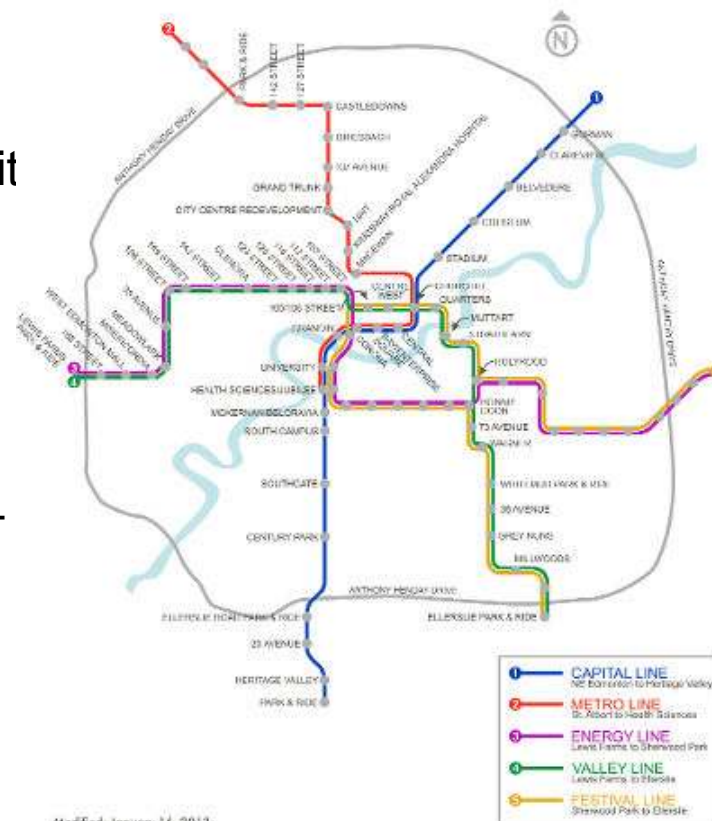
The Government of Canada is contributing up to \$400 million towards LRT expansion in Edmonton.

This project extends the Light Rail Transit System by 13.2 km, including a bridge over the North Saskatchewan River, a tunnel and an operations and maintenance facility.

This project will be delivered as a Public-Private Partnership.

Total project cost: \$1.8 billion
PTIC-NRP contribution: \$150 million
P3 Canada Fund: \$250 million

LRT System Line Names
 Potential LRT System Map



Modified: January 16, 2013

New Building Canada Fund – PTIC Project example

Highway 16 Twinning East of Saskatoon to Clavet

The Government of Canada is providing support for the twinning of nearly 20 km of highway and the construction of a bypass near Saskatoon, Saskatchewan.



Total project cost: \$58.5 million
PTIC-NRP contribution: \$22.8 million

New Building Canada Fund – PTIC Project example

Ottawa Combined Sewage Storage Tunnel

PTIC-NRP is providing funding two interconnected underground combined sewage storage tunnels in Ottawa, consisting of an east-west tunnel through the downtown core and a north-south tunnel, along with ancillary infrastructure.

The tunnels will provide additional storage of combined sewage and act as reinforcements for Ottawa's main wastewater pipe.

This project will help to reduce occurrences of combined sewer overflows and increase the overall reliability of the wastewater collection system.

Total project cost: \$232.3 million

PTIC-NRP contribution: \$63.09 million



NBCF Cost-sharing

Provinces

- The maximum federal contribution from all sources is 33% of the total eligible costs of a project, with the following exceptions:
 - **Public transit and provincially-owned highways and major roads** are cost-shared up to **50%**
 - Projects where the recipient is from the **for-profit private sector and projects delivered as P3s** are cost-shared up to **25%**

Territories

- The maximum federal contribution from all sources is 75% of the total eligible costs of a project, except for projects where the recipient is from the for-profit private sector where cost-sharing would be capped at 25%

NBCP – Support for P3s

Through the NBCP, the Government demonstrated its continued support for P3s and its commitment to further develop the Canadian P3 market

- **Binding P3 Screen**
 - For NBCF projects with total eligible costs above \$100 million
 - If the Screen determines that a project could be successfully procured through a P3 and a P3 procurement would generate better value for money, NBCF funding will be conditional on the project being delivered as a P3
 - P3 Screen administered by PPP Canada in consultation with INFC
- **Renewed P3 Canada Fund (managed by PPP Canada)**
 - \$1.25 billion over five years to support innovative P3 projects
 - Includes \$10 million to support procurement option analysis undertaken by Provinces, Territories, and Municipalities for the P3 Screen under NBCF
 - Would cover up to 50 percent of costs incurred to a limit of \$200,000 per project
 - Eligible project categories are consistent with existing program

NBCP – Asset Management

Budgets 2013 and 2014 committed to “encourage all jurisdictions to undertake life-cycle cost assessments and develop robust asset management plans”

- The renewed Gas Tax Fund includes jurisdiction-specific commitments to asset management and long-term planning that will contribute to an improvement in municipal asset management practices
 - Progress towards commitment will be asset through the PT Outcomes Report in 2018 and 2023
- In March 2015 the Business Case Guides for PTIC-NRP and NBCF-NIC were updated to include questions on the role asset management practices have on identifying projects submitted for federal funding
 - Information provided will not have an impact on the eligibility assessment of a project
- On March 19, 2015, Infrastructure Canada hosted a Roundtable on Asset Management to discuss state of asset management practices in Canada
 - Participants included representatives from GOC, PTs, municipalities, and stakeholder groups like CNAM, FCM and CAMA
 - Paper highlighting next steps to be distributed to participants shortly



New Building Canada Fund – Status

National Infrastructure Component

- We have announced over \$68 million in federal funding for 2 projects. Additional large projects of national significance are currently under review

Provincial-Territorial Infrastructure Component

- We have announced over \$1.125 billion in federal funding for 22 projects

Small Communities Fund

- To date, negotiations are progressing well with twelve agreements concluded.
- Twelve jurisdictions have begun the project selection process.
- SCF project announcements have taken place in Manitoba and New Brunswick

Gas Tax Fund

- All new Gas Tax Fund agreements have been signed and the \$2 billion has been made available to provinces and territories for municipal projects

Budget 2015 – Public Transit Fund Announcement

- Economic Action Plan 2015 proposes to provide PPP Canada Inc. with \$750 million over two years, starting in 2017-18, and \$1 billion annually ongoing thereafter for a new Public Transit Fund.



- Project selection will be on the basis of merit to those projects being delivered through alternative financing and funding mechanisms involving the private sector and that demonstrate value for money for tax payers, including P3s.
- Consultations with stakeholder are underway and the Government will announce further details about program parameters for the Public Transit Fund later this year.

Thank You

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