Local Growth and Sustainability Grant

Program guidelines



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| Local Growth and Sustainability Grant Program Guidelines |

Classification: Public

Glossary

This section provides definitions and explanations of key terms frequently used throughout the Local Growth and Sustainability Grant (LGSG) program guidelines. The glossary aims to provide clarity and understanding, ensuring local governments have a common understanding of the terminology used in the context of the LGSG program requirements, grant application and/or reporting. Glossary terms used in the guidelines are hyperlinked to this section (only the first usage of a glossary term in a section or sub-section will show the hyperlink in blue, but all uses are hyperlinked).

Affordable Housing: A dwelling unit where the cost of shelter, including rent and utilities, is a maximum of 30 per cent of before-tax household income. The household income is defined as 80 per cent or less of the Area Median Household Income (AMHI) for the metropolitan area or rural region of the local government. It generally targets lower-income populations and is often supported by government subsidies. Income thresholds utilized to determine affordable housing are published by Alberta Seniors, Community and Social Services.

Asset Management Plan: Asset management is a principle/practice that includes planning processes, approaches, plans, or related documents that support an integrated lifecycle approach to the effective investment in, and stewardship of, infrastructure assets to maximize benefits and effectively manage risk.

Attainable Housing: Housing that is accessible and affordable across a broader spectrum of incomes, including low to middle-income households, without necessarily relying on government subsidies.

Growth Pressures: Increasing demands and challenges that arise when a local government experiences rapid population growth, economic expansion, or development which affect the local government's ability to provide services.

Holdback: A portion of the grant funds that are withheld until certain conditions are met.

Independently Verifiable: Refers to the ability to validate the data, claims or justification supporting the funding request through objective, external sources (applies to both components). By ensuring the project information is independently verifiable, it will support proper ranking under LGSG, and ensures credibility and transparency.

Metis Settlements: The eight Métis communities governed by the <u>Metis Settlements Act</u> in Alberta, includes Buffalo Lake Metis Settlement, East Prairie Metis Settlement, Elizabeth Metis Settlement, Fishing Lake Metis Settlement, Gift Lake Metis Settlement, Kikino Metis Settlement, Paddle Prairie Metis Settlement, and Peavine Metis Settlement.

Mid-year Project Progress Update: An informal check-in on the project's status that occurs mid-year, covering key milestones and any significant developments since the last update. The update also provides an opportunity to emphasize the project's significance and may include formal communication or showcasing the project's milestones on the grant website.

Project Application: A formal request submitted by a local government to obtain acceptance from the Minister to apply LGSG funding to a specific project within the eligible project category (e.g., roads and bridges, drinking water, wastewater, etc.). It includes a description of the proposed asset(s), activities(s) and scope of work, estimated project costs, LGSG funding request, other funding sources, and estimated start and end dates.

Project Outcome: The measurable change expected as the result of a project.

Project Outcomes Report: A formal document submitted upon the completion of the project that provides a written summary of the project's outcomes. It may include key deliverables, performance metrics, positive community impact, and how the project met the LGSG objectives.

Statement of Funding and Expenditures (SFE): Annual reporting of financial information (e.g., total project costs, LGSG funding applied) and non-financial information (e.g. project status).

Urgent Infrastructure Breakdown: Sudden, severe, and/or unexpected infrastructure breakdown that requires immediate attention as it is causing immediate risks or disruption to the functionality or safety of core infrastructure.

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Local Growth and Sustainability Grant Program Guidelines

1. Guidelines

These guidelines are intended to assist local governments in participating in the Local Growth and Sustainability Grant (LGSG) and in complying with program terms and conditions. Before applying, local governments should consider both the general program information, including pre-screening questions, supplied in the main part of the guidelines and the component-specific information in the schedules.

2. Program Objective and Outcomes

LGSG provides funding of \$60 million from 2024-25 to 2026-27 (\$20 million being allocated in each fiscal year).

The objective of the LGSG is to provide funding to local governments to support infrastructure projects that:

- enhance and expand infrastructure in those local governments that are experiencing growth pressures;
- support new or expanding industrial, commercial, and residential development to advance economic activity in local governments to benefit residents; and/or
- address an <u>urgent infrastructure breakdown</u> that is impacting the health and safety of residents of a small community
 where the local government cannot fund the project with existing resources.

While the objective outlines the goals of the LGSG program, the program outcomes measure the achievements of the program. The anticipated LGSG program outcomes are:

- growth pressures are reduced in local governments;
- economic activity is increased in Alberta communities;
- health and safety risks are mitigated in Alberta communities; and
- critical infrastructure breakdowns are avoided and/or resolved.

Program outcomes will be achieved by funding infrastructure projects and other key activities at the local level. To measure progress towards the outcomes, local governments are required to report on project results (Refer to Section 10.3 for further information on <u>project outcome</u> reporting).

In support of the program objectives and outcomes, the program has two components:

Growth Component: Intended to help mid-sized local governments address growth pressures resulting from rapid population, tourism, and economic growth; attract investment and talent to Alberta by providing the appropriate infrastructure; create jobs; address housing challenges; and develop local economies. The need for infrastructure funding to address these growth pressures must be <u>independently verifiable</u>.

Sustainability Component: Intended to address <u>urgent infrastructure breakdowns</u> that pose a substantial health and safety risk to residents. The need for infrastructure funding to address the urgent infrastructure breakdown must be independently verifiable.

3. Key Dates and Contacts

| ACTIVITY | TIMELINE | CONTACT |
|--|--|--|
| Project Application Submission | Growth Component Submit by November 29, 2024 | Grant Advisor at |
| Statement of Funding and Expenditures (SFE) Submission | Due May 1 annually for local governments Due August 1 annually for <u>Metis Settlements</u> | |
| Mid-year Project Progress Update | Due annually (summer) for local governments and Metis Settlements | 780-422-7125 (toll-free 310-0000), or email |
| Project Outcomes Report | Due upon project completion | ma.lgsg@gov.ab.ca |
| Project Recognition and Communication Requirements | Ongoing: Refer to Section 11 | |

3.1 Application Intake

Funding applications for the **Growth Component** will be sent by the Minister to eligible local governments, with a single intake cycle in fall 2024. Successful projects are expected to be announced in early 2025.

Funding applications for the **Sustainability Component** will be made at the request of the Minister on a case-by-case basis. The Minister will initiate the application process by issuing a request to the local government to apply. After receiving the application request, the local government will be provided the Sustainability Application Form and instructions regarding the next steps for funding consideration.

A request to apply on either funding component does not guarantee that the project will be funded.

3.2 Submission Method

Under the Growth Component, eligible local governments are limited to submitting one <u>project application</u> using the LGSG Growth Component Application Form. The completed application must be submitted via email to <u>ma.lgsg@gov.ab.ca</u>, no later than **November 29, 2024**. Applications received after November 29, 2024, will not be considered or evaluated for funding.

Under the Sustainability Component, eligible local governments will be provided the LGSG Sustainability application form should the Minister consider the urgent infrastructure breakdown appropriate for funding consideration.

4. Eligibility Requirements

For program purposes, eligible local governments include cities (excluding Edmonton and Calgary), towns, villages, summer villages, specialized municipalities, municipal districts, Metis Settlements, and the Townsite of Redwood Meadows Administration Society. Population thresholds for the two program components are:

| Growth Component | Sustainability Component |
|---|--|
| Local governments with a population* between 10,000 and 200,000 that have an <u>Asset Management Plan</u> that has been updated within the past five years. | Local governments with a population* under 10,000 excluding Improvement Districts and the Special Areas Board. |

^{*}Population thresholds determined by the latest Government of Alberta's 2023 population estimates.

In alignment with the goals of fostering collaboration and maximizing the impact of LGSG funding, partnerships between local governments are encouraged under the Growth Component. Two or more local governments may combine to submit an application that will have benefits to both communities, provided at least one of the communities has a population of at least 10.000.

Under the Growth Component, only eligible local governments that have a recently updated asset management plan (i.e., within the past five years) are eligible to apply. Given the importance of asset management in local government financial planning, the Government of Alberta (GOA) encourages the adoption and use of asset management practices through a

number of means, including the LGSG program. Asset management expenses are eligible under the Local Government Fiscal Framework (Capital and Operating programs), and the Canada Community-Building Fund.

Under the LGSG, local governments may contribute funds to Municipally Controlled Corporations (MCC) and/or Regional Service Commissions (RSC) that deliver a municipal service on behalf of the local government. If a local government contributes funds to such an entity, the local government remains responsible for all program terms and conditions described in these guidelines, including the need to report on project expenditures and outcomes.

4.1 Project Eligibility

Applications under the Growth Component must be for "shovel-ready" projects, with construction starting no later than September 30, 2025. These projects should be well-planned and ready for immediate implementation.

Additionally, the expected benefits of the project such as economic growth, alleviation of housing or other growth pressures, or other community benefits, should be realized within two years of project completion. Project Outcome reporting will address this expectation at the end of the project.

Applications under the Sustainability Component must be for projects that alleviate the health and safety concerns immediately upon project completion.

| Growth Component | Sustainability Component |
|--|--|
| Requires a Council Resolution. | Requires a Council Resolution. |
| Minimum project size is \$1 million. | No minimum project size. |
| Project must be "shovel-ready", and project benefits must be realized within two years of project completion. Construction must begin by September 30, 2025. | Project benefits must be realized immediately upon project completion. |
| Grant stacking is restricted (Refer to Section 9.4). | Grant stacking is permitted. |
| Approved projects will be cost-shared with provincial funding being up to 50 per cent and the local governments funding portion being at least 50 per cent. | Approved projects may be cost-shared as determined by the Minister. |

Under the LGSG, the Minister of Municipal Affairs reserves the right to vary any LGSG program criteria, such as project size, funding amounts, cost-sharing percentages, and eligibility criteria, to respond to the GOA's and Municipal Affairs' priorities.

4.2 Eligible Project Categories

Growth Component eligible project categories that can address population growth pressures (including housing), tourism pressures, and commercial and/or industrial developments are:

- roads and bridges;
- drinking water;
- storm water;
- solid waste management;
- wastewater;
- public transit;
- public safety and security; and
- disaster mitigation and resilience.

Under the Sustainability Component, eligible project categories are solely at the discretion of the Minister of Municipal Affairs.

4.3 Ineligible Expenditures

LGSG funding is intended to cover **capital costs only** and may not be used for maintenance costs, operating costs, or debt reduction.

For example, the following expenditures are deemed ineligible under the LGSG program:

- project expenditures incurred before project approval;
- existing and ongoing operational costs;
- routine repair and maintenance costs;
- the costs of leasing of equipment, any overhead costs, including salaries and other employment benefits of any employees;
- direct or indirect operating or administrative costs, specifically costs related to planning, engineering, architecture, supervision, management and other activities normally carried out by its staff;
- taxes for which the local government is eligible for a tax rebate and all other costs eligible for rebates;
- purchase of land or any interest therein, and related costs; and
- legal fees.

5. Payment Process

Under the Growth Component, funds will be paid in three annual installments following legislative approval of the provincial budget for 2024-25 to 2026-27 periods (i.e., \$20 million annually for three years) and is contingent on a Conditional Grant Agreement (CGA) being fully executed and if applicable, on reporting requirements being met. Payments for approved projects will be made as per the conditions set out in the CGA. A holdback of 10 per cent of Year 3 funding will be paid upon certification of the final SFE and acceptance of the Project Outcomes Report.

Under the Sustainability Component, payments for approved projects will be made as per the conditions set out in the CGA.

6. Time Limit to Use Allocated Funds

Under the Growth Component, construction of eligible projects must begin by September 30, 2025, and LGSG funds must be expended by December 31, 2027, although longer-term projects can continue with other funding sources. The <a href="Project on the Project on t

7. Use of Municipal Forces

Where a local government has been unable to secure an appropriate or cost-effective private sector response to a proposal or tender for a capital project or anticipates that it will be able to carry out the project in a more efficient or cost-effective basis, project costs can include the cost of municipal forces (staff and equipment) used to carry it out. Costs can include all labour costs, including benefits, attributable to work carried out on and off-site. Labour costs associated with general municipal administration are excluded.

8. Project Evaluation

To ensure a streamlined and efficient application process under the Growth Component, local governments are strongly advised to review the pre-screening criteria (Refer to Schedule 1) before completing and submitting their applications. Pre-screening criteria is designed to help applicants determine their eligibility and reduce the number of applications that are screened out due to ineligibility. If applicants are unable to answer "yes" to all of the pre-screening questions (with the possible exception of the last question) they are encouraged to refrain from submitting an application. By thoroughly reviewing the Growth Component criteria at the onset, local governments can save valuable time and resources, and focus on a project that meets all eligibility requirements.

Growth <u>project applications</u> submitted to Municipal Affairs will be screened and reviewed to ensure they meet the program requirements outlined in these guidelines. Projects that are submitted under the Growth Component will be rated solely on the information provided within the application. Local governments should ensure all relevant questions within the application form are completed, as incomplete applications may result in a lower score relative to other projects. In addition, if a local government does not include confirmation of Council Resolution by December 20, 2024 (not necessarily prior to submission of the application), the application will be considered ineligible and will not be considered for funding.

Applications will be evaluated based on the criteria outlined in the Growth Rating Guide, with scores assigned based solely on the information provided in the application. For specific details on rating, refer to the Growth Rating Guide (Refer to Schedule 1A).

Funding decisions and commitments will be made by March 31 of the program year. Successful local governments will receive a letter indicating that their projects have been successful and will be listed on the LGSG website (www.alberta.ca/local-growth-and-sustainability-grant).

All funding decisions made by the Minister of Municipal Affairs are final.

9. General Project Considerations

Under the Growth Component, additional weighting will be assigned to applications that can clearly demonstrate and provide verifiable evidence of significant growth pressures. Local governments experiencing rapid changes in population, economic development, or tourism demand are encouraged to incorporate data and evidence gained through studies and reports into their application responses to substantiate those pressures. This could include information regarding population growth trends, surges in housing demand, strains on existing infrastructure, increased job creation, or a rise in tourism activities.

By presenting such evidence within the <u>project application</u>, local governments can highlight the urgent need for resources to address their evolving needs. For example, population growth may lead to public infrastructure under strain, or a greater demand for <u>affordable housing</u>. Similarly, economic growth may necessitate infrastructure improvements like new roads, bridges, or public transit, while increased tourism may place additional pressure on local amenities, emergency services, or waste management.

Additional weighting will also be assigned to applications that involve partnerships, either between two or more local governments, or between a local government(s) and a commercial/industrial entity. These applications should clearly outline the details of the partnership, including any financial or in-kind contributions made by the local government(s) and/or commercial/industrial entity. This transparency ensures that all partnerships are fairly considered during the review process as these contributions will play a role in the competitive ranking of applications.

Under the Sustainability Component, in addition to the primary eligibility criteria (i.e., addressing an <u>urgent infrastructure breakdown</u> that is impacting the health and safety of residents) the Minister of Municipal Affairs may consider several additional factors when evaluating an infrastructure project for funding. These factors include, but are not limited to, the local government's existing unrestricted reserves, debt limits, and current debt servicing levels. The Minister may also assess the local government's property tax levels in comparison to those of similar local governments to ensure equitable resource allocation. These financial metrics help determine the local government's financial capacity and/or ability to support the proposed project.

Following the Minister's approval of a LGSG project, the successful local government must enter into a project-specific CGA. The CGA sets out the terms and conditions for the grant funding. The Minister may add any terms or conditions to the CGA that are deemed advisable.

9.1 Change Requests

If the time period to use the grant funding changes after project approval, a formal amendment request must be made in writing to ma.lgsg@gov.ab.ca to consider amending the existing agreement.

Project amendments under either component resulting in a change of scope or project type will only be considered in rare circumstances and may result in provincial funding being withdrawn. Project amendments are granted at the sole discretion of the Minister.

If a project is withdrawn by the local government, any payments made will be required to be returned to the Province.

9.2 Provincial Standards

LGSG-funded projects undertaken by local governments must comply with provincially regulated standards. For example, projects involving regional water and wastewater systems should appropriately align with the <u>Environmental Protection and Enhancement Act</u>.

Where an LGSG project impacts a highway under provincial jurisdiction, the local government must enter into a separate agreement with Alberta Transportation and Economic Corridors to carry out the work and/or receive permission to access the highway right-of-way. Grant Advisors may request confirmation from the local government of the agreement with Alberta Transportation and Economic Corridors.

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9.3 Requirements for Awards of Contracts

All calls for proposals or tenders for projects to be funded under the LGSG must be carried out in accordance with the rules, regulations, and laws governing such activities and in accordance with the best current practices. They must also be advertised in accordance with the guidelines of the Canadian Free Trade Agreement (CFTA) and the New West Partnership Trade Agreement (NWPTA).

The local government may award contracts for planning, design, engineering, and architectural services for a municipal capital project based on best overall value consistent with the local government's policies. The local government may award contracts for the construction or purchase of a municipal capital project by public tender based on either unit prices or lump sum amounts. The LGSG program does not require local governments to award projects to the lowest tender and does not prohibit them from using a process that qualifies suppliers prior to the close of call for tenders where the process is consistent with the CFTA and NWPTA, as long as the tender selected is the best value.

9.4 Use of Other Provincial and Federal Grants

Under the Growth Component, the maximum provincial contribution is up to 50 per cent of the total eligible project costs.

Growth Component grant stacking is restricted. Local governments can cover up to 30 per cent of project costs using other provincially-delivered funding (e.g., Local Government Fiscal Framework, Canada Community-Building Fund, Municipal Sustainability Initiative, etc.) which must be clearly noted in the budget section of the application.

10. Financial and Outcomes Reporting

To ensure effective oversight and accountability, the LGSG program includes reporting requirements. Financial reporting demonstrates that grant funding is being spent appropriately. Outcome reporting shows the impact of the project, providing evidence that the program objectives and goals are being met.

10.1 Mid-year Project Progress Update

<u>Mid-year Project Progress Update</u> will take place annually in summer, beginning in 2026. The intent of the mid-year reporting is to get an informal update on the project, communicate project highlights, and to discuss any project-related challenges or opportunities.

10.2 Statement of Funding and Expenditures (SFE)

All local governments are required to annually submit a SFE that reports on the previous year's expenditures.

By May 1 of the following program year (August 1 for Metis Settlements), recipients are required to submit an SFE that reports the previous program year's expenditures (e.g., the local government's 2025 SFE, reports on expenditures between January 1, 2025, through to December 31, 2025). The SFE form will capture information such as the total project cost, LGSG funding spent, other grant funding, and the project status.

If a local government contributes funds to an RSC or MCC to undertake a water distribution project, the local government must report on how much funding was spent on the project that year and not on the amount of funding contributed to the RSC or MCC.

10.3 Project Outcomes Report

Upon completion of the project, the local governments will report on the <u>project outcomes</u> and tangible benefits (timing may not coincide with the final SFE). A reporting template will be provided to successful recipients at a later date.

The Project Outcomes Report must capture the following information:

- the project's functional category(ies) and project name; and
- the resulting capital asset(s) (e.g., roads) and the actual quantity upgraded and/or constructed (e.g., # of lane kms).

Outcomes realized under the Growth Component will depend on the type of project completed, and reporting requirements will reflect this. However, successful applicants can expect to report on at least one of the following outcomes:

- number of housing units enabled (may include affordable and/or attainable housing units enabled);
- condition of upgraded infrastructure (see scale below);
- number of assets incorporating disaster resilient materials or technologies;
- percentage of the population served by new infrastructure;
- · number of permanent jobs created;
- amount invested in the local economy;
- size of geographic area protected from natural disasters; and/or
- estimated value of property protected from disasters.

A narrative will also be required to indicate the project's impact on easing growth pressures or advancing local economic activity, and how the infrastructure will continue to deliver value over time.

Condition ranking will be based on a scale of 1-5, with the conditions being as follows:

- 1 → Very Good: Very Good Condition, only normal maintenance required.
- 2 → Good: Minor defects only, minor maintenance required.
- 3 → Fair: Significant maintenance required to return to an acceptable level of service.
- 4 → Poor: Significant renewal/upgrade required.
- 5 → Very Poor: Asset unserviceable, requires replacement.

Project Outcomes reporting for projects funded under the Sustainability Component may be detailed in the CGA.

10.4 Credit Items

Funds provided under the LGSG program are not provided for the purpose of generating investment income. However, recognizing that any LGSG funds held in a financial institution may earn some investment income, that income must be reported on the applicable year's SFE. The amount of income earned on the funds becomes part of the total grant funding available for the project.

It is strongly recommended that local governments maintain a separate bank account for LGSG funding to ensure financial transparency, accountability and compliance, including proper reporting of income earned.

11. Communication and Project Recognition Requirements

For questions concerning communication and/or project recognition requirements, please call Municipal Affairs at 780-422-7125, toll free by first dialing 310-0000, or email mailgsg@gov.ab.ca.

11.1 Signs

Placing signs at construction sites is a long-standing practice to communicate key project details and funding sources to the public. Albertans can easily recognize where infrastructure investments are being made in their communities and the benefits of those investments through project signage.

GOA signage for high visibility projects is generally required on LGSG-funded capital projects with total costs over \$5 million. Signage must follow the GOA signage guidelines found at the <u>Government Identity Program</u> website (refer to Section 4.7.2 - Capital Project Signage of the Visual Identity Manual).

Projects that receive any funding under other provincial or federal funding programs, must adhere to the signage requirements of those respective programs, in addition to the requirements of the Government Identity Program.

11.2 Media Events and Other Communications Activities

Under LGSG, local governments are expected to highlight provincially funded projects by publicizing the projects (e.g., council minutes, annual reports, local media) and by celebrating key project milestones through media events, including news conferences, news releases, public announcements, and official ceremonies.

Media events for provincially funded projects may not occur without prior knowledge and acknowledgement from the provincial government. If the local government decides to hold a media event, it must provide a minimum of 20 working days' notice to Municipal Affairs by emailing <a href="mailto:mai

For scheduling media events with the Minister of Municipal Affairs, the local government should send an invitation to the Minister's Office general mailbox at minister.municipalaffairs@gov.ab.ca and copy Municipal Affairs at ma.lgsg@gov.ab.ca. If the notice of the media event is not provided within the specified timeframes, the province may require the media event to be rescheduled.

If a local government publicizes a project through a news release, the news release should acknowledge the Province's contribution and, when doing so, must include a quote from the Minister or other GOA representative as determined by the Province. The request for a quote must be made to Municipal Affairs a minimum of 20 working days prior to the news release by emailing <a href="mailto:mail

If the request for a quote is not made within the specified timeframes, the Province may require the news release to be rescheduled.

For provincially funded projects which also receive any funding under other provincial or federal funding programs, the media and communications requirements of those respective programs must also be adhered to.

11.3 Site Visits

Municipal Affairs may selectively meet with local governments (virtually, or in-person) to discuss LGSG program delivery, explore suggestions for program improvement, and view completed LGSG-funded projects where appropriate.

Schedule 1: Growth Component

Objectives

The Growth Component is intended to help mid-sized local governments address growth pressures resulting from rapid population, tourism and economic growth; attract investment and talent to Alberta by providing the appropriate infrastructure; create jobs; address housing challenges; and develop local economies.

Eligible Entities

Local governments whose population is between 10,000 and 200,000 based on the latest <u>Government of Alberta's 2023</u> population estimates that have an Asset Management Plan that has been updated within the past five years.

Eligible Projects

Growth Component eligible project categories that can address population growth pressures (including housing), tourism pressures, and commercial and/or industrial developments are:

- roads and bridges;
- · drinking water;
- storm water;
- solid waste management;
- wastewater;
- public transit;
- public safety and security; and
- disaster mitigation and resilience.

Ineligible Projects

Ineligible projects include:

- projects that do not address an identified and independently verifiable need;
- projects that are aspirational or speculative in nature;
- projects that are routine and not responsive to, or do not address future, growth pressures, such as planned upgrading or replacement of infrastructure assets; and
- capital maintenance.

Pre-Screening

The purpose of the pre-screening questions is to ensure projects meet program objectives and key qualifications such as project readiness, verification of growth pressures and alignment with LGSG priorities (e.g. housing, economic development, tourism). If the local government is not able to answer "yes" to all of the questions below (with the possible exception of the last question, if it is not applicable) the application will not be reviewed, and it will not be eligible for funding.

- Is the local government's application supported by a Council Resolution passed by December 20, 2024?
- Does the project address population growth and/or tourism pressures, or support industrial and commercial development?
- Is the local government's population more than 10,000 and less than 200,000?
- Is the proposed project at least \$1 million in size?
- Has only one application been made under the LGSG program?
- Does the proposal ensure that the required cost-sharing requirement is met?
- Is there a detailed project plan and timeline in place allowing construction to begin by September 30, 2025?
- Is there a plan to support ongoing operating and maintenance costs of the resulting asset?
- Will the project benefits be realized within two years after construction is complete?
- Does the local government have an asset management plan which has been updated within the last five years?
- Are sufficient funds available to cover contributions, government payment schedules, any potential cost-over-runs?
- Is the local government taking steps to address its identified affordable/attainable housing needs, if any have been identified?

Schedule 1A: Growth Rating Guide

The purpose of the Growth Rating Guide is to provide a structured and standardized framework for evaluating and scoring the Growth Component project applications submitted. It ensures that the assessment process is consistent, objective and transparent. Below you will find a high-level overview describing how scoring will be awarded based on program priorities.

| Criterion | Maximum points (totaling 100) | Rating Guide |
|---|-------------------------------|--|
| General | | |
| Application contains independently verifiable information to substantiate rationale for the project. Corresponding Application Question: Part C, C1 - C3 | 10 | Low score: Local government has not provided any independently verifiable information within application. High score: Local government has provided comprehensive, independently verifiable documentation to substantiate claims. |
| Project addresses housing pressures or challenges, even if housing is not the focal point of the project. Corresponding Application Question: Part C, C1 | 10 | Low score: Local government makes no mention of housing in its application. High score: Local government demonstrates a comprehensive plan for how infrastructure built will facilitate significant development of housing for existing and expected future residents, whether or not it is the key focus of the project. |
| Need for Provincial Funding Corresponding Application Question: Part C4 (1-3) | 5 | Low score: Local government has sufficient resources to cover the costs of the infrastructure investment without LGSG funding. High score: Local government would have to substantially reallocate existing financial resources to cover the costs of the infrastructure investment without LGSG funding. |
| Financial Sustainability Corresponding Application Question: Part C4 (2-3) | 5 | Low score: Local government is unable to demonstrate a plan is in place to fund the asset and/or replace it at the end of its lifecycle. High score: Local government demonstrates a comprehensive plan to fund the asset and/or replace it at the end of its lifecycle. |
| Risk Mitigation Corresponding Application Question: Part C4 (3) | 5 | Low score: Local government has not identified risks or mitigation strategies. High score: Local government has fully identified risks and has a comprehensive and achievable mitigation strategy plan in place. |
| Other Benefits to Community Corresponding Application Question: Part C4 (4) | 5 | Low score: Project does not have other benefits to the local community. High score: Project identifies one or more other significant benefits to the local community, such as health and safety, environmental, or social. |
| Local Government Partnership Agreement Corresponding Application Question: Part C4 (5) | 5 | Low score: Local government is not partnering with any other local government(s). High score: Local government has a formalized agreement to partner with other local government(s). |

| Commercial/Industrial Develo | opment . | |
|---|---------------|--|
| Industrial/Commercial Partnership Agreement Corresponding Application Question: Part C2 (4) | 10 | Low score: Local government does not have any agreement in place for a major commercial/industrial development to move to, or expand in, the community. High score: Local government has an agreement in place for a major commercial/industrial development to move to, or expand in, the community. |
| Industrial/Commercial Partnership Agreement resulting in additional funding/in-kind contributions. Corresponding Application Question: Part C2 (4) | 5 | Low score: Local government does not have a partnership agreement that will result in additional funding/in-kind contributions for the project. High score: Local government has a partnership agreement that will result in additional funding/in-kind contributions for the project. |
| Creation of Permanent Jobs | 5 | Low score: Local government with the least per capita permanent jobs created. |
| Corresponding Application Question: C2 (1-2) | | High score: Local government with the most per capita permanent jobs created. |
| Population and Tourism Grov | wth Pressures | |
| Project addresses housing pressures or challenges | 15 | Low score: Project does not add housing units to the local housing supply. |
| Corresponding Application Question: Part C1 (1-2) | | High score: Project adds housing units to the local housing supply, reflecting local housing needs that are independently verifiable and clearly reflected within the application. |
| Other Population Growth Pressures (non-housing) | 10 | Low score: Project does not address non-housing infrastructure issues that have arisen as a result of population growth. |
| Corresponding Application Question: Part C, C4 (4) | | High score: Project addresses non-housing infrastructure issues that have arisen as a result of population growth. |
| Tourism Growth Pressures Corresponding Application | 10 | Low score: Project does not address infrastructure issues that have arisen that are attributable to existing or expected tourism. |
| Question: Part C3 | | High score: Project fully addresses infrastructure issues that have arisen that are attributable to existing or expected tourism. |

Schedule 2: Sustainability Component

Objective

The Sustainability Component is intended to address urgent infrastructure breakdowns that pose a substantial health and safety risk to residents.

Eligible Entities

Limited to those local governments with a population of 10,000 or fewer based on the latest 2023 population estimates.

Eligible Projects

Eligible Sustainability Component projects include those that address urgent infrastructure breakdowns that pose a substantial health and safety risk to residents.

Application Process

Eligible local governments will be provided an application form should the Minister consider the urgent infrastructure breakdown appropriate for funding consideration.

Grant Amounts

The amount of funding available under the Sustainability Component is subject to the discretion of the Minister of Municipal Affairs.

Payment of Funds

Funding will be paid following legislative approval of the provincial budget and is subject to a CGA being duly executed and the terms and conditions within the CGA.

Schedule 3: Project Categories

Road and Bridges:

- Assets related to roadways, highways, bridges, and related structures (e.g., culverts).
- Other ancillary works such as sidewalks, commuter bikeways, lighting, traffic control signals, pedestrian signals, storm drainage, and utility relocations.
- Traffic management projects such as major intersection improvements, major traffic signal coordination, etc.
- Pedestrian trail systems along roadways.

Solid Waste Management:

- Waste collection depots and disposal landfills.
- Solid waste and recycling collection container systems.
- Recycling and material recovery facilities.
- Organics management systems and thermal treatment systems.
- Landfill gas collection system.
- Vehicles (e.g., waste transfer vehicles).
- Refuse derived fuel facility.

Drinking Water:

- Raw-water supply lines and storage facilities (reservoirs).
- Water treatment and pumping facilities.
- Water quality management and monitoring systems (e.g., SCADA system, meter reading system).
- Treated-water supply lines, storage facilities and related works.
- Water distribution system extensions, betterment, and replacements, including individual services to the property line.

Wastewater:

- Wastewater collection system extensions, betterment, and replacements, including service mains to the property line.
- · Wastewater pumping facilities and lift stations.
- Wastewater lines from the collection system to the wastewater treatment facilities.
- Wastewater treatment facilities, and lagoons.
- Outfall wastewater lines from wastewater treatment facilities to the point of discharge or disposal and related works.
- Sludge stabilization pond(s).

Storm Water:

- Storm water ditches and major relocation of existing storm water ditches.
- Storm water or waterway flooding containment structures.
- Storm water collection lines including service lines, culverts and catch basins.
- Storm water retention ponds and treatment facilities.
- Outfall storm water to the point of discharge or disposal and related works.

Public Safety and Security:

- Vehicles (e.g., police vehicles under municipal jurisdiction, pumper truck, specialized firefighting or emergency vehicles).
- Buildings (e.g. fire stations, police stations, ambulance stations, emergency response centers).

Public Transit:

• Transit hub (stations/buildings), bus rapid transit lanes, transit vehicles, park and ride facilities, transit signal priority systems, passenger information systems, maintenance and storage facilities.

Disaster Mitigation and Resilience:

Flood control systems, fire prevention infrastructure, dams, berms, earthquake-resistant buildings, wildfire defensible
zones, emergency shelters, early warning systems, community resilience centre (neighbourhood level shelter and
resource centre), backup power systems, emergency communication networks, landslide mitigation measures, other.