

Infill Infrastructure Fund Program Guide

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Edmonton



LAND ACKNOWLEDGEMENT

The lands on which Edmonton sits and the North Saskatchewan River that runs through it have been the sites of natural abundance, ceremony and culture, travel and rest, relationship building, making and trading for Indigenous Peoples since time immemorial. The City of Edmonton acknowledges the traditional land on which we reside is in Treaty Six Territory. We would like to thank the diverse Indigenous Peoples whose ancestors' footsteps have marked this territory for centuries, such as nêhiyaw (Cree), Dene, Anishinaabe (Saulteaux), Nakota Isga (Nakota Sioux), and Niitsitapi (Blackfoot) peoples. We also acknowledge this as the Métis' homeland and the home of one of the largest communities of Inuit south of the 60th parallel. It is a welcoming place for all peoples who come from around the world to share Edmonton as a home. Together we call upon all of our collective, honoured traditions, and spirits to work in building a great city for today and future generations.

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1. Introduction

The Infill Infrastructure Fund (IIF) is a City of Edmonton program funded by the Government of Canada's <u>Housing Accelerator Fund (HAF)</u>. HAF provides funding to local governments to encourage transformational initiatives that increase housing supply, now and in the future.

The IIF is one of 11 initiatives in the City of Edmonton's <u>Housing Accelerator Fund Action Plan</u>. Thirty-nine million dollars have been allocated to the IIF, with a goal of reducing infrastructure barriers to building new homes near transit and in urban centres (nodes) and main streets (corridors) located in Edmonton's redeveloping area (roughly within the Anthony Henday Drive).

Redevelopment projects may experience some challenges that are not encountered in greenfield areas. The first redevelopment project in an area may be required to undertake infrastructure upgrades that also facilitate subsequent redevelopment projects. Currently no formal mechanism for the developers in the redeveloping area to share the costs, making the cost of the infrastructure upgrade a barrier to redevelopment.

Establishing a fund to pay for eligible infrastructure costs reduces infrastructure barriers, which in turn helps achieve The City Plan target of having 50 percent of new housing units added through infill citywide and welcoming 600,000 people to the redeveloping area by the time the city reaches a population of 2 million. The goal is to create a healthy, urban, climate resilient city where Edmontonians have access to a variety of housing options and can easily meet their daily needs close to home.

2. Program Details

This guide provides information on the Infill Infrastructure Fund's eligibility criteria, fund parameters, application requirements and processes. The program will accept applications between August 30, 2024 and July 9, 2026 on a "first come, first served" basis or until the \$39 million is depleted.

The program will cover up to 100 per cent of eligible costs associated with eligible offsite infrastructure improvements tied to land development (up to a maximum of \$4,000,000 per application). Data collected through implementation of the fund will be used to inform future plans to establish an infrastructure cost-sharing program for infill development.

Eligible development projects will receive funding for specific offsite improvements based on the cost of required offsite infrastructure. The amount of funding will be estimated and refined throughout the development process and finalized at the servicing agreement stage.

<u>Category A, B and C developers</u> will receive 25 per cent of the total amount of funding when the servicing agreement is executed and the balance after the funded infrastructure has been constructed and has met the completion milestones as described in <u>Section 2c.</u> Category D developers will receive 100 per cent of funding after the completion milestones for the funded offsite improvements have been met.

The City of Edmonton is committed to facilitating infill development and may adjust the criteria to respond to emerging needs, while continuing to meet the fund's objective of reducing barriers to infill development related to offsite infrastructure requirements.

2a. Eligibility Criteria

Applications are required to meet **all five** of the following criteria to be eligible for funding.

Project criteria

Offsite infrastructure criteria

1. Location

The development application must be located within the specified geographic areas shown in Appendix I.

- a. Market housing developments must be located within a Priority Growth Area (PGA) or within 800 m of an LRT stop in the redeveloping area as shown on Figure 1 of Appendix I.
- b. Non-market housing development (defined as having a signed Affordable Housing Agreement with the City for the project or an equivalent agreement with another level of government) must be located within a node or corridor defined by The City Plan, or within 800 m of a LRT stop and/or Transit Centre in the redeveloping area as shown on Figure 2 of Appendix I.

An interactive online eligibility location map is also available.

4. Offsite Infrastructure

- a. The development application must require one or more eligible offsite infrastructure improvements (listed in Section 2b.) as determined through development permit application review or by EPCOR; and
- b. The offsite infrastructure must provide servicing access or otherwise facilitate future development on at least one additional parcel, as determined by the City of Edmonton or EPCOR.

2. Minimum Dwelling Units

The development project must have at least 10 dwelling units on one titled parcel of land.

3. Servicing Agreement

The Servicing Agreement associated with the project must not have been executed before a decision is made regarding IIF eligibility.

5. Minimum Infrastructure Cost

The estimated costs of eligible offsite infrastructure must be at least \$100,000. A project may combine various eligible offsite improvements to reach the minimum cost threshold.

2b. Eligible Offsite Infrastructure

This section provides information on eligible infrastructure and the standards that will be used to determine maximum potential funding.

Eligible Infrastructure Types

Mobility

- i. Sidewalks/shared use paths
- ii. Allevs
- iii. Paved roads, curbs and gutters
- Traffic control signals iv.
- Streetlights V.
- vi. Streetlight power and associated equipment

Water, Wastewater and Stormwater Systems

- i. Water main installation, extension, and/or upgrade and associated appurtenances that are not otherwise funded through EPCOR's Infill Fire Protection Program or other investment made by EPCOR Water Services Inc. (EWSI)
- Sanitary sewer installation, extension, upgrade and/or sewer separation and associated ii. appurtenances that are not otherwise funded through EWSI
- iii. Storm sewer installation, extension, and/or upgrade and associated appurtenances that are not otherwise funded through EWSI

Electrical Distribution Systems

EPCOR Distribution and Transmission Inc. (EDTI) may fund a portion of the costs for this infrastructure; the amount eligible for funding from the Infill Infrastructure Fund is the portion not funded by EDTI.

- i. **Transformers**
- ii. Three phase power
- Power relocation, including overhead power burial, and associated appurtenances iii.
- iv. Power installation and associated appurtenances

The eligible infrastructure list is not exhaustive. Applications with other types of offsite infrastructure improvements that facilitate future development on at least one additional parcel are encouraged to connect with the Fund Coordinator through the Infill Infrastructure Fund Pre-Screen Form to determine infrastructure eligibility.

Funding will only be allocated according to the cost of base level infrastructure as identified in the City of Edmonton's and EPCOR's Design and Construction Standards.

Initial funding will be identified and reserved once an application has been accepted into the IIF program. This funding amount will be based on infrastructure identified early in the development process. Applications must stay in compliance with the eligibility criteria throughout the development review and approval process.

Ineligible Infrastructure:

- Infrastructure that has limited or no ability to facilitate development on at least one other parcel, such as:
 - Access construction for a single parcel
 - Landscaping
 - Boulevard tree planting
 - Playground equipment
 - New electrical service
- ii. Optional improvements or improvements not required to service the parcel.
- iii. Replacing or repair of infrastructure damaged through construction, such as surface restoration or replacing damaged boulevard trees.
- Telecommunications and natural gas infrastructure, as they are not included in City of iv. Edmonton servicing agreements for infill development and are not subject to Construction Completion Certificates issued by the City.

2c. Application Process / Submission Timelines Requirements

Below is an overview of the IIF application process. Successful applicants will be responsible for advancing their project and meeting the milestones described below. The Fund Coordinator will contact applicants throughout the progression of the development project for updates on milestones. Failure to meet any of the milestones may result in a requirement for funding to be returned.

See Appendix II: Development Timelines for a simplified chart on development timelines.

Detailed Application Process Overview

Step 1: Project Screening

- The applicant must review the eligibility criteria (outlined in Section 2a) and conclude that, to their knowledge, the project is eligible.
- ii. The applicant must submit a Screening Request Form to determine initial project eligibility based on project location, number of proposed dwelling units and servicing agreement status. If successful, a file number will be assigned.

Step 2: Identify Infrastructure Needs

- i. The applicant must obtain preliminary electrical, water and drainage improvement information from EPCOR Distribution & Transmission Inc. (EDTI) and EPCOR Water Services.
 - Obtain preliminary electrical, water and drainage improvement information by emailing i.1. EPCOR at infillinfrastructurefund@epcor.com with the following preliminary project information and the file number assigned by the Fund Coordinator:

For all projects

- Project Name
- Property owner contact name, company name, phone number, email address
- Site contact and consultant names and contact informations
- Municipal address and Lot Block Plan for service request

For Electrical

- o Connection Type (aerial service, multi-family site, network service, padmount transformer service [will the transformer be placed on top of a parkade], primary metered service, underground secondary service, underground secondary service from a pole
- Service Type (1-phase / 3-wire, 120/240V, 3-phase / 4-wire [120/208V, 347/600V], main distribution panel amps)
- Include any electrical and utility site plans available, a completed third party authorization form if the party submitting this request is not the property owner, or you would like to allow a 3rd party to work with EPCOR Distribution & Transmission Inc. on your behalf.
- For Water, Sanitary and Storm Conceptual plan for development including development details (building area) and site area in hectares
- For Water and Sanitary preliminary site servicing concept, if available, including peak demand and sanitary flow estimates
- For Stormwater conceptual stormwater management plan, if available, including conceptual lot grading plans and site coverage estimates (hard surface [roof, asphalt, concrete]; gravel, soft landscaping).
- ii. The applicant must complete a standard Pre-Application Meeting for a Major Development Permit with Development Services.
 - ii.1. Submission of the Meeting Record created from the Pre-Application Meeting is required as a part of the Infill Infrastructure Fund application submission. The record outlines project/parcel advisements received from the City and external agencies. .

Step 3: Application Submission

i. Complete and submit the Infill Infrastructure Fund Application Form (requires Adobe Reader or equivalent). The completed application form and required supporting documents can be emailed to infillinfrastructurefund@edmonton.ca.

Required supporting documents:

- Major Development Permit Pre-Application meeting record and/or a copy of your approved development permit;
- Response from EPCOR with preliminary information for EPCOR infrastructure improvements.

- An aerial overview of the proposed project parcel;
- High level cost estimates for the eligible offsite infrastructure improvements;
- Estimated development project schedule; and
- Conceptual drawings, if available, that show potential service connections, utilities, infrastructure features, and any other information to assist with the review.
- ii. The Fund Coordinator will review the application. Within 3 business days of submission, the Coordinator will notify applicants that their application has been received and if any additional information is required.
- iii. The Fund Coordinator will set up a virtual meeting with the applicant to review the application within 10 business days of confirming receipt of a complete application.
- The Fund Coordinator will issue a Program Decision Letter within 5 business days of the virtual iv. meeting, stating whether or not the project is eligible for funding. The letter will also state the maximum funding the project may receive, based on submitted material and information received at the application intake meeting. The funding amount will be refined as more detailed infrastructure cost estimates are developed. Applicants may receive less than the maximum funding amount identified at this stage. Applicants will be required to sign an Infill Infrastructure Fund acknowledgment form once accepted into the program.

Step 4: Development Permit

All development projects accepted into the IIF program that do not yet have a development permit must proceed to applying for a development permit, and meet the timelines described below to maintain eligibility for the funding noted in the program decision letter. Projects accepted into the program that already have an issued development permit will be required to meet the servicing agreement timelines.

- i. Applicants who have received a Program Decision Letter MUST submit a development permit application to Development Services for the project within 28 weeks of the date of receiving the letter.
- Applicants **MUST** have a development permit issued within **16 weeks** of development permit ii. submission.

Step 5: Servicing Agreement & Initial Funding Release

All applications accepted into the IIF program must complete the following steps within the specified timelines to maintain eligibility for the funding outlined in the program decision letter.

- Applicants MUST submit engineering drawings through ePlan within 8 weeks of receiving development permit approval.
- Applicants **MUST** request a servicing agreement from the Development Servicing Agreements Unit and submit an updated offsite infrastructure cost-estimate to the Fund Coordinator within 7 weeks

- of engineering drawing submission.
- If applicable, prior to signing an servicing agreement, applicants **MUST** confirm the amount of funding iii. guaranteed or received from the Infill Fire Protection Program by providing documentation from EPCOR.
- Projects accepted into the Infill Fire Protection Program (IFPP) must provide financial details of the cost-sharing agreement between EPCOR and the applicant with the Fund Coordinator prior to entering into the project's servicing agreement. See section 2.d. of this guide for more information on the IIF and IFPP.
- The servicing agreement **MUST** be executed within **10 weeks** of the servicing agreement request. ٧.
- Twenty-five per cent of funding will be released to Category A, B and C Developers within 60 days vi. once the Servicing Agreement is executed and the "conditions precedent" requirements (payment of inspection fees, provision of security and provision of evidence of general commercial liability insurance coverage) have been met.

The maximum IIF funding amount is based on cost estimates of eligible infrastructure submitted as part of the servicing agreement process.

Applicants are required to make all reasonable efforts to achieve the timelines listed. If exceptional circumstances cause an applicant to be unable to meet the development milestones listed within Step 4 (Development Permit) and Step 5 (Servicing Agreement and Initial Funding Release), the Fund Coordinator will formulate a recommendation for leadership review.

Step 6: Building Permit

All applicants accepted into the program must receive an approved building permit (or partial building permit) that confirms the number of dwelling units in the project and submit the building permit to the Fund Coordinator before November 9, 2026. This timing is a requirement of the Canada Mortgage and Housing Corporation, and the City of Edmonton is not able to provide flexibility.

Applicants that receive 25 percent of funding when their servicing agreement is executed but do not obtain a building permit before November 9, 2026 lose their eligibility for funding. They will be required to return the funds previously provided, or the City may draw on the security provided for the Servicing Agreement to recover the funds.

Step 7: Offsite Infrastructure Construction & Final Funding Disbursement

The following final steps must be completed within the specified timelines for applicants to receive the full amount of funding specified in the servicing agreement.

- The applicant **MUST** submit confirmation that all funded infrastructure has met the completion milestones per infrastructure type (listed in Appendix III) to the Fund Coordinator prior to September 1, 2027.
 - i.1. To receive the final funding, all funded infrastructure associated with the application must be built and have met the final completion milestone by September 1, 2027.
- The applicant MUST submit a detailed actual as-built construction cost summary to the Fund ii

Coordinator within **two weeks** of submitting confirmation of the completion milestone to initiate the release of the final funding disbursement (75% for <u>Category</u> A, B and C Developers, 100% for Category D Developers).

- ii.1. This actual as-built construction cost summary must be signed by a professional engineer managing the project. The details must show quantities installed and unit rates for each improvement and its components.
- iii Applicants can expect funding to be released within 60 days of having submitted verification of infrastructure completion **and** a detailed actual as-built construction cost summary being reviewed and approved by the Fund Coordinator.

Applicants that receive 25 percent of funding when their servicing agreement is executed but do not achieve all construction milestones before September 1, 2027 lose their eligibility for funding. They will be required to return the funds previously provided, or the City may draw on the security provided for the Servicing Agreement to recover the funds.

2d. Compatibility with Other Grants/Funding Opportunities

The Infill Infrastructure Fund can be combined with other grants and funding opportunities. Funding for offsite infrastructure, such as from EPCOR's Infill Fire Protection Program, needs to be communicated to the Fund Coordinator to ensure the appropriate amount of funding is allocated to the project. Grants and other programs supporting on-site improvements (such as the Brownfield Redevelopment Grant) and housing-specific grants do not need to be communicated to the Fund Coordinator.

The <u>Infill Fire Protection Program (IFPP)</u> is an EPCOR program designed to support infill in older neighbourhoods. The program provides an opportunity for infill developers and EPCOR to enter into a cost-sharing agreement when water infrastructure improvements are required to improve fire protection.

The IFPP financially supports the following, provided the upgrades benefit the neighbourhood:

- Expansions: replacing an existing water main with a larger one, or adding hydrants to improve fire protection in an area; and
- Realignments: moving of water mains and hydrants from an alley to a road.

Developers are required to pay for upgrades and installations that only benefit new development. These improvements are:

- Extensions: the addition of a net-new water main as well as new hydrants to bring water servicing and fire protection to an area that did not previously have water service;
- Relocations: moving existing water infrastructure to meet a developer's site-specific needs; and
- Service installations: new service connections to new infill properties.

The IFPP's scope means the IIF has the opportunity to fund extensions and relocations provided these improvements demonstrate the ability to enable development on at least one other parcel. Service installations will not be funded due to the singular benefit to one parcel. Additionally, for development projects participating in the IFPP, the IIF may be able to provide additional monies to ensure eligible infrastructure is funded up to 100%. Applicants with projects eligible for the IFPP must leverage the funding provided by the IFPP prior to being able to access additional funding (if required).

How to Coordinate IFPP and IIF Applications

- Obtain an Infill Fire Protection Assessment through the City's pre-application for a major development permit, development permit or rezoning process to obtain advisements or conditions of approval that outline the construction of water improvements.
- ii. Review the IFPP criteria and send applications to EPCOR at <u>waterinfillcostshare@epcor.com</u>. Details on the IFPP and eligibility criteria can be found on <u>EPCOR's website</u>.
- iii. The IFPP and IIF applications can be submitted concurrently.
- iv. IFPP evaluation and possible outcomes:
 - a. Development projects accepted into the IFPP must provide financial details of the cost-sharing agreement between EPCOR and the applicant with the Fund Coordinator prior to entering into the project's servicing agreement with the City as required by the IIF.
 - b. Development projects rejected from the IFPP must provide documentation from EPCOR confirming ineligibility.
- v. Servicing Agreement and initial funding release:
 - a. If applicable, prior to signing a servicing agreement, applicants **MUST** confirm the amount of funding guaranteed or received from the IFPP by providing documentation from EPCOR.

2e. Excluded Applications

Development projects that already have an executed servicing agreement for offsite improvements prior to submitting an Infill Infrastructure Fund application are not eligible for the program.

3. Reservation of Rights

The City reserves the right, in its sole discretion, to:

- Require prospective and actual applicants to provide further clarification on information submitted, or to provide additional information or materials to assist in a review of its submission;
- Amend, modify, cancel, or suspend the Infill Infrastructure Fund program, at any time, for any reason.

4. No Binding Agreement

Any pre-application meetings and any submission process is only intended to solicit interest and information and does not create any legally binding arrangement with the City.

5. Disclaimers

Please note, at minimum and without limitation, the City reserves the right to withhold payment of funding where:

- The Applicant has made any material misrepresentation or provides any materially false or materially misleading information to the City;
- The Applicant has outstanding amounts owing on land which benefits from the Infill Infrastructure Fund program, to the City due to property taxes that are past due or in arrears;

• The Applicant is in litigation with the City over any matter.

6. Contact Information

If you have any questions about the program or are interested in applying, please send your inquiry to infillinfrastructurefund@edmonton.ca. The team will be in touch within 3 business days.

Appendix I: Infill Infrastructure Fund (IIF) Eligibility Locations:

Figure 1. Eligible Locations for Market Housing Developments

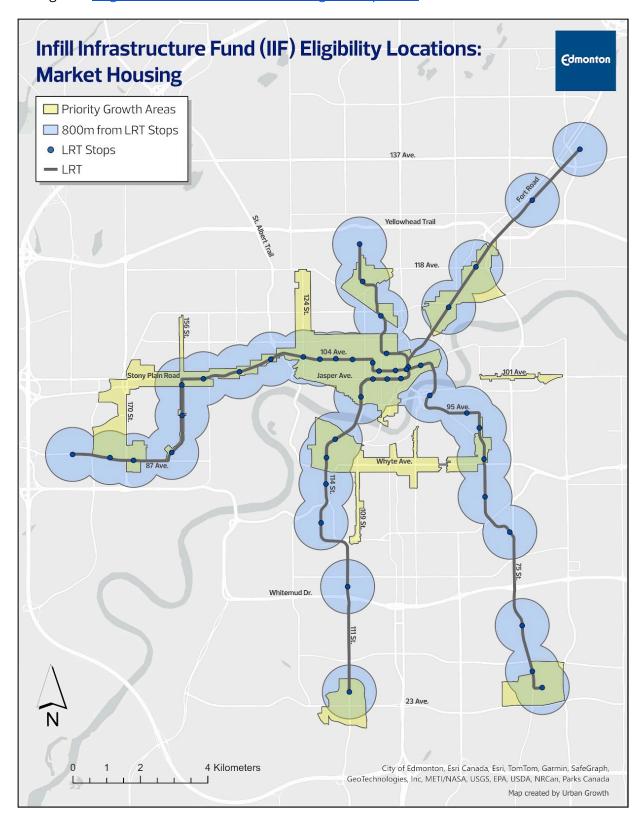
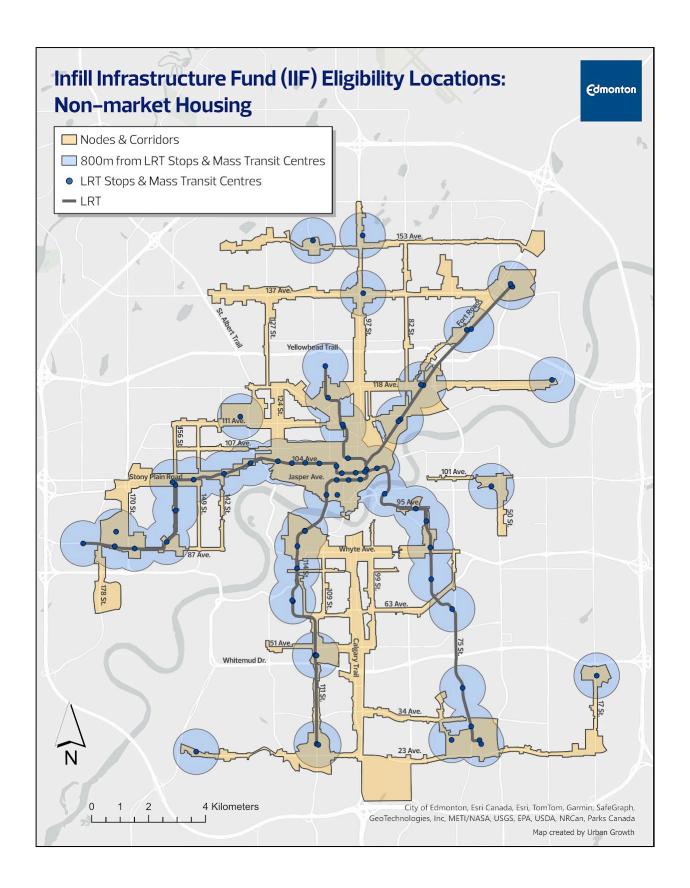
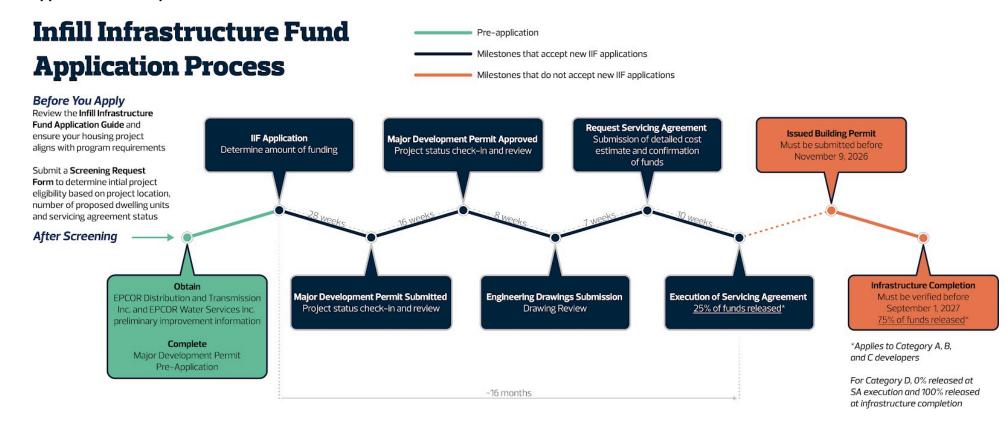


Figure 2. Eligible Locations for Non-Market Housing Developments



Appendix II: Development Timelines



Appendix III: Glossary

Completion Milestones:

- 1) Approved Construction Completion Certificate: As defined in the servicing agreement, if the City is satisfied that no deficiencies exist that will affect the operation and functionality of the public offsite infrastructure funded by the Infill Infrastructure Fund, and that no deficiencies exist that will create an unsafe condition, then the Construction Completion Certificate (CCC) inspection shall be approved and the Owners shall then apply for the issuance of the CCC. The final determination of whether a deficiency affects operation, functionality, or safety is at the sole discretion of the City.
- **2) Energization:** A developer/customer has passed inspection of their power service and EPCOR Distribution and Transmission Inc. (EDTI) infrastructure has been constructed and provided a connection to EPCOR's power grid in accordance with their service request as per EPCOR's <u>Customer Connection Guide</u>.

3) In-service:

Water Distribution: Water distribution infrastructure has been constructed and commissioned in accordance with <u>Volume 4: Water Design and Construction Standards</u> and the approved engineering drawings. Pressure testing and water quality testing (chlorine, bacteriological, and taste and odour) are complete, and deemed acceptable by EPCOR Water Services Inc. (EWSI). New infrastructure has been commissioned as per standards and the approved engineering drawings, and is supplying potable water.

Sewer: Sewer infrastructure has been constructed and commissioned in accordance with <u>Volume 3:</u> <u>Drainage Design and Construction Standards</u> and the approved engineering drawings. CCTV inspection of the sewer has been completed, reviewed and accepted by EPCOR Water Services Inc. (EWSI). Sewer is connected to the existing downstream live sewer system and is receiving (or capable of receiving) live flows.

Corridor: A place for movement, living and commerce that is anchored by the mobility system and well connected to surrounding communities¹. There are two types:

Primary corridor: Area along an arterial roadway that serves a citywide or metropolitan-level mobility function and as a destination in itself. Primary Corridors support residential and employment growth.

Secondary corridor: Area along an arterial or collector roadway that serves as a local destination for surrounding communities and supports residential and employment growth.

Developer Category: <u>Guidelines for Establishing Security in Servicing Agreements / Development Permits</u> describes the developer category and the amount of security required to be submitted to the City when entering in a servicing agreement.

¹ City of Edmonton. (2024). District Policy. https://pub-edmonton.escribemeetings.com/filestream.ashx?DocumentId=227021

Dwelling² means:

- 1. a self contained unit comprising one or more rooms accommodating sitting, sleeping, sanitary facilities, and a principal kitchen for food preparation, cooking, and serving. A Dwelling is suitable for permanent residence for a single Household; or
- 2. a Sleeping Unit, for the purposes of calculating Density for Supportive Housing or Lodging House Uses:

Market Housing: Market housing refers to non-subsidized properties that are bought and rented at market-rate or value³.

Nodes⁴: Centres of activity of different shapes and sizes that feature a variety of housing types, gathering places, a mixture of land uses and varying tenures and affordability. There are three types:

A Major Node is a large-scale urban centre that serves multiple districts and is typically anchored by large public institutions and employment centres that service multiple districts. Major Nodes offer a wide mix of land uses and higher density development connected by mass transit. These areas provide residents a diverse mix of housing and employment opportunities, and transportation options to connect to other Nodes.

A District Node: Smaller urban centres that include housing, employment and amenities serving multiple neighbourhoods.

A Local Node: A community focal point for business, services, gathering and housing with more development intensity. Local Nodes serve residential neighbourhoods through existing or new collections of commercial sites that are generally internal to neighbourhoods, sometimes nearby to civic spaces and centres, cultural facilities, places of worship and/or schools. Local Nodes are intended to be active and lively.

Non-Market Housing is operated, funded, or created through direct government subsidies. It includes other categories based on level of need by the residents, segmented into categories of affordable housing and social housing⁵.

https://www.edmonton.ca/sites/default/files/public-files/assets/PDF/AffordableHousingStrategy2023-26.pdf

² City of Edmonton. (2023). *Bylaw 20001*.

https://www.edmonton.ca/sites/default/files/public-files/assets/Bylaws/Bylaw20001.pdf?cb=1723412534

³ National League of Cities. (2024, January 9). What is market-rate housing? https://www.nlc.org/article/2024/01/09/what-is-market-rate-housing/

⁴ City of Edmonton. (2024). *District Policy*. https://pub-edmonton.escribemeetings.com/filestream.ashx?DocumentId=227021

⁵ City of Edmonton. (2023). *Affordable housing strategy 2023-2026*.