REPORT FOR ACTION WITH CONFIDENTIAL ATTACHMENT

Natural Resources Canada Zero-Emission Vehicle Infrastructure Program Contribution Agreement

Date: July 12, 2022
To: Board of Directors, Toronto Parking Authority
From: President, Toronto Parking Authority
Wards: All

REASON FOR CONFIDENTIAL INFORMATION

The attachment to this report is about a position to be applied to negotiations being carried out by Toronto Parking Authority (TPA).

SUMMARY

As part of its vision to become the world's best provider of sustainable parking, bike share and last mile mobility experiences, Toronto Parking Authority (TPA) is executing an ambitious rollout plan for Electric Vehicle (EV) Charging across the City of Toronto. The plan includes the installation of over 500 EV charging stations at TPA off-street parking facilities by the end of 2024 and a minimum of 50 additional on-street public EV charging stations before the end of 2023.

To support the acceleration of TPA's EV Charging Infrastructure Program, TPA submitted a June 22, 2021 proposal to Natural Resources Canada (NRCan) for funding through its Zero Emission Vehicle Infrastructure Program (ZEVIP). TPA's application included a request for $2.145 Million to help advance Phase 1 of TPA's EV Charging Program, which includes the installation of 429 Level 2 EV chargers at TPA's centrally-located off-street parking facilities by 2024.

Conditional approval of TPA's proposal was received on June 1, 2022. As a next step, TPA is required to enter into and execute a Contribution Agreement with NRCan, which will set out the terms and conditions under which TPA will be able to recover eligible costs from NRCan for the delivery of EV charging infrastructure identified in its application for funding.

The purpose of this report is to obtain authority from TPA Board of Directors for the President to negotiate, enter into and execute the Contribution Agreement.

RECOMMENDATIONS

The President, Toronto Parking Authority recommends that:

1. The Board of Directors of Toronto Parking Authority authorize the President, Toronto Parking Authority, to negotiate, enter into and execute a Contribution Agreement with Natural Resources Canada, generally in accordance with the terms and conditions outlined in the draft Contribution Agreement included in Confidential Attachment 1 and on such other terms and conditions or amended terms and conditions as may be acceptable to the President, Toronto Parking Authority, and in a form satisfactory to the City Solicitor.

2. The Board of Directors, Toronto Parking Authority, direct that the confidential information contained in Confidential Attachment 1 to the report (July 12, 2022) from the President, Toronto Parking Authority, remain confidential in its entirety, as it deals with a position to be applied to negotiations being carried out by the Toronto Parking Authority.

FINANCIAL IMPACT

As the successful recipient of funding under NRCan's ZEVIP, TPA will be eligible, subject to conditions, to recover $2.145 Million in funding for capital expenses related to EV charging infrastructure that is delivered over a 36-month period from the date in which the Contribution Agreement is executed.

Funding for the total project costs are included in TPA's approved 2022 Capital Budget and 2023-2031 10-year capital plan. Detailed financial information is contained in Confidential Attachment 1 within the proposed draft contribution agreement between TPA and NRCan.

DECISION HISTORY

There is no decision history relevant to this report.

COMMENTS

The Government of Canada has set ambitious federal targets of zero emission vehicles (ZEVs) reaching 10 percent of light-duty vehicle sales by 2025, 30 percent by 2030 and 100 percent by 2035 and has invested over $1 Billion to help make ZEVs more affordable and infrastructure more accessible. The 2002 Federal Budget included announcements for an additional $400 Million towards the ZEVIP and will support further deployment of zero emission vehicle infrastructure, bringing the total amount of funding to $680 Million that is available through 2027.

On June 22, 2021, TPA submitted an application to NRCan for $2.145 Million in ZEVIP funding against a total project cost of $4.935 Million for Phase 1 of its EV Charging Infrastructure Program. As per program guidelines, NRCan's contribution is limited to 50 percent of total project costs up to a maximum of $5 Million dollars per project. The entire $2.145 Million received from NRCan will be allocated towards funding Phase 1 of TPA's EV Charging Program.

Phase 1 of TPAs EV Charging Infrastructure Program includes the installation of 429 EV chargers at nearly 30 centrally-located off-street parking facilities by the end of 2024. Nine (9) of these facilities are co-located within multi-unit residential buildings (MURB's), while the remainder are located in close proximity to dense residential and employment uses.

In accordance with the requirements of the ZEVIP application, TPA plans to spend the funds on a variety of uses related to the project including salaries and benefits, professional services, capital expenses including the procurement and installation of equipment, licence fees and permits fees.

Should TPA Board of Directors adopt the recommendations of this report, TPA will negotiate, enter into and execute the Contribution Agreement with NRCan. Following execution, TPA will have 36 months to deliver the EV charging infrastructure and recover up to 50 percent of the eligible expenses from NRCan.

Opportunities for 2022 Funding

TPA will continue to pursue funding available for the deployment of EV charging infrastructure primarily through NRCan and The Atmospheric Fund. On or before, August 11, 2022, TPA will be submitting its application for the next round of NRCan's ZEVIP funding to support Phase 2 and 3 of the EV Charging Program, which includes the installation of EV charging infrastructure at both off-street surface car parks and on-street parking locations.

CONTACT

Jeffrey Dea, Vice President, Business Development, Toronto Parking Authority, 437-243-6545, jeffrey.dea2@toronto.ca

Philip Safos, Director, Business Development and Partnerships, Toronto Parking Authority, 647-229-4185, philip.safos@toronto.ca

SIGNATURE

W. Scott Collier, President
Toronto Parking Authority

ATTACHMENTS

Confidential Attachment 1 – Draft NRCan Contribution Agreement